

# **«Kcell» JSC Code of Ethics and Conduct**

## **1. GENERAL**

1. This Code of Ethics and Conduct of Kcell Joint Stock Company (the Code) has been developed in accordance with the laws of the Republic of Kazakhstan, the requirements of the Charter, the Corporate Governance Code and other policies and procedures of Kcell JSC (the Company) and is a set of rules and principles that guide all employees of the Company.

2. The Company has adopted and follows the principles of this Code in its dealings with shareholders, officers, employees, customers, suppliers, partners and other stakeholders in conducting business and making decisions, in both strategically important and everyday situations faced by the Company's officers and employees.

## **2. TERMS AND DEFINITIONS**

3. The following terms and definitions are used in this Code:

- 1) officer – Member of the Board of Directors, member of the Management Board of the Company;
- 2) stakeholder – a legal entity or an individual who exercise the rights and/or fulfill obligations related to the Company's activities;
- 3) image – perception by customers, partners and society of the Company's prestige, quality of its services and reputation;
- 4) client – an individual or a legal entity who use the services of the Company;
- 5) confidential information – information that has actual or potential commercial value due to its being unknown to third parties, the lack of lawful access to it, and the fact that the owner of this information takes measures to protect its confidentiality;
- 6) conflict – interaction of people who have incompatible, conflicting goals or ways of achieving these goals;
- 7) conflict of interest – a situation where the personal interests of one or more employees or members of their families go against those of the Company;
- 8) employee – a person who has an employment relationship with the Company and performs work under an employment contract;
- 9) leadership or executives - in this Code this applies to the Company's employees who hold the positions of Chief executive officers, Directors, Managers of business units or those carrying out their duties.
- 10) psychosocial climate is the result of the joint activity of people, their interpersonal interaction. It manifests itself in such group effects as the mood and opinion of the team, individual feelings and assessments of living and working conditions of an individual in the team.
- 11) personal data - information related to an identified or identifiable personal data owner, which is recorded on electronic, paper and (or) other tangible media.

## **3. PUPOSE AND OBJECTIVES**

4. The purpose of this Code is to develop the corporate culture across the Company and build effective interaction with stakeholders by applying business conduct practices.

5. The objectives of the Code are to create conditions necessary to balance the interests of the Company and those of employees, customers, business partners, shareholders, stakeholders, and state bodies, to improve production efficiency, to create and maintain a positive image of the Company in the local telecommunications market.

#### **4.SCOPE**

6. It is mandatory for the officers and employees of the Company to get acquainted and comply with this Code.

7. This Code is binding on and applies in all subsidiaries of the Company.

8. This Code will be posted on the Company's website.

#### **5. PRINCIPLES OF CODE OF ETHICS AND CONDUCT**

9. The principles of the Code are:

1) compliance with laws – abiding by the requirements of the legislation and the Company's internal documents, developed in accordance with the norms of law;

2) fairness – ethical treatment of employees, customers, and stakeholders;

3) integrity – acting in accordance high standards of ethics and facilitating the resolution of explicit and implicit conflicts of interest arising from the mutual influence of personal and professional activities; ensuring the protection as well as proper and fair use of the Company's assets

4) transparency - striving to ensure maximum transparency, openness and reliability of information about the Company, its achievements and performance;

5) responsibility - responsible attitude to the obligations established by the laws of the Republic of Kazakhstan, contractual relations, good business practices as well as the moral and ethical principles. The Company recognizes its social responsibility to the state and society;

6) competence and professionalism – possession by the Company employees of appropriate education, work experience, and the ability to make balanced and responsible decisions. The Company creates conditions for its Employees to improve their professional knowledge and skills, realize their professional and creative abilities, develop their potential, and provide career growth opportunities.

7) trust - commitment to a culture of mutual aid and trust;

8) meritocracy – fair and objective assessment of the employee's contributions and achievements as a candidate for a leadership position.

#### **6. OUR VALUES**

10. The fundamental corporate values that form the basis of the Company's activities are courage, openness/sincerity, caring, dedication.

##### ***COURAGE***

We dare to act, change ourselves and change everything around us! We know how to admit mistakes.

##### ***OPENNESS / HONESTY***

Действуем так, как говорим, а говорим так, как думаем. Всегда и везде. We act as we speak and we mean what we say. Always and everywhere.

## ***CARE***

We are genuinely interested, we share the joy, we appreciate, and we support. We care about our customers, each other, and our country.

## ***DEDICATION***

We inspire each other, we actively create, not observe! We invest time and energy! We consciously and unconditionally give more than what is expected of us.

