

# Air Astana Community Investment Policy

## OWNER –

Vice President Corporate Communications

## SCOPE

Air Astana supports, sponsors and contributes to the activities of charitable/not-for-profit, or other organisations, where the activities are aligned with our principles of responsible business conduct, are in support of the Community Investment Strategy of Air Astana, and where a measurable impact to the community can be demonstrated.

This policy mandates the minimum standards applied to Community Investment activities:

- Employee Fundraising
- Employee Volunteering
- Charitable Donation
- Charitable Sponsorships
- Non-charitable Sponsorships

## DEFINITIONS

**Charitable Donation** - any financial or in-kind contribution given to a Charitable Organisation for which no tangible benefit is received.

**Social Fund** a non-profit organisation without membership founded by individuals and/or legal entities based upon voluntary property contributions, and pursuing social, charitable, cultural, educational and other socially useful objectives. Social fund shall be a legal entity represented by its corporate bodies in public transactions and keeping independent balance sheet and bank account.

**Charitable Sponsorship** - any financial or in-kind contribution given to a Charitable Organisation for which a tangible benefit is received. Sponsorships do not include the purchase of memberships or any other activities with for-profit entities, which serve as a marketing/advertising tool.

**Community Investment (CI)** - the umbrella programme for all community initiatives, including both financial and other non-financial support.

**Community Investment Coordinator** - the representative assigned as responsible for executing and reporting Community Investment activities.

**Company Giving** - any financial or other support in the form of goods or services given by the Company to a Charitable or Non-charitable Organisation in the form of a sponsorship or donation, where a measurable impact to the community can be demonstrated.

**Employee Fundraising** - any activity organised and approved by the Company where employees take part in, and raise funds for, a Charitable Organisation.

**Employee Volunteering** - any activity organised and approved by the Community Investment Coordinator where employees volunteer time (within the approved volunteer guidelines) which directly aims to benefit a Charitable Organisation.

**Community Investment Committee** - a formally constituted committee tasked with overseeing the Community Investment activities of Air Astana.

The Terms of Reference and current membership of the Community Investment Committee can be found in the Air Astana Community Investment Supporting Manual.

**Non-charitable Organisation** - an organisation that has not been categorized as a not-for-profit by the Charity Commission, the Internal Revenue Service or comparable tax organisation.

**Non-charitable Sponsorship** - any financial or in-kind contribution of Non-charitable Organisations and/or customer-focused and education events including, but not limited to, sponsorship of conferences, or events that specifically support business winning objectives. This could include business winning or heritage sponsorships.

**Community Investment Supporting Manual** - A manual that provides procedural guidance on community investment activities.

**Third-Party Fundraiser** - an Air Astana supported activity to raise funds for charity which is neither organised nor run by Air Astana.

**Individual Charity** - provision of targeted (direct) support to the neediest population groups (children from poor families with incurable medical conditions in the RK; veterans of the RK Civil Aviation in need of treatment abroad). The Company will provide airtickets to children and relatives (as required) travel for an operation. Each case to be considered on an individual basis.

## POLICY

### 1 General

1.1 The VP Corporate Communications shall ensure that:

- a. A Community investment Strategy is developed, maintained, reviewed and approved by the President at an appropriate interval, and is made available to all employees having Community Investment responsibilities;
- b. A Community Investment management process is applied by forming a Community Investment Committee (CC and Marketing & Sales Dept) with defined Terms of Reference and membership which supports the Businesses to plan and execute their Community Investment activities;
- c. The Community Investment Committee consists of the VP Corporate Communications, Social Projects Coordinator for CC Projects and SVP Marketing & Sales and Marketing and Brand Development Manager for marketing projects. The CC and M&S Team Members are accountable for their respective activities only and independently. The Committee reports to the President. CC Activities are those conducted either as a charity or are used to support the image of the Company. M&S Activities are those that deliver in return tangible marketing activities that support the brand of the company through a defined and direct marketing exposure as part of the event.
- d. The two departments are delegated to take decision on the projects in their competency as defined in 1.1.c without requiring approval or agreement from the other department. However, they will communicate their activities closely in order to ensure an alignment amongst the Company's activities.
- e. Community Investment procedures and good practice guidance are available to all employees having Community Investment responsibilities by creating and maintaining a Community Investment Supporting Manual;
- f. Exceptions due to unforeseen circumstances (e.g. disaster relief) shall be referred to the appropriate Community Investment Committee for approval prior to committing to Community Investment activities;
- g. Updates are provided to the President on a monthly basis and the Board of Directors biannually by the VP Corporate Communications as part of the regular report of the President of the Company.

