



KAZAKHEXPOR**T**



BAITEREK

ANNUAL REPORT

KAZAKHEXPOR**T** EXPORT
INSURANCE COMPANY JSC

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ABOUT COMPANY

ABOUT THE REPORT

GRI 102-1, 102-5, 102-7

EXPORT INSURANCE COMPANY KAZAKHEXPORT JSC

(hereinafter – KazakhExport or the Company)

observing the balance of interests of stakeholders, is aware of the importance of its impact on the economy, environment and society to ensure the sustainable development of the country.

In order to achieve sustainable development goals, the Company follows to the main provisions of its Development Plan, as well as international norms of conduct and principles set out in international standards in the field of sustainable development.

KazakhExport integrates the principles of sustainable development into key business processes, ensuring the consistency of its economic, environmental and social goals for sustainable development in the long term.

On an annual basis, KazakhExport discloses the results of its activities in annual reports presented on the corporate website

kazakhexport.kz

THE KAZAKHEXPORT ANNUAL REPORT FOR 2023

(hereinafter referred to as the Report)

has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, taking into account the ten principles of the UN Global Compact and the seven principles of the UN Women Initiative, Guidelines on disclosure of information in the field of environmental, social and corporate governance, as well as the provisions of the Corporate Governance Code and other internal documents of the Company.

The report highlights the results of KazakhExport’s activities, achievements and success, work on strategic objective, issues of corporate governance and activities in the field of sustainable development and future development plans.

GRI 102-46

GRI 102-44, 102-47, 103-1

DEFINITION OF MATERIAL TOPICS

KazakhExport ESC JSC conducts annual surveys of internal and external stakeholders to identify significant topics in accordance with the updated standards of the Global Reporting Initiative (GRI 2021) in the field of sustainable development.

When preparing the list of significant topics, the Company's activities, topics recognized as significant in the last reporting period, as well as topics recognized as significant by the Guidelines on Disclosure of Information in the field of environmental, Social and Corporate Governance (ESG) for banks and other financial organizations approved by the Agency of the Republic of Kazakhstan for Regulation and the development of the financial market.

Most executives of global companies consider sustainable development to be one of the priorities of their business, annually set goals in the field of sustainable development, and believe that sustainable initiatives lead to an improvement in the financial and economic situation of the company. The financial sector plays a crucial role in sustainable development,

In 2023 it was also applied a three-stage approach to identifying the most significant material topics, which allows us to produce a useful comprehensive report for stakeholders. Materiality assessment was carried out in accordance with the requirements of international GRI standards. As part of the assessment, a list of material topics was agreed, and a materiality matrix was drawn up:

as being a vital engine of economic growth, it performs several tasks: financing "green" projects, developing "green" financial products, reducing its own negative footprint on the environment and issuing "green" bonds.

The great responsibility of financial organizations arises as a result of possible reputational risks.

Many companies start working on sustainable development goals with different starting conditions and prioritize sustainable development goals, setting an example of responsible business conduct.

The conducted opinion poll of interested parties made it possible to identify and identify significant topics necessary for disclosure in the Company's activity reports.

During the preparation of the basic list of significant topics, there were no significant changes in their list compared to the list for 2022.

Materiality assessment process



1 STEP

preparation of a basic list of significant topics – compiling a list of the most frequently disclosed topics by companies



2 STEP

assessing the importance of topics by questioning external and internal stakeholders