## **7. ANTI-CORRUPTION**

11. The Company complies with all applicable anti-corruption laws and has zero tolerance for all forms of bribery and corruption under all circumstances. The Company expects everyone who works with us or for us to also demonstrate, exercise and maintain such intolerance. No employee may offer, promise, give or cause others to give money or anything of value to anyone, directly or indirectly, in connection in order to obtain or retain business or obtaining an undue advantage for the Company.

## **8. MAIN PRINCIPLES OF PREVENTING CONFLICTS OF INTEREST**

12. Conflict of interest management is one of the most important mechanisms to counter corruption. The Company pays great attention to the prevention and management of risks associated with conflicts of interest.

13. To prevent conflicts of interest, the Company is guided by the following principles:

1) priority of the Company's interests - employees and officers of the Company must make decisions and take other actions in accordance with the laws of the Republic of Kazakhstan, taking into account the interests of the Company and ignoring considerations of personal gain;

2) personal responsibility - employees, officers of the Company are fully responsible for resolving issues related to their private interests in such a way as to avoid, to the maximum extent possible, conflicts of interest arising in connection with their appointment to and subsequent tenure of the position.

14. While carrying out their duties, officers and employees shall be guided by the Company's interests and avoid situations or circumstances in which their personal interests would conflict with those of the Company.

15. The employees shall report in writing any actual (or potential) conflict of interest to their immediate manager and the Compliance Control Service. In the event of a conflict of interest, Company officers shall immediately notify the Corporate Secretary, the Chairman of the Board of Directors, the Chairman of the Management Board, and the Compliance Control Service to that effect.

16. The Company shall take all necessary measures to prevent a Conflict of Interest and to identify the circumstances that cause or could cause a Conflict of Interest. The Company determines measures to prevent a Conflict of Interest while ensuring that they are proportionate to the severity of threat to the Company's interests.

17. Where a Conflict of Interest cannot be prevented at the level of a business unit, the head of that unit shall, within one business day, report the Conflict of Interest to the Chairman of the Board and the Head of the Compliance Control Department, its causes as well as measures that have been or may be taken.

18. Ways to resolve and manage a Conflict of interest:

- 1) an employee withdraws from the process of taking decisions that could be affected by a Conflict of Interest;
- 2) restricting access to specific information for an employee involved in a Conflict of Interest;
- 3) re-election or transfer of the employee, with his/her consent, to another job in the manner prescribed by law and imposing the functions that exclude a Conflict of Interest;
- 4) review / change of job duties and functions of an employee involved in a Conflict of Interest;

- 5) termination of powers of the Company's employee in the manner prescribed by law;
- 6) elimination of a private interest by the employee involved in a Conflict of Interest;
- 7) taking other measures by the Company or an employee allowed by law to prevent and resolve conflicts of interest.

## **9. GIFTS AND HOSPITALITY**

19. The Company declares a complete ban on the giving and acceptance of gifts and hospitality by officers and employees while carrying out their duties.

20. Gifts and hospitality include not only cash, but also anything of value offered or received by employees and officers while carrying out their duties.

21. Acceptance and giving of gifts and hospitality may create an unreasonable expectation for a third party or the impression that the employee or officer favors the third party due to personal benefit rather than commercial reasons.

## **10. PROCUREMENT**

22. The employees and officers of the Company involved in procurement of goods and services for the Company, shall make decisions based on practical considerations, avoiding conflicts of interest, gifts and business hospitality. The Company does business only with those suppliers who comply with legal requirements and whose actions are in line with the Company's commitment to follow the principles of integrity, as set out in the Supplier Code of Conduct of Kcell JSC.

## **11. ANTI-MONEY LAUNDERING AND TERRORISM FINANCING**

23. The Company has zero tolerance to any form of money laundering or terrorist financing.

## **12. CONFIDENTIAL INFORMATION, PERSONAL DATA**

24. The employees and officers of the Company are granted access to confidential information that is the property of the Company, and in some cases - to the information that belongs to third parties within the scope of their authority (financial information, customer proprietary information, other information), subject to the requirements of personal data protection.

25. The employees and officers of the Company shall ensure protection of confidential information and personal data and shall not use it for personal gain or otherwise. The use of confidential information and personal data for personal gain is a violation of Kcell's corporate ethics and Confidential Information Policy.

26. In accordance with the requirements of the legislation of the Republic of Kazakhstan and internal documents of the Company, employees and officials shall not disclose commercial, official and other secrets protected by law.