1.2 Community Investment Coordinator shall ensure that:

- a. Procedures are in place with regard to approvals for Community Investment activities and spend;
- b. Community investment activity is budgeted as part of the CC Budget or the M&S Budget as per the definition in 1.1.c;
- c. Community Investment is not paid to Third-Party Fundraisers;
- d. Prior to a Charitable Sponsorship or Charitable Donation being committed, the charity must be vetted through a recognized external organization appropriate to the regional location to ensure that the funding shall be used for charitable purposes;
- e. Sponsorship of an event or activity for the benefit of a small or closed group of individuals, particularly from the, supplier or governmental community, e.g. Samruk-Kazyna, is considered carefully to make sure that no impropriety results. In general, all Community Investment activities shall be tested against the general principle that it does not, and does not appear to, place actual or potential suppliers or government officials under any obligations;
- f. All Employee Fundraising and Employee Volunteering for charitable purposes are conducted in accordance with the financial and legal procedures, as set out in the Community Investment Supporting Manual;
- g. All Community Investment expenditure and Employee Fundraising is reported through the normal business processes of the Company and validated in accordance with the procedure as set out in the Community investment Supporting Manual.

## **2 Management and Approvals**

- 2.1 The Community Investment Committee shall oversee and report to the President on all Community Investment activities including Employee Fundraising activities.
- 2.2 Departments holding non-charitable and charitable sponsorship and donation budgets shall follow the Reporting Sponsorships and Donations procedure found in the Community investment Supporting Manual.
- 2.3 Approval form can be found in Annex A of this policy.

## **3 Reporting**

- 3.1 The Community Investment Coordinator shall ensure that all Community Investment activities are reported using the approved in accordance with the Company rules.
- 3.2 The VP Corporate Communications shall provide an annual update on Community Investment activities to the SVP Planning and Commercial for inclusion in the annual report
- 3.3 The VP Corporate Communications shall have available all information necessary to provide updates to the Board of Directors through the established regular reporting by the President of the Company.
- 3.4 The VP Corporate Communications shall have available all information necessary to provide updates to the Corporate Responsibility Committee.

## **FURTHER INFORMATION**

Examples of procedures and good practice in Community Investment are available in the Air Astana Community Investment Supporting Manual located at:

[csr@airastana.com](mailto:csr@airastana.com)

For further information and guidance on Community Investment, contact the Corporate Communications Department.

**ANNEX A - Air Astana Community Investment Approval Form**

<b>Department</b>		<input type="checkbox"/>
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**PROJECT DETAILS**

<b>Name of project/activity:</b>	
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**Type of project/activity:**

*(double click on check box to mark as appropriate)*

**Value:**

- Donation
- Charitable sponsorship
- Non-charitable sponsorship

**What is proposal**

Brief description of the project/activity. No more than 50 words.

**Why it's proposed**

Brief description of the outputs of the project/activity to the Company and the recipient organisation:

**Benefits to Air Astana**

Benefits that will be provided as a result of the sponsorship/donation (in bullet form):

<b>CONTACT DETAILS</b>		
<b>Contact details for recipient organisation:</b>		<b>Point of contact for Air Astana:</b>
Organisation:		<i>Name:</i>
Name of contact:		<i>Department:</i>

**BUDGET AND APPROVALS**

<b>Budget Holder</b>		
Which budget will be funding this project/activity		

Initiator :

Department Head:

**FOR COMMITTEE USE ONLY**

Rating in meeting Air Astana company giving criteria  /10	For sponsorships only: rating of business benefits to AIR ASTANA  /10
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**APPROVALS**

*Line leader / Line of Business/*

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Committee Signature:		Date:	
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*Community Investment Committee (as appropriate)*

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Committee Signature:		Date:	
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