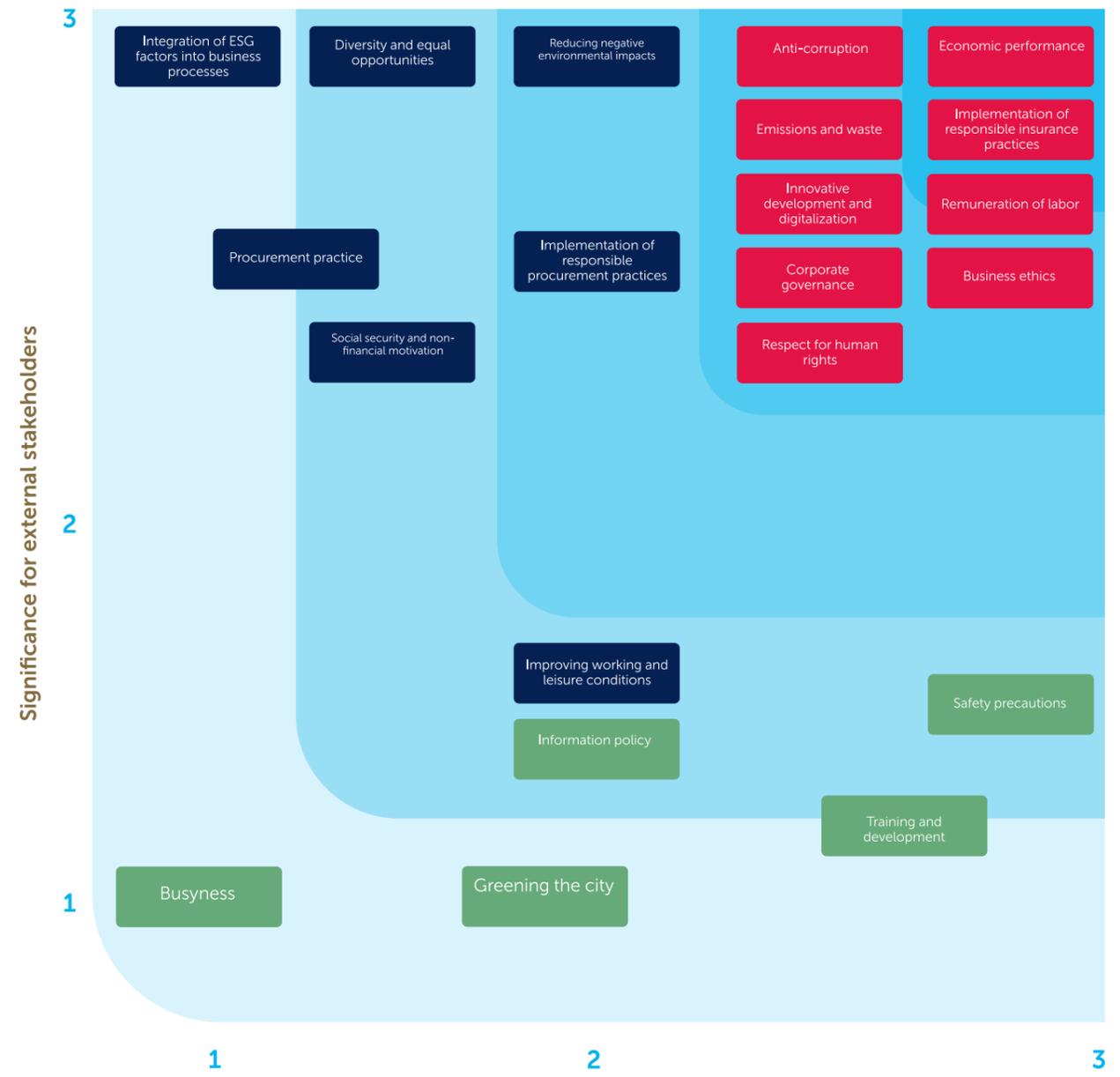


3 STEP

analysis and compilation of the final rating of topics, the results of which formed the final materiality matrix - graphical visualization (appendix 1).

MATERIALITY MATRIX

The result of the work on identifying material topics was the materiality matrix, which reflects the entire range of requests and opinions of stakeholders regarding information disclosure by the Company.



High degree (red)
The average degree (dark blue)
Low degree (green)