27. The employees and officers of the Company shall comply with the rules and procedures provided for in the internal documents of the Company that ensure the security of confidential information, as well as personal data.

## **13. PROTECTION AND USE OF PROPERTY**

28. The employees and officers of the Company shall ensure the protection and preservation of the Company's property and resources, as well as their proper and efficient use.

## **14. PUBLIC RELATIONS**

29. The Company strives to reduce the digital divide by developing the infrastructure and services available in our marketplace. Our objective is to be a long-term investor and a good corporate citizen.

30. In its relations with Society, the Company:

- 1) operates with different offerings and price levels to make technology widely available and affordable;
- 2) to the extent practicable, engages in initiatives to promote digital literacy and projects that contribute to sustainable development of local communities;
- 3) recognizes the concerns related to exposure from electromagnetic fields due to the increased number of mobile terminals and base stations; cooperates with authorities, associations and organizations, and support research in the area;
- 4) does not engage in the politics of the countries in which it operates, nor does it make political donations; does not comment on politics or make political statements when representing our company. However, the Company does engage in dialogue regarding regulations that affect our business

31. In its social relations, the Company:

- 1) applies transparent mechanisms for financing socially oriented activities;
- 2) to the extent practicable, participates in socially oriented state programs, implements its own initiative projects while securing compliance with the requirements of law, regulatory documents of Samruk-Kazyna JSC, internal documents of the Company;
- 3) considers itself as an integral element of the social environment in which it operates and with which it strives to establish strong relationships based on the principles of respect, trust, integrity and fairness;

32. The Company strives for high ethical standards in relations with the public and the media, does not disseminate inaccurate/unreliable information, does not misrepresent facts in publications and speeches of its leadership, in its information, advertising or other public relations materials.

## **15. ENVIRONMENT**

33. The Company is committed to conducting our business in an environmentally sustainable way. The Company contributes to global sustainability by developing, promoting and utilizing resource-efficient and environmentally friendly services and through its actions to minimize the environmental impact of its own activities. The Company constantly looks for opportunities to maximize the use of best practices and synergies between our businesses.

## **16. RELATIONSHIP WITH OUR CUSTOMERS**

34. The Company strives to be the trusted, number one choice of current and potential customers, and aim to deliver high-quality and safe services that offer good value for money.

35. In its relations with customers, the Company:

- 1) presents its services and products in an honest manner; and does not use unfair or deceptive practices;
- 2) protects its customers' personal data and safeguards their privacy. Maintaining customer privacy is of utmost importance to the Company. The Company takes actions to prevent unauthorized access to personal data, only disclosing it when so required by the law;

- 3) prohibits illegal actions and statements towards its customer that do not correspond with reality;
- 4) while offering its services, does not participate in corrupt schemes and does not cover its employees involved in such schemes;
- 5) strives to be an organization that understands customers' current and future needs, meets their demands and strives to exceed customer expectations, by being flexible and responding quickly to market opportunities, increasing efficiency in using resources to improve customer satisfaction and increase customer loyalty, leading to long-term cooperation;
- 6) maintains a positive image of the Company, strengthens its reputation by observing corporate values, ethical principles and norms of conduct.

## **17. RELATIONS WITH STATE AUTHORITIES, SHAREHOLDERS, INVESTORS, CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND OTHER STAKEHOLDERS**

36. In its relations with government authorities, the Company:

- 1) complies with regulatory acts of the Republic of Kazakhstan, acts of state authorities, international treaties ratified by the Republic of Kazakhstan related to the Company's activity, the Charter of the Company and other internal documents regulating the Company's activity, as well as its Corporate Governance Code;
- 2) makes every effort to eliminate opportunities for corruption and other unlawful acts both on the part of public authorities, and on the part of the Company's officers and employees;
- 3) is guided by the principles of partnership, respect and constructive development.

37. In its relations with shareholders and other stakeholders, the Company:

- 1) is guided by the laws of the Republic of Kazakhstan, the Company's Charter and the Corporate Governance Code, principles of transparency, accountability and responsibility, as well as the principle of protection and respect for the rights and legitimate interests of its shareholders;
- 2) recognizes and respects the rights of shareholders and other stakeholders and strives to cooperate with them in order to develop its activities and secure financial stability;

38. The Company maintains relationships with its subsidiaries and affiliates in accordance with the laws of the Republic of Kazakhstan, the provisions of the Company's Charter and other internal documents of the Company, as well as the Charters of the subsidiaries and affiliates, the Corporate Governance Code and this Code.

