

Kazkommertsbank reports results of its social activities in 2010

02 March, Almaty. – Kazkommertsbank being a participant of Global Compact on social corporate responsibility of business has presented its report on social activities in 2010, majority of which were conducted via Kus Zholy charity foundation.

The Bank has allocated more than **KZT122 million** for implementation of sponsorship and charity projects in 2010. The shareholders of the Bank have decided not to reduce the financing of socially important projects during the crisis. In the last four year, the financial support of the Bank amounted to **KZT450 million**, majority being charity.

Since its inception in 1991 the Bank has spent more than **US\$18 million** for charity and sponsorship.

“The Bank’s approach towards sponsorship and charity has changed significantly in the past 20 years. We’ve started from assistance to people in need and public organizations, and turned to comprehensive understanding of social responsibility of the Bank”, said Mr. Magzhan Auezov, the President of Kus Zholy charity foundation and Managing Director of Kazkommertsbank.

The first corporate foundation, established by the top management of the Bank, was created in Kazakhstan in 2004. In 2005 Kazkommertsbank became a party to the Global Compact as a first Kazakh private company, which announced a necessity to develop corporate social responsibility.

Corporate social responsibility (CSO)

Based on the principles of the Global Compact, the Bank sees the major objective of corporate social responsibility of business in sustainable social development due to effective banking business, providing necessary financial services to its clients, participation in the government support programmes, exploiting opportunities for employees and the clients as well as implementation of socially important charity and sponsorship programme at the local and national levels.

Kazkommertsbank is one of the largest employers in Kazakhstan; more than 6 thousand people currently work in the Bank. The social responsibility to the employees including professional growth and social protection. Apart from stable salary, Kazkommertsbank provides annual medical insurance totaling to KZT61 million. Around KZT25 million is spent annually for training and professional growth programmes.

The Bank contributes to environmental protection providing loans and supporting respective client projects. A resource-saving new technologies are being successfully developed. Homebank (for individuals) and Onlinebank (for companies) Internet portals enable the customers to make distant financial operations via Internet. Thus, 300 thousand Homebank users and 7 thousand Onlinebank users are able to save paper, energy and their time.

The Bank is represented by 162 branches (as at 1 October 2010) across Kazakhstan, and is one of the largest taxpayers to the republican and local budgets.

Charity

National charity projects initiated by the Kus Zholy charity foundation are implemented in cooperation and with support from regional authorities. The charity assistance amounted to **KZT96 million** in 2010, and it allowed to [implement projects in health care, education, culture and support to social initiatives](#).

As of today the Foundation initiates own social and charitable projects inviting non-governmental and other institutions to join on an equal social partnership principle.

«To increase efficiency of social investments and ensure transparency of social activity the Fund has turned to a new level of social technologies», – said Marina Bukhantsova, Executive Director of Kus Zholy Charity Foundation .

Social partnership principle means working on a top priority areas together with a partner involving the Bank's clients and employees to implementation of projects. There are 6 major programs and projects being implemented by SF Social Foundation Kus Zholy on a county's scale: the «Guardian Angel», the «Victory

Day», « Get known of us!», « Look at stars», the « Program on Travel Grants», the « Scholarship of Kazkom» . The Foundation also acts as a partner in an action « Grant children a Life» and others.

Not standing still on targets and aims realized Kus Zholy Charity Foundation keeps studying the best practices and approaches to apply them for corporate social responsibility of Kazkommertsbank. The Foundation employs innovative approaches aiming to provide the social community with the most transparent ways and technologies in social activity.

Sponsorship

For the time being sponsorship of Kazkommertsbank is intended on long-term partnership based of the principle of "Brand-to-Brand". First of all being a Kazakh bank, Kazkommertsbank supports programs initiated by major national institutions in culture – Abai State Academic Theater of Opera and Ballet, Kurmangazy Kazakh State Conservatoire, Kasteev State Museum of Art of the Republic of Kazakhstan. In 2010 sponsorship aid amounted to more KZT **26 million**.

About Kazkommertsbank

Kazkommertsbank (KKB) is one of the largest banks in Kazakhstan and Central Asia with total assets of KZT 2,698.4 billion (US\$ 18.3 billion equivalent) at 30 September 2010. In addition to its core banking business (retail and corporate) KKB has subsidiaries active in pension fund management, asset management, insurance and brokerage. KKB also has foreign subsidiaries in the Russian Federation, Kyrgyzstan and Tajikistan.

Major shareholders of Kazkommertsbank include the Central Asian Investment Company and Chairman of the Board Mr. Nurzhan Subkhanberdin, Alnair Capital Holding, the Kazakh Government through the Samruk-Kazyna National Wealth Fund and the European Bank for Reconstruction and Development. KKB's predecessor, Medeu Bank, was founded in July 1990, and re-registered as Kazkommertsbank in October 1991. KKB completed an IPO in GDR form on the London Stock Exchange in November 2006, the first CIS bank to do so, in a deal totaling \$845 million. The Bank's shares are listed on the Kazakhstan Stock Exchange.

Further information can be found at <http://en.kkb.kz>.

Kus Zholy charity foundation was established in 2004 by the top management of Kazkommertsbank for corporate social responsibility purposes. The budget of the foundation is formed from allocations from net income as well as voluntary contributions of the Bank's employees, partners and the clients. The foundation implements projects across the country via Kazkommertsbank branches. The foundation has defined charity strategy and implementation principles.

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