

**Sustainable development Policy of
“Uzbektelecom” Joint Stock Company**

Tashkent

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The Policy of “Uzbektelecom” joint stock company for sustainable development

1 General provisions

1.1 The Policy of “Uzbektelecom” joint stock company for sustainable development (hereinafter referred in as the “Company”) (hereinafter referred in the “Policy”) has been developed in accordance with the legislative documents of the Republic of Uzbekistan, the charter for the company, corporate management code, internal control regulation and other internal documents of the company.

1.2 The Policy is the main document that determines the Company's directions for sustainable development.

The implementation of this Policy will help to solve the following tasks:

- to form the basis for a centralized management system;
- to expand and improve practices in the field of environmental, social and corporate governance (ESG), promote a responsible approach to social and environmental issues, and introduce best practices in corporate governance;
- to ensure transparency of activities by introducing non-financial reporting in accordance with international standards.

1.3 This Policy shall come into effect from the date of approval..

1.4 The Company will regularly update this Policy in accordance with changes in the legislation of the Republic of Uzbekistan and international standards.

2 Scope of application

2.1 The Policy applies to all branches and structural divisions of the Company, all service processes and other activities carried out by the Company.

2.2 The provisions of this Policy are taken into account by the Company's management when making management decisions and planning the Company's activities in the medium and long term.

3 Terms, definitions and links

3.1 The following terms and definitions are used in this Policy:

ESG (Environmental, Social and Corporate Governance) - is a set of characteristics, criteria and standards of sustainable development in the field of environmental protection, social development and corporate governance, which the Company takes into account when making management and investment decisions.

Mutual cooperation with the stakeholders - processes implemented in the Company to involve interested parties in its activities and take their opinions into account in decision-making in order to achieve agreed-upon results.

Stakeholders - An individual and/or legal entity or group of individuals

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who influence the results of the Company's activities and/or are influenced by the Company.

Nonfinancial report - a set of data and non-financial indicators reflecting the goals, approaches and results of the Company's activities on all important issues of sustainable development, environmental protection, social development and corporate governance.

Environment - components of the natural environment, natural and natural-anthropogenic objects, as well as a set of anthropogenic objects.

Area of activity - Administrative-territorial units in which the company operates.

GRI standards - Global Reporting Initiative uniform standards and recommendations for the preparation of non-financial statements developed by the international organization.

Sustainable development - achieving the goals of the long-term development strategy while maintaining a balance of interests of all interested parties by applying the principles of continuous technological renewal and re-equipment aimed at ensuring the integrity and social responsibility of activities, rational use of natural resources, production safety, environmental friendliness and efficiency.

SDG of UN – The United Nations Sustainable Development Goals, developed by the UN General Assembly to improve the well-being of planet Earth and protect it.

3.2 The Company's policy and activities take into account regulatory legal acts regulated by the legislation of the Republic of Uzbekistan, as well as international documents in the field of sustainable development, within the framework of its implementation.

4 Functions

4.1 The main purpose of this Policy is to establish the general principles of the Company's activities in the field of sustainable development, which the Company must adhere to.

5 Principles of Sustainable Development

5.1 Openness, accountability, transparency, ethical behavior, respect for the interests of stakeholders, observance of human rights, zero tolerance for corruption, avoidance of conflicts of interest, and personal example are the guiding

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principles of the Company's sustainable development. .

5.2 Disclosure of principles:

Openness - We are open to meetings, discussions and dialogue: we strive to build long-term partnerships with interested parties based on mutual benefit, respect for rights and a balance between the interests of the Company and interested parties.

Accountability - We are aware of our responsibility for the impact on the economy and the environment; We are aware of our responsibility to shareholders and investors for the growth of the Company's value and its sustainable development in the long term; We strive to minimize the negative impact of our activities on the environment and the Company by treating resources (including energy, raw materials, water) carefully, introducing high-performance, energy- and resource-saving technologies; We undertake to promote services aimed at achieving sustainable development goals; we pay taxes and other fees stipulated by law to the state budget; we create jobs within the framework of our development strategy and capabilities; we strive to contribute to the development of the region in which we operate within the framework of our strategy and available financial capabilities; we make sound and rational decisions and do this at every level, from the level of officials to employees; we strive to use resources economically and responsibly, to introduce innovative technologies aimed at increasing labor productivity; our products, goods and services must meet the standards of consumer health and safety established by law and have the appropriate quality; we value our customers.

Transparency - our decisions and actions must be clear and transparent to our interested parties. We will disclose information in a timely manner as required by law and our documents, taking into account the standards for protecting confidential information.

Ethical behavior - our decisions and actions are based on our values of respect, openness, team spirit and trust, honesty and fairness.

Respect - We respect the rights and interests of interested parties arising from legislation, concluded contracts or indirectly within the framework of business relationships.

Observance of human rights - We respect and promote human rights as enshrined in international documents such as the Constitution of the Republic of Uzbekistan and the Universal Declaration of Human Rights; We strictly prohibit and do not accept the use of child labor; our employees are our main value and main resource, their professionalism and safety are directly related to the results of our activities and the value created for investors. Therefore, we attract professional candidates from the labor market on an open and transparent basis and develop our

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employees based on the principle of meritocracy; ensure the safety and health of our employees; conduct health care programs and provide social support to employees; create an effective system of employee motivation and development; create conditions for employees and comply with working time standards; develop a corporate culture.

Zero tolerance for corruption - Corruption undermines the value created by the Company for our shareholders, investors, other interested parties and society at large; we declare zero tolerance for any form of corruption in our interactions with all interested parties. Officials and employees involved in corrupt activities are dismissed and held accountable in accordance with the procedure stipulated by law; Internal control systems in the company, including measures aimed at preventing, detecting and detecting corruption-related offenses and crimes.

Avoiding conflicts of interest - Serious violations related to conflicts of interest may damage the Company's reputation and undermine the trust of shareholders and other interested parties in the Company; the personal interests of an official or employee should not affect the impartial performance of their official and functional duties; In its relations with partners, the company takes measures to prevent, identify and eliminate conflicts of interest, hoping to establish and maintain the most reliable relations, in which the parties must act honestly, conscientiously, fairly and loyally towards each other.

Personal example - Each of us contributes to the implementation of sustainable development principles in our actions, behavior and decision-making every day; officials and employees holding management positions should encourage the implementation of sustainable development principles by their personal example.

The company's priorities in the field of ESG and sustainable development

6.1 In accordance with the selected main goals, the Company carries out activities in the field of sustainable development in the following main areas:

6.1.1 Promoting the socio-economic development and well-being of existing territories

The Company is aware of its responsibility towards its customers and local communities in its business. In this regard, one of the main directions of the Company's activities is to support economic growth and improve the quality of life of the population in the regions where it is located: creating jobs through the creation of high-quality infrastructure facilities, supporting cultural and sporting events, sponsorship activities, supporting a healthy lifestyle, and expanding businesses.

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6.1.2 Environmental protection

The company strives to reduce the negative impact of its activities on the environment and implement best practices in the field of an ecological approach to construction, including designing buildings, landscaping territories, using modern resource-saving engineering systems and more environmentally friendly materials, taking into account the optimal level of energy efficiency and environmental friendliness during their operation.

The Company's strategic goals in ensuring environmental protection include the following plans and initiatives, some of which are being implemented in the Company and its branches:

- The Company plans to ensure the implementation of a unified environmental management system in accordance with international standards, taking into account all national recommendations and requirements;
- The Company ensures environmental safety at all its used administrative facilities, including its branches;
- The Company monitors compliance with the requirements of environmental protection legislation at all its branches (including when services are provided by external organizations);
- The Company plans to eliminate pollutants emitted from stationary sources at its facilities, including its branches;
- The Company plans to record and control the generated production and consumption waste, and ensure their safe collection in accordance with the requirements of environmental protection legislation;
- The Company ensures continuous training of employees and managers responsible for ensuring environmental safety, as well as increasing the level of environmental education of all employees of the Company;
- The Company develops and implements a set of preventive actions aimed at eliminating the possibility of an accident and environmental damage;
- furthermore, within the framework of the implementation of investment projects, the Company undertakes the following obligations in order to protect the environment and prevent negative impacts on the environment, as well as minimize such risks in existing areas:
 - support the implementation of projects and technologies that contribute to the reduction of carbon emissions;
 - implement an environmental risk management system for its investment projects to reduce the impact on the environment and society;
 - assess and prevent risks associated with climate change and biodiversity loss within the framework of the implementation of investment projects;

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– comply with the requirements for projects in accordance with the principles of environmental and social responsibility established by the recommendations of international organizations, including financial institutions, as well as the requirements of internal regulatory documents within the framework of the Company's social and environmental risk management.

6.1.3 Developing high-quality products that meet the requirements of sustainable development

The company takes measures to widely introduce products that meet the basic requirements of target consumer groups in a particular segment for the quality, functional, sensory and other characteristics of the product, but also provide for the most efficient use of resources and minimize the use of materials and technologies that have a negative impact on human health and the environment.

6.1.4 Introduction of innovations

The company attaches importance to developing and implementing innovations to improve business processes and reduce environmental impact.

6.1.5 Ensuring industrial safety

Ensuring safety and caring for people's health are one of the priorities of the Company's sustainable development. To implement this direction, the Company implements a policy based on the following principles: establishment, implementation, maintenance and continuous improvement of a health and safety management system; openness to dialogue with all interested parties, primarily employees of the Company; management of risks associated with epidemics.

6.1.6 Employee development and team retention

In the area of human resources management, the Company is working to increase efficiency by attracting, developing and retaining talented employees. The Company provides employees with various opportunities for professional and career development: competitive salaries, career planning, performance-based awards, education and training programs based on the corporate university, third-party training programs, various types of cost co-financing, as well as non-material incentives.

6.1.7 Providing equal opportunities

The Company strictly adheres to a policy of combating discrimination based on age, race, ethnicity, gender or other characteristics and makes every effort to ensure that the realization of professional opportunities depends solely on the

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personal and professional qualities of the employee. The Company strives to support a corporate culture based on mutual respect and the active participation of all employees in the life of the Company.

6.1.8 Building human resources capacity

The company considers it its mission to form young specialists with the necessary knowledge and skills. In order to create human resources for the industry, the company cooperates with leading higher educational institutions, invites students to industrial practice, gives lectures and participates in other educational events.

6.1.9 Introducing and promoting an ethical approach to business conduct, fighting against corruption and fraud

The Company complies with legal requirements, international standards, as well as the Company's internal regulatory requirements in its activities; ensures a fair selection procedure for suppliers and contractors; strives to work with counterparties who have an impeccable reputation and comply with legal and generally recognized norms of corporate and business ethics, as well as other requirements in the field of sustainable development; implements an internal audit and risk management system, and also uses a single trust line on issues related to corruption, fraud and violations of corporate ethics as an additional control tool to monitor compliance with the law and ethical standards.

6 Mutual cooperation with the stakeholders

7.1 The Company strives to create an effective system of cooperation with interested parties based on the following basic principles: respect for interests and mutually beneficial cooperation; timely information about all aspects of the Company's activities; regularity and consistency of interaction; identification of interested parties' expectations; compliance with these obligations; striving to maintain a balance of interests in the decision-making process; cooperation in all key areas of the Company's activities.

7.2 Based on the practice of interacting with interested parties and assessing the significance of their impact on the Company's current activities and its strategic development, the Company has identified the following groups and their interests:

- **government bodies:** Interested in compliance with the requirements of

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the legislative acts of the Republic of Uzbekistan, the Company's appropriate participation in the implementation of priority strategies for the socio-economic and cultural development of the country and regions;

- **shareholders and creditors:** Those who are directly interested in the long-term growth of the company's share value;

- **employees and Trade union:** They expect full implementation of labor legislation and employment contract norms, creation and maintenance of safe and acceptable working conditions, and provision of jobs with competitive wages and social guarantees;

- **clients:** interested in the quality and continuity of services provided, improving service standards and introducing innovations;

- **partners and suppliers:** Interested in cooperation based on the principles of mutually beneficial cooperation, transparency, compliance with ethical standards, reinforced by legislation and the Code of Conduct for employees of Uzbektelecom Joint-Stock Company;

- **competitors:** interested in increasing their market share;

- **international organizations:** expects interest in international cooperation;

- **financial institutions (banks):** expects interest in placing free funds and servicing special accounts;

- **population:** quality of services provided, attractiveness of service tariffs, employment, receipt of charitable assistance, health safety of interested parties;

- **public organizations and media:** Interested in adequately and timely informing the public about the hopes and concerns of local communities, increasing transparency, ensuring the independence and freedom of public organizations, and enhancing their expert capacity

7.3 It is important for the Company to listen to all interested parties. In order to quickly and effectively resolve individual and collective appeals and complaints, the Company has formal communication channels that guarantee a response and protection from retaliation for any person who leaves a message:

- on the official website | Uztelecom.uz | the legal and physical address, phone numbers and e-mail of the company are indicated.

7.4 All issues related to stakeholder engagement are detailed in a separate policy for mutual cooperation with the interested parties.

7.5 The company provides interested parties with reports on appeals received through communication channels. The reports are published on the official website Uztelecom.uz.

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7.6 The company plans to report on environmental and social performance annually, which will be published as a separate publication in its annual report or other publicly available document.

7 Commitment to the 8 UN Sustainable Development Goals

8.1 In developing its sustainable development policies, measures and approaches, the Company is guided by the United Nations (UN) Sustainable Development Goals, stakeholder interests and an assessment of industry risks and impacts. Taking into account the main stakeholder groups, the scope of its activities and its own capabilities, the Company subscribes to the UN Sustainable Development Goals and identifies some of them as priorities for itself.

8.2 The composition of the company's main goals in the field of sustainable development may change depending on the improvement and formation of clearly measurable target indicators.

8.3 In accordance with best practices and international standards, the Company will assess its contribution to the achievement of the UN SDGs by common goals, the results of which will be disclosed in the Company's non-financial reporting.

8 Principles for Sustainable Development Reporting

9.1 The company undertakes to prepare an annual sustainability report, taking into account the protection of information constituting service, commercial and other secrets protected by law.

9.2 When preparing the sustainability report, the Company adheres to the international standards of non-financial reporting GRI, SASB, IFRS S1 S2 (today, the Company prepares its sustainability report based on the GRI (Global Reporting Initiative) sustainability reporting guidelines), and also takes into account the recommendations and requirements in the field of ESG information disclosure regulated by the national legislation of Uzbekistan.

9.3 The sustainable development report is approved by the Company's management and brought to the attention of interested parties by posting it on the corporate website, and issues in the field of sustainable development are included in the agenda of the Company's Supervisory Board meetings, as appropriate.

9 Responsibility

10.1 The Company's management undertakes to implement the principles

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and goals set forth in this Policy. The Company's employees are appointed to be responsible for ensuring environmental safety and implementing environmental control of production in accordance with the organizational structure of the Company and its structural divisions, their job responsibilities.

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