39. In its relations with investors, clients, suppliers, business partners and other third parties, the Company:

- 1) is interested in sustainable expansion of its business and interaction with partners;
- 2) strives for long-term and mutually beneficial cooperation based on respect, trust, honesty and fairness;
- 3) complies with international standards of provision of the telecommunication services;
- 4) is client-oriented and guarantees the high quality of the services;
- 5) complies with the terms of contracts/agreements with business partners and fulfills its contractual obligations, and expects the same from its partners;
- 6) does not offer unreasonable benefits and privileges to its business partners;

7) when organizing joint ventures, mergers and acquisitions, the Company informs about its commitment to compliance with the law of the Republic of Kazakhstan and expects the same level of commitment from its business partner;

8) selects suppliers openly, giving preference to those who offer the most favorable price, quality of goods/services and have a good business reputation as a supplier;

9) does not engage with third parties with questionable business reputation;

10) in order to reduce exposure to corruption and fraud risks, conducts due diligence of customers, counterparties and suppliers.

40. The Company may hold hospitality events with third parties provided only that the following criteria are met: business breakfasts, lunches, dinners and hospitality events at a cost not exceeding the limits set by the Company for such type of expenses, provided that the meeting or event is of business nature.

41. When dealing with citizens and legal entities, the Company's employees and officers shall promote confidence in the Company and form a positive image of the Company, avoiding bureaucracy and red tape in dealing with their appeals.

## **18. RELATIONSHIP WITH OUR EMPLOYEES**

42. The Company adheres to the principles of objectivity and honesty when making personnel-related decisions.

43. In order to eliminate compliance risks when hiring, assessing, promoting and dismissing personnel, the Company implements effective control procedures.

44. The main responsibilities of the Company to comply with ethical standards include:

1) respect for human dignity, rights and personal freedom, building trust-based relationships with employees, giving everyone an equal opportunity to realize their own potential;

2) eliminating any forms of discrimination or harassment in the workplace, offensive or unacceptable behavior, from the standpoint of universal moral and ethical values. The Company prohibits:

a) discrimination against or harassment of employees (due to race, gender, religion, age, handicap);

b) invasion of privacy, for example: inappropriate comments, offensive jokes and remarks, personal humiliation, criticism without cause, isolation, intimidation;

c) physical invasion of personal space, for example: direct threats to cause harm, physical attacks (hitting, pushing, kicking), threatening behavior (waving hands, yelling, throwing objects from the table or toward the victim), destruction of property, intimidation;

d) harassment through abuse of one's position, i.e. intimidation and creating an intolerable work environment for subordinates. Excessive demands that cannot be met, demeaning demands, intrusion into privacy;

e) psychological abuse and humiliation at a personal and professional level or both (including gaslighting); isolation or neglect. Belittling or simplifying one's thoughts; discrediting or spreading rumors about an employee; objecting or challenging anything an employee says;

(f) bullying (harassment), for example: according to the levels of employees involved, bossing (initiated by a manager), mobbing (by colleagues), and sandwich mobbing (pressure from both sides). Bullying can be covert, that's when an employee is deliberately set up, secretly prevented from promotion, or his/her personal property is



damaged, gossip is spread behind his/her back, etc., or it can be overt, such in correspondence, unacceptable communication at meetings;

(e) harassment for reporting a possible violation of business ethics, law, rules and procedures, which is or is not subject to investigation;

g) sexual harassment, i.e. unwanted attention (sexual photographs (pornography), placing posters of a sexual nature in the workplace, inappropriate comments, jokes, questions, inappropriate touching, inappropriate sexual gestures, invasion of personal space in a sexual way).

3) fulfillment of obligations to its employees;

4) delegation of authority necessary for an employee to carry out their job duties;

5) prevention of attempts to involve personal, friendly, family and kinship relations in the implementation of the principle of equal opportunities, their influence on the employees' ability to make effective and sound decisions;

6) taking measures to prevent conflicts of interest;

7) creation of environment that facilitates professional development of employees, in order to improve their performance and achieve the goals set;

8) fair assessment of employees' performance taking into account their achievements at work when promoting them to a higher position.

