



# **LOCAL COMMUNITIES**

#### MANAGEMENT APPROACH

#### **GRI 3-3**

The Company is committed to contributing to the development of the regions where it operates. We provide local populations with quality telecommunications and internet access, help reduce the digital divide between urban and rural areas, and support those in urgent need.

The key document governing engagement with local communities is the Local Community Engagement Policy.

This Policy establishes a unified approach for Kazakhtelecom JSC in managing relationships with local executive authorities, civil society organizations, and local populations in the Company's regions of operation. It is aimed at maintaining constructive and positive relations with these stakeholders.

The Policy is based on the principles outlined in the following international instruments: the United Nations Global Compact, the Universal Declaration of Human Rights, and the International Labour Organization Conventions. It also aligns with the UN Sustainable Development Goals.

The core principles of the Policy include:

- Contribute to the socio-economic development of the regions where the Company operates through its business activities.
- Promote the improvement of quality of life for members of local communities in areas of presence.
- Maintain constructive relationships with local communities by taking into account their opinions, interests, perspectives, and preferences.

- Comply with the laws and regulations of the Republic of Kazakhstan.
- Minimize social and environmental risks and impacts on local populations in the regions where the Company operates.

## GRI 203-1

The Company does not have dedicated departments responsible for implementing local community engagement programs. This is due to the Charity Policy of Samruk-Kazyna JSC, under which all charitable and sponsorship activities of the Samruk-Kazyna Group are carried out by the Samruk-Kazyna Trust Social Development Foundation.

The key areas of charitable support provided by the Samruk-Kazyna Trust Social Development Foundation in 2024 included:

- Support for medical, childcare, and other social institutions;
- Improvement of healthcare services, primarily for orphans, children without parental care, and those from single-parent, low-income, and large families, including through the organization of diagnostics, treatment, and rehabilitation:
- Creation of inclusive environments for children with special needs;
- Assistance to the most vulnerable groups of the population, including low-income individuals in need of care and guardianship;

- Promotion of disease prevention, public health, and healthy lifestyles;
- Support for the development of culture and the arts;
- > Support for the development of sports;
- Community development through support of civic initiatives.



More about the activities of the Samruk-Kazyna Trust Foundation on the website sk-trust.kz

# SUPPORT FOR LOCAL COMMUNITY DEVELOPMENT

## GRI 3-3, 413-1

Kazakhtelecom JSC operates across the entire territory of Kazakhstan and plays a significant role as one of the country's largest employers and taxpayers. The Company fully and timely fulfills its tax obligations, ensuring a high level of transparency.

50.156

# **KZT** billion

the total amount of tax payments in 2024

Recognizing its responsibility to the regions in which it operates, Kazakhtelecom JSC is committed to strengthening its positive impact on local communities by taking a comprehensive approach within its Development Strategy. The Company actively contributes to the development of regional labor markets by providing jobs and creating employment opportunities.

Economic value is generated through the Company's core activities and distributed through wage payments to employees, dividends to shareholders, taxes and other mandatory payments, procurement of goods and services, and voluntary social investments.

Kazakhtelecom JSC takes a responsible approach to the impact of its operations on the environment, local communities, and biodiversity. More details are available in the section "Impact on Biodiversity."

The Company's contribution to the local and national economy, as well as to local communities, is reflected in:

- its direct business activity and focus on improving operational efficiency;
- > the creation of direct and indirect jobs;
- > the implementation of social investment initiative.





### Flood Relief Assistance

In 2024, Kazakhtelecom JSC took prompt and comprehensive support measures in response to the large-scale floods that affected various regions of the Republic of Kazakhstan. The Company did not stand aside in the face of this disaster and allocated significant resources to assist both affected residents and its own employees.

As part of a decision made by the Board of Directors, Kazakhtelecom JSC allocated KZT 1 billion through the Samruk-Kazyna Trust Fund to provide financial support to the affected regions. This decision was part of the Company's strategic approach to social responsibility during times of crisis.

Special attention was given to supporting internal staff. A total of 112 employees of the Company were affected by the floods. Through the work of the Social Commission, they received financial assistance during this difficult time, totaling KZT 22.4 million. In addition, as a gesture of solidarity, Kazakhtelecom employees organized a voluntary fundraising effort, in which KZT 35 million was withheld from their salaries and directed to support their affected colleagues.

The Company also highly appreciated the contributions of its employees who participated in post-flood recovery efforts across the regions. For their active involvement and dedication, each of the 388 employees was awarded a one-time bonus of KZT 100.000.

#### COMPANY ENGAGEMENT WITH LOCAL COMMUNITIES

#### GRI 2-26, 2-29

Kazakhtelecom JSC takes into account the interests, expectations, and opinions of employees, partners, local communities, and other stakeholders in the planning and implementation of its projects.

The Company regularly engages in constructive and respectful dialogue with local communities, aiming to address their needs and minimize potential risks associated with its operations.

Key methods of engagement with local communities include:

- Providing up-to-date information through media publications about development plans and Kazakhtelecom's performance in the field of sustainable development.
- Conducting surveys and questionnaires via corporate media channels to understand the opinions of local communities regarding initiatives planned in regions of operation.
- > Addressing inquiries through feedback channels.
- Planning and implementing social investment and charitable activities as part of socio-economic support in the regions.
- Engaging in direct dialogue through participation in joint meetings, working groups, and standing committees with representatives of local communities.
- Establishing effective cooperation with local government authorities to promote regional development.

Kazakhtelecom JSC actively participates in the implementation of the national "Comfortable School" project, aimed at modernizing the country's educational infrastructure. This pilot project seeks to eliminate emergency school facilities, reduce the practice of three-shift school schedules, and address the shortage of student seats in general education institutions nationwide.

According to Task No. 14 of the project's Action Plan (Annex 12), all schools built under the national project must be provided with Internet access at speeds of at least 100 Mbps. To fulfill this requirement, the construction of fiber-optic communication lines (FOCL) is planned in accordance with Kazakhtelecom's technical specifications. The total number of schools included in the project is 217.

#### STRUCTURE OF PLANNED FOCL CONNECTIONS:

161 schools (74%) funded by local executive bodies

52 schools (24%) funded from Kazakhtelecom JSC's operational reserve

4 schools (2%)
as part of the Comprehensive
Business Plan

#### **RESULTS AS OF THE END OF 2024:**

104 schools constructed

68 schools

31 schools connected

to Kazakhtelecom JSC's

telecommunications services

## Plans for 2025 and the medium term

- Set Company-wide goals or objectives for local community development (support for regions of presence) and define timelines for achieving them.
- Continue monitoring programs for local community development (regional support) and charitable initiatives.