ESG

MATERIAL TOPICS	PRINCIPLES OF THE UN GC	UN SDGs	DIRECTIONS OF THE SUSTAINABLE DEVELOPMENT POLICY
<p>Measures of the Company to reduce the negative environmental impact (implementation of the "green office" program, rational use of electricity, heat and water)</p> <p>Measures of the Society for the greening of the city (organization of subbotniks, participation in city environmental events)</p> <p>Measures taken by the Company to implement the practice of responsible insurance (compliance with the environmental requirements of the law, review of projects for compliance with environmental requirements, the procedure for providing information on the environmental impact by counterparties)</p> <p>Measures taken by the Company to implement the practice of responsible procurement (compliance with the environmental requirements of the law, the procedure for providing information on the environmental impact by counterparties)</p> <p>Emissions and waste (carbon footprint, waste paper collection and recycling methods)</p>	<p>Principle 7: The business community should support a precautionary approach to environmental issues.</p> <p>Principle 8: The business community should take initiatives to increase environmental responsibility.</p>		<p>Charter 2. Paragraph 2. Managing your own environmental impact.</p> <p>Charter 2. Paragraph 1. Promoting the sustainable development of the national economy</p>
<p>Employment (recruitment and hiring; staff turnover)</p> <p>Remuneration and performance management of employees (grading system; employee involvement)</p> <p>Diversity and equal opportunities, including gender equality (cases of discrimination; labor disputes; significant changes in working conditions; activities of the Ombudsman)</p> <p>Social security and non – material motivation of the personnel in the Company (social support, organization of team – building events, skill competitions, etc.)</p> <p>Training and development (training and advanced training programs, conducting trainings/seminars) Assessment of observance of human rights (human rights in the Company, training in the field of human rights, evaluation of export projects for observance of human rights)</p> <p>Improvement of working and rest conditions (organization of safe working conditions, assessment and improvement of working conditions)</p> <p>Safety (industrial safety issues, safety regulations, training events, fire safety seminars and in office premises, building evacuation drills)</p>	<p>Principle 1: Business community must support and respect the protection of internationally proclaimed human rights.</p> <p>Principle 2: The business community should not be complicit in human rights violations.</p> <p>Principle 3: The business community must support freedom of association and the real recognition of the right to collective bargaining.</p> <p>Principle 4: The business community must advocate for the elimination of all forms of forced and compulsory labor.</p> <p>Principle 5: The business community must advocate for the complete elimination of child labor.</p> <p>Principle 6: The business community must advocate for the elimination of discrimination in labor and employment.</p>		<p>Chapter 2. Paragraph 3. Responsible labor practices</p>
<p>Economic performance of the Company (created and distributed economic value; income from core activities; other income; labor costs; taxes and other mandatory contributions; payments to capital suppliers; net profit)</p> <p>Corporate governance (control and reporting system, relations between the company's management, board of directors and stakeholders, gender equality)</p> <p>Information policy of the Company (disclosure of information, placement in the media, on the Internet, on a corporate Internet resource, holding press conferences, developing a media plan)</p> <p>Procurement practices (procurement system for goods, works and services; share of local content in procurement; management and evaluation of impacts in the supply chain)</p> <p>Business ethics (economic and social responsibility to all stakeholders, respect, fairness and transparency)</p> <p>Combating corruption in the Company (informing about policies and methods of combating corruption and training them, checking the ethical integrity of counterparties)</p> <p>Innovative development and digitalization (service quality management, increasing the level of staff and customer satisfaction, automating business processes, switching to electronic document management)</p> <p>Compliance with legislation in the field of insurance (assessment of the effectiveness of the information security system, and internal control in the field of combating the legalization of proceeds from crime and the financing of terrorism)</p>	<p>Principle 9: The business community should promote the development and dissemination of environmentally friendly technologies.</p> <p>Principle 10: Business community must resist all forms of corruption, including extortion and bribery.</p>		<p>Chapter 1. Paragraph 4. Interaction with Stakeholders</p> <p>Chapter 2. Paragraph 1. Promoting the sustainable development of the national economy</p> <p>Chapter 2. Paragraph 4. Responsible business practices</p> <p>Chapter 3. Paragraph 4. Corporate Governance</p> <p>Chapter 3. Paragraph 6. Risk management and internal control</p> <p>Chapter 3. Paragraph 7. Financial support</p> <p>Chapter 3. Paragraph 8. Sustainability Disclosures</p>

ADDRESS BY THE CHAIRMAN OF THE BOARD OF DIRECTORS

GRI 102-14



Rustam KARAGOISHIN

Chairman of the Board of Directors
Export Credit Agency of Kazakhstan JSC

DEAR COLLEAGUES, PARTNERS AND INVESTORS!

KazakhExport is currently a single operator for the promotion of non-primary exports. The company provides exporting enterprises and financial institutions with a wide range of insurance financial support measures at all stages of the export cycle.

The results of KazakhExport's activities in 2023 showed the effectiveness of fulfilling the tasks set to support domestic exports. Despite the general unstable situation in the global economy, complex processes in foreign markets, the company has reached a record mark in terms of support for Kazakhstani exporters of non-primary services and goods.

This year marks the 20th anniversary of the company's operation. Along with the fulfillment of priority tasks related to the consistent and sustainable stimulation of the development of non-primary exports, increasing the volume of support for Kazakhstani exporters of the country's non-primary sector and the formation of the practice of financial, insurance and non-financial support for Kazakhstani enterprises, KazakhExport paid great attention to solving strategic tasks.

In 2023, the Government of the Republic of Kazakhstan increased the total capacity of KazakhExport by providing a state guarantee for export support in the amount of 129.2 billion tenge with a validity period of 10 years in order to further accept additional insurance obligations.

The received state guarantee for export support will allow the level of the insurance portfolio to be maintained within the available aggregate capacity, which will maintain a high degree of reliability of KazakhExport, trust in the company from financial institutions and foreign export credit agencies, as a result of which domestic exporters of non-primary goods and services can receive financial support from KazakhExport in the implementation of export activities. In particular, to attract long-term financing from international financial institutions and second-tier banks under KazakhExport insurance coverage, rely on trade financing from their foreign counterparties, reduce financial risks under their export contracts and apply other KazakhExport export support tools.

A strong foundation has been laid for future progressive development, and a great foundation has been made for further progress and the assignment of KazakhExport to the status of an export credit agency through the adoption of the Law of the Republic of Kazakhstan "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan on the export credit agency and promotion of exports of non-primary goods (works, services)", which developed by the Ministry of Trade and Integration of the Republic of Kazakhstan in cooperation with KazakhExport.

The company will continue to stimulate the development of the export potential of the business, contributing to increasing the competitiveness of Kazakhstani goods and services in foreign markets, expanding tools to support exporters.

ADDRESS BY THE CHAIRMAN OF THE BOARD

GRI 102-14



Aslan KALIGAZIN

Chairman of the Board of
KazakhExport

DEAR CLIENTS, PARTNERS AND COLLEAGUES!

Summing up the results of 2023, we note that last year was quite productive for KazakhExport. Despite the economic and geopolitical difficulties, we managed to adapt to external circumstances and make progress in supporting Kazakhstani exporters, creating more favorable conditions for their activities in international markets. A large and systematic work has been carried out to stimulate the development of non-resource exports through financial and insurance support for export-oriented enterprises, as a result of which, thanks to proactive actions, KazakhExport was able to achieve core key indicators.

The scope of support for Kazakhstan exporters of the manufacturing sector reached a record 324.8 billion tenge for the Company, which is as much as 25% more than in 2022. It should also be noted a significant increase in the amount of export contracts supported by us, which exceeded 1.5 trillion tenge. These contracts were concluded with 436 foreign importers.

In 2023, KazakhExport provided support to 70 exporters, 27 of whom received it for the first time. The number of exporters receiving support through pre-export and export-trade financing instruments increased compared to 2022, from 13 to 17, respectively. The volume of pre-export and export-trade financing provided in 2023 amounted to 19.3 billion tenge, which is 38% higher than the planned value. The supported enterprises operate in key economic sectors such as the food and chemical industries, mechanical engineering, the agro-industrial complex, metallurgy, and others.

In the reporting year, KazakhExport incentivized financial institutions to support domestic exporters in the amount of 246 billion tenge, using exclusively insurance products without attracting budgetary funds.

In the past year, we continued to develop and strengthen cooperation with foreign partners, including export credit agencies, commercial insurers and international organizations. Clear examples of the accomplished work are the signed agreements with the backbone financial institutions of Uzbekistan and Tajikistan on stimulating demand for imports of goods and services from Kazakhstan with the attraction of financing under a letter of credit, with Iran in the field of guarantees and insurance of export credits and investments, with Kyrgyzstan within the framework of reinsurance.

In 2023, work was done to extend and significantly improve the conditions of obligatory reinsurance agreements with one of the largest reinsurance companies in the world – the Swiss Reinsurance Company and the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC). Facultative reinsurance agreements were concluded with ICIEC and Jusan Garant Insurance Company JSC, and master reinsurance agreements were signed with several insurance companies from CIS countries. All of these allows not only to provide Kazakh exporters and foreign importers with the most comfortable and efficient business conditions, but also to integrate the best world practices into KazakhExport business processes.

The success of KazakhExport's activity last year was noted by the international rating agency Moody's Investors Service, which confirmed the insurance financial stability of KazakhExport at the level of "Baa2" and the issuer's outlook "stable" in accordance with the sovereign rating.

The Ministry of Trade and Integration of the Republic of Kazakhstan, in collaboration with KazakhExport, developed the Law of the Republic of Kazakhstan "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan on Issues of the Export Credit Agency and Promotion of Exports of Non-Primary Goods (Works, Services)," which was signed by the Head of State on January 23, 2024.

In general, KazakhExport is steadily moving towards its set goals. The priority tasks include further increasing the volume of non-primary export support, improving the quality of provided services, and expanding the support tools for exporters. I express my gratitude to clients, partners and colleagues for productive cooperation and aspiration to contribute to the development of exports of non-resource goods and services.

I am sure that the results achieved will become a solid foundation for the further development of the support system for Kazakhstan's non-resource exports!

I wish you well-being and prosperity!

ABOUT COMPANY

KazakhExport is a national company and is classified as a national development institution in the field of non-primary export development and promotion.

KazakhExport, through non-resource export insurance, takes an active part in the implementation of the tasks set to create favorable conditions for the promotion of Kazakhstan products in order to increase the volume of non-

resource exports of goods and services up to USD 41 billion by 2025.

The company provides exporting enterprises of the enterprises of the manufacturing sector and banks with a second level of insurance protection against the risk of non-payments in foreign trade operations and guarantees the security of export transactions.

GRI 102-2, 102-9

BUSINESS MODEL

Today, KazakhExport, as an insurance organization, carries out activities that include:

1
voluntary insurance, where insurance support is provided to the exporter at all stages of the export cycle

2
reinsurance is carried out for the purpose of transferring and accepting insurance risks

3
placement of conditional deposits in second-tier banks is carried out in order to provide exporters with trade and pre-export financing

The activity of KazakhExport is based, first of all, on the need and ability to cover commercial and political risks to support national exports of goods, services and investments abroad.

KazakhExport provides insurance instruments to support national exports, developed in accordance with the best international practices in the field of export credit insurance, as well as suited to the needs of potential and existing clients.

SUPPORT AT ALL STAGES OF THE EXPORT CYCLES

- ◆ Reducing the risk of non-payment under export contracts
- ◆ Increasing exports, entering new markets
- ◆ Creation of an export-oriented enterprise
- ◆ Assistance in attracting working capital
- ◆ Modernization of production, increase in capacity

OPPORTUNITIES AND BENEFITS

- ◆ "Safe Entry" Strategy to New Markets
- ◆ Financing of a foreign buyer for the purchase of Kazakhstan goods/works/services
- ◆ Exports on the terms of deferred payment
- ◆ Protection of Kazakh investments abroad from political risks
- ◆ Financing in the bank when there is not enough collateral to replenish working capital and investments
- ◆ Improving credit conditions for the exporter and importer
- ◆ Accepting the risk of non-payment by the overseas buyer

COVERED RISKS UNDER INSURANCE

Political risks

- ◆ Restriction or prohibition on currency conversion, transfer of payments
- ◆ Riots, civil unrest, war
- ◆ Termination or non-execution of the contract by a government agency of a foreign state
- ◆ Restriction or prohibition of the supply of goods by a foreign state
- ◆ Insurance payment – up to 100% of the export credit amount

Commercial risks

- ◆ Failure by the buyer to fulfill contractual obligations
- ◆ Bankruptcy of the buyer, liquidation
- ◆ Bankruptcy of a foreign bank
- ◆ Insurance payment – up to 100% of the export credit amount

SUPPORT TOOLS

A wide range of insurance products provides maximum risk management opportunities for both exporters and banks that finance the export operations of Kazakhstan enterprises.

Opportunities and benefits for the exporter

- ◆ We will help reduce the risk of loss in case of non-payment by a foreign buyer and check it for reliability free of charge
- ◆ We will help you get a bank guarantee and hedge currency risks
- ◆ We finance a foreign buyer to buy your goods
- ◆ Replenish your working capital
- ◆ We will help you get an advance from a foreign buyer

Product

- Export credit insurance
- Insurance of short-term receivables of the exporter
- International factoring insurance
- Insurance of losses of exporters related to the performance of works/provision of services
- Insurance of civil liability of the exporter for urgent foreign exchange transactions
- Civil Liability insurance of the exporter to financial institutions
- Export trade finance
- Pre – export financing
- Down payment insurance
- Loan insurance
- Insurance of civil liability of the exporter for bonds
- Down payment insurance

KazakhExport has **18 support tools** in its arsenal, which were created based on international practice, specific problems of exporters and real cases of the Company's clients. Thus, 18 tools have been formed that allow solving certain problems and needs of exporters.

Product name	Brief description of the product	Product name	Brief description of the product
Export credit insurance	The instrument provides the exporter with protection against of non-fulfillment of financial obligations by a foreign counterparty when selling products, works/services for export with the condition of deferred payment.	Project finance insurance	The tool allows a credit institution to obtain insurance protection against the risk of non-payment by a Kazakhstan enterprise (exporter) of its obligations under a loan agreement on project financing. A credit institution provides the exporter with a loan for an investment project (project financing), the purpose of which includes the development of exports.
Insurance of short-term receivables	The instrument is designed to protect exporters and financial institutions that provide them with financing from the risk of non-payment by foreign buyers. With this product, the exporter can insure the entire portfolio of export contracts with deferred payment.	Financial leasing insurance	The tool provides access to leasing products for the acquisition of equipment in cases of insufficient collateral and/or the lessor's unwillingness to fully assume the risk of the transaction.
Pre-export financing	Financing the exporter to replenish working capital in order to produce export products or perform works/services.	Civil liability insurance of the export to financial institutions	The tool allows a financial institution to obtain insurance protection against the risk of non-payment by a Kazakhstan enterprise (exporter) for its obligations under the guarantee.
Insurance of civil liability of the exporter for the return of advance payments	The instrument provides protection to a foreign company (importer) that purchases Kazakhstan goods/services from a Kazakhstan company on an advance payment basis.	Insurance of bank guarantees issued by a foreign bank	The tool provides protection to banks and exporters against the risk of non-fulfillment of obligations by a foreign bank under the issued guarantees within the framework of executing export contracts.
Third party liability insurance for band exporters	The instrument allows to attract financing for the development of export potential and provides protection against the risk of default to holders of bands issued by exporters.	Insurance of civil liability of the exporter for urgent foreign exchange	The instrument provides banks with insurance coverage against the risk of non-performance by exporters of obligations under foreign currency futures contacts.
Insurance of losses of the exporter related to the performance of work, the provision of services	The tool provides a Kazakhstan enterprise (exporter) with protection under export contacts providing for the performance of works/provision of services on a deferred payment basis, from the risk of non-payment by a foreign counterparty (importer) in case of unreasonable and unmotivated evasion/refusal to accept the work performed/services rendered by the importer.	International factoring insurance	Insurance protection of a financial organization for factoring operations against the risk of non-fulfillment by foreign counterparties of their contractual obligations.
Export letter of credit insurance	The product provides the exporter's bank (confirming bank) with protection against the risk of non – fulfillment of financial obligations by the issuing bank that opened a documentary letter of credit on behalf of the importer in favor of the exporter.	Insurance of a credit institution when financing a foreign counterparty	The tool allows a credit institution to obtain insurance protection against the risk of non-payment by a foreign counterparty (importer) on its obligations under the credit agreement.
Export trade finance	A tool introduced to stimulate demand for Kazakhstan products from foreign buyers. The tool is provided to foreign companies for the purchase of Kazakhstan goods through Kazakhstan second-tier banks as part of a letter of credit form of payment.	Loss insurance for financial institutions	The instrument allows a financial organization to obtain insurance protection against the risk of non-payment by a Kazakhstan enterprise (exporter) for its obligations under a financial services agreement (opening a letter of credit, issuing a bank guarantee, a forward foreign exchange transaction, providing a loan (loan, financing).
Loan insurance	The instrument provides a financial institution with protection against the risk non-fulfillment of financial obligations by the exporter under a loan agreement for working capital replenishment or investment purposes. The tool provides the exporter with the opportunity to obtain financing when there is a lack of collateral. The bank grants the exporter a loan, with the purposes including the development of exports.	Insurance of Kazakhstan investments	The instrument allows a Kazakh investor to receive insurance protection against the risk of a foreign company not paying for its obligations under an investment agreement.

STAGES OF COMPANY DEVELOPMENT

GRI 102-10



DYNAMICS OF KEY INDICATORS



The scope of KazakhExport support for Kazakh exporters in 2023 reached a record high of

324,8 billion tenge

During the reporting period, support was provided under KazakhExport's instruments for

619 contracts with importers

The total amount of these export contracts was

1 574,4 billion tenge

Support was provided to

91 exporters, 70 of whom received support in 2023. Among these, 27 were new partners with whom there had been no previous cooperation. They established trade relations with 436 foreign buyers.

Key performance indicator	Unit	2018	2019	2020	2021	2022	2023		% Of compli- tence
		Fact		Fact	Fact	Fact	Plan		
Strategic indicators									
Volume of accepted insurance liabilities	Billion tenge	90,2	97,8	134,63	204,7	259,1	302	324,8	108
The volume of provided pre-export and export-trade	Billion tenge	-	-	-	-	20,02	14	19,3	138
Amount of export contracts	Billion tenge	420	544	589	326,5	1135,8	1100	1574,4	143
Number of export contracts	units	334	368	374	212	553	403	619	154
Number of exporters supported by KazakhExport	amount	27	42	40	26	21	25	27	108
The volume of export earnings by enterprises using KazakhExport support tools	Billion tenge	-	-	-	-	591,5	364	619,1	170
The number of employees in enterprises that received support from KazakhExport	units	-	-	-	-	5 624	8 101	11 243	139
ROA	%	3,3	3,4	3,7	1,53	1,57	1,48	3,36	227%
Financial indicators									
Net profit for the year	Billion tenge	1,59	2,36	3,86	2,01	2,27	2,23	4,95	222%
Assets at the end of the year	Billion tenge	48,65	88,20	122,87	139,4	149,85	151,79	153,39	101%
Equity at the end of the year	Billion tenge	43,31	79,19	109,44	114,2	113,01	114,30	117,53	103%

*Financial indicators for the period from 2018 to 2022 are stated before revision according to IFRS 17.

KEY EVENTS FOR 2023

GRI 102-10

On February 15, 2023, by Government Resolution No. 126,

KazakhExport

KazakhExport was designated as the Sole Operator for the promotion of non-primary exports.

Dividends were paid to the sole shareholder of NMH Baiterek JSC in the amount

1,59
billion tenge

A record value was reached in terms of the volume of assumed obligations in the amount of

324,8 billion tenge

By Government Resolution No. 1161 dated December 21, 2023, a decision was made to provide KazakhExport with a state guarantee for export support in the amount of

129,2
billion tenge with a validity period of 10 years.

KEY EVENTS OF THE DIGITAL TRANSFORMATION

Digitalization and automation play a crucial role in KazakhExport's business model, ensuring increased customer focus and functionality. The company strives to integrate advanced technological solutions, which not only optimize internal processes but also create products and services to meet customer needs. Additionally, the focus on modern technologies helps the company adapt more quickly to changing market demands and maintain competitiveness.

DIGITALIZATION

In 2023, KazakhExport made significant efforts to improve its information infrastructure and optimize operational processes. Various activities and initiatives were undertaken to achieve these goals. The company actively implemented modern information technologies for the automation and digitalization of its operations, which significantly improved the speed and accuracy of operations, reduced human labor costs, and increased overall productivity. These measures enabled the logical organization of activities for effective project and resource management within the company.



Key digitalization activities

- ◆ In 2023, more than 20 business processes and modules were automated, including reporting on events with the participation of foreign representatives, responding to requests from structural divisions, and providing IT services through the Service Desk module in accordance with IT methodology.
- ◆ In the 1C and SimBASE systems, the accounting for the repayment of bank deposits, data management, and reporting were automated, including the creation of journals for conclusions and underwriting decisions protocols, and the monitoring of their execution.
- ◆ Additionally, work was done to modify and upgrade existing business processes and modules by adding functionality, implementing robotics, and fixing errors to improve process automation, optimization, and ease of use of the systems.
- ◆ At the end of 2023, an analysis of 60 processes was conducted, including 311 subprocesses of structural units. This analysis determined the labor costs, maturity of business processes, level of criticality, and automation of business processes, which allowed for further improvement of the company's processes in terms of optimization, digitization, and automation.
- ◆ In the direction of "Acquisition and Implementation," compared to 2022, performance indicators improved threefold, leading to a more effective implementation of information systems. Work has been organized for the phased implementation of projects, which includes activities on testing and development environments, as well as subsequent employee training and consultation.
- ◆ At the end of 2023, in compliance with ESG standards, the Company's IT equipment was disposed of and written off.

- ◆ In the direction of "Monitoring and Evaluation," activities were conducted that increased efficiency by 15%. A Methodology for IT and Information Security Risk Management was developed and approved, and activities were carried out to review and assess the IT and Information Security Risk Registry.
- ◆ In the direction of "Planning and Organization" of IT activities of the Company, compared to 2022, there was a 20% improvement. For 2024-2025, a Roadmap was approved to streamline processes and reduce the processing time of applications for the implementation of point 60 of the National Plan regarding the large-scale digitalization of JSC "NUH "Baiterek". Additionally, the Information Technology Development Strategy for 2024-2026 was approved, which includes six main directions:
 - Development and implementation of the Exporter's Personal Account;
 - Development of digital skills among the Company's employees;
 - Business process reengineering;
 - Automation;
 - Implementation of project management;
 - Development of IT services and systems.

The main goal of the Strategy is to achieve efficiency and competitiveness through the digital transformation of the services provided, by automating and optimizing the Company's business processes.

- ◆ Within the framework of regulatory compliance with the requirements of the Republic of Kazakhstan, the IT department has:
 - ◆ Achieved 100% compliance with requirements for the competencies of managers and employees of information security departments, including requirements for the qualification improvement of individuals responsible for ensuring information security;
 - ◆ Achieved 92% compliance with requirements for organizing secure work, ensuring the safety and protection of information from unauthorized access to data stored in the Company, as well as the cyber security of the Company;
 - ◆ Achieved 91% compliance with unified requirements in the field of information and communication technologies and information security;
 - ◆ Achieved 94% compliance with requirements for the automation of insurance (reinsurance) organizations;
 - ◆ Achieved 90% compliance with rules for automating accounting.
- ◆ As part of the update and improvement of the Company's IT infrastructure, activities were carried out to transition to cloud solutions to reduce server loads and ensure fault tolerance through data backup and recovery. Additionally, equipment and licenses were procured to enhance employee productivity.

INFORMATION SECURITY

Increased attention on the part of the Company's management is occupied by ensuring cyber security. In the context of the transition to digital communications, KazakhExport takes a responsible approach to controlling the risks of cyber-intrusions (attacks) in corporate information systems that can damage the safety of data, operational and financial activities.

Information security at the Company is ensured by various information security systems, such as protection against cyber attacks, SIEM (Security Information Event Management) system, etc.

The Company is taking measures to ensure a highly secure internal cybersecurity system and strives to convey confidence in its quality to all stakeholders.

Following the results of 2023, the following activities were carried out as part of improving the information security management system and information assets of the Company:

- ◆ KazakhExport has 17 cyber security systems
- ◆ The level of awareness among the Company's employees in the field of information security is increasing

- ◆ A reserve platform for storing information data has been created;
- ◆ Implemented user control system for monitoring and account control;
- ◆ Implemented monitoring system for servers and information systems;
- ◆ Implemented notification process via e-mail and telegram bot in case of server failure;
- ◆ Implemented a process for monitoring VPN connections in real-time;
- ◆ The architecture of the Company's information security has been modernized;
- ◆ Work has been carried out to improve cybersecurity at the head office and the Almaty Representative Office;
- ◆ Created multi-level protection of the corporate site.

DEVELOPMENT PLAN

According to state strategic documents, a fundamental change for Kazakhstan by 2025 is the transition from the raw nature of Kazakhstan exports to the creation of favorable conditions for the promotion of Kazakhstan products and the development of non-resource exports.

The contribution of KazakhExport to achieving the goals and objectives of the National Development Plan of the Republic of Kazakhstan in terms of supporting non-resource exports is ensured by the implementation of the Development Plan (formerly known as the Development Strategy).

As a result of the implementation of KazakhExport's Development Plan for 2014–2023, the volume of supported exports has significantly increased and the number of supported exporters has grown. Active work

during this period has helped to deepen insurance and financial expertise in international projects, as well as to expand competencies in supporting export transactions, taking into account the specifics of priority markets.

Considering that the implementation period of KazakhExport's Development Plan for 2014–2023 ended in 2023, the Company's Board of Directors approved a new Development Plan for the upcoming decade (2024–2033) on September 25, 2023 (Minutes No. 13). This new plan takes into account current trends in the Kazakhstani and global economy, foreign trade, as well as the ongoing efforts of the Government of the Republic of Kazakhstan and KazakhExport in achieving the goals and objectives of state program documents aimed at supporting non-resource exports.

KAZAKEXPORT DEVELOPMENT PLAN FOR 2024-2033

KazakhExport development plan for 2024-2033 defines its mission, vision, strategic directions of development, goals and objectives, as well as key performance indicators for a 10 year period.

According to the new Development Plan, the mission of KazakhExport as an export credit agency is to support the growth of Kazakhstan's non-resource exports.

THE COMPANY'S VISION

is to become a leading export credit agency, promoting domestic goods and services in international markets. The key strategic directions of the Development Plan are to facilitate the enhancement of export potential and to improve its operational efficiency.

Strategic directions of KazakhExport development

Based on its mission, two strategic development directions have been defined, which include the implementation of strategic goals and objectives:



Achieving target KPI values in 2023

According to the Development Plan of KazakhExport for 2014-2023, approved by the Company's Board of Directors on March 11, 2022 (protocol No. 2), the key strategic goals of KazakhExport were to increase the volume of supported export contracts and to grow the number of exporters receiving financial support.

Fulfillment of KazakhExport's strategic KPIs in 2023

Key performance indicator	Unit	2023		abs.,	rel, %
		Plan	Fact		
Volume of accepted insurance liabilities	Billion tenge	302	324,8	22,8	108%
The volume of provided pre-export and export-trade financing	Billion tenge	14	19,3	5,3	138%
Amount of export contracts	Billion tenge	1 100	1 574,4	474,4	143%
The volume of export earnings by enterprises using support tools of KazakhExport	Billion tenge	364	619,1	255,1	170%
Number of exporters receiving support for the first time from KazakhExport	units	25	27	2	108%
Number of export contracts	units	403	619	216	154%
Number of people employed enterprises that received support from KazakhExport	People	8 101	11 243	3 142	139%
ROA	%	1%	3,36	2,36	336%

By the end of 2023, all strategic efficiencies of KazakhExport have been fully achieved.

- The volume of accepted insurance liabilities amounted to 324,8 billion tenge, with the plan for 2023 – 302 billion tenge (fulfillment 108%). In 2022, this indicator amounted to 259,1 billion tenge, with a plan of 250 billion tenge (fulfillment 143