45. Responsibilities of the Company employees:

1) to comply with the laws of the Republic of Kazakhstan, this Code, ethical standards and generally accepted norms of business ethics, implement the decisions of the General Meeting of Shareholders and the Board of Directors, the Management Board, as well as other internal documents related to the Company's activities;

2) to represent and protect interests of the Company, contribute to achieving strategic goals of the Company, bear personal responsibility for the quality and results of their work;

3) to carry out their professional, job functions, job duties in good faith, avoiding conflicts, acting in the best interests of the Company and shareholders;

4) to be respectful and courteous, respect the honor and dignity of colleagues and other persons, without discrimination on the grounds of origin, social, official or property status, sex, race, nationality, language, religion and other beliefs, place of residence or any other circumstances;

5) to display modesty, to be guided by the interests of the Company while carrying out their official duties, preventing abuse of authority for personal gain, to consider unacceptable appropriation of tangible and intangible assets/benefits of the Company;

6) to report immediately to the Compliance Control Service any personal commercial or other interest (direct or indirect) in transactions, contracts, projects related to the Company by following the established procedure, avoid any contacts that might lead to or suggest a conflict of interest between personal activities and the business of the Company.

7) to respect the state and other languages, traditions and customs of people living in Kazakhstan;

8) to create a stable positive moral and psychological climate in the team and the corporate spirit of the Company, excluding conflicts;

9) to provide other employees with reliable information in a timely manner and in compliance with the confidentiality norms stipulated by law and Company's policies and procedures;

10) to avoid red tape and bureaucracy when dealing with requests from citizens and legal entities, to act upon and respond within the established deadlines;

11) to exercise special care to prevent unauthorized disclosure or inappropriate use of company confidential information. The Company aims for openness, and encourages exchange of knowledge and experience within the boundaries of confidentiality;

12) not to offer or accept gifts and hospitality.

13) to improve professional competence, learn about the latest achievements of new technologies;

14) to share the positive work experience and acquired knowledge with colleagues;

15) to adhere to the rules of conduct in the team, the culture of telephone conversations and correspondence outside of the work-related chats, outside business hours, to follow the business dress code at work in accordance with the provisions of internal documents of the Company;

16) to report to the Compliance Control Service any actual or suspected violations of laws, regulatory requirements, internal documents of the Company by persons whose actions/inactions may cause material or reputational damage to the Company.

46. Responsibilities of the Company's officers and leadership:

1) to make management decisions in accordance with the requirements of this Code, by personal example demonstrate commitment to the ethical standards established in the Company and reflected in this Code;

2) to show "zero tolerance" to any manifestations of corruption by the Company officers and employees;

3) to develop mentoring, promote team building as a group united by common goals, values and principles;

4) to timely inform about possible someone's personal interest in the matter under consideration and not to participate in the discussion and voting on the issues if there is a private interest in a positive solution of that issue;

5) to prevent unjustified accusations against subordinates;

6) not to induce subordinates to commit unlawful misconduct or acts incompatible with generally accepted moral and ethical norms;

7) to perform their job duties in good faith, strictly rejecting the vicious practice of receiving (giving) gifts, unlawful receipt (offering) of property benefits and advantages;

8) to act in the interests of the Company in relations with employees, customers, suppliers, business partners, shareholders, stakeholders and state bodies;

9) to be guided by the principles of transparency and adequacy when making decisions;

10) to maintain a favorable, healthy social and psychological climate in the teams.

47. The employees and officers of the Company may, directly or anonymously, reach out to the Compliance Control Service with regard to the ethical issues arising in connection with this Code, as well as to report any non-compliance and other misconduct and request those to be acted upon, without retaliation or infringement of the rights of employees reporting misconduct.

48. Without prejudice to their rights, stakeholders may, through the Compliance Control Service, report any unlawful or unethical actions of the Members of the Management Board to the Board of Directors.

49. The Compliance Control Service will only rely on established facts and verified information when considering negative ethical situations, as well as facts of corruption and other misconduct.

50. All violations of ethical norms as well as corrupt behavior and other misconducts will be considered in accordance with the norms of the legislation of the Republic of Kazakhstan and internal documents of the Company.

## **19. RESPONSIBILITY**

51. This Code shall be binding upon all employees and officers of the Company. For violation of the requirements stipulated by this Code, any employee, regardless of the position held, may be subject to appropriate types of disciplinary penalties in the manner prescribed by the Labor Code of the Republic of Kazakhstan.

52. Executives and officers of the Company bear personal responsibility for creating unhealthy psychosocial climate at work.

53. This Code is a public document and can be freely accessed by the Company among employees, shareholders, clients, partners, and other interested parties.

## **20. FINAL PROVISIONS**

54. The Code of Ethics and Conduct of Kcell JSC shall be approved by the Board of Directors of the Company.

55. This Code may be amended or modified from time to time in accordance with the established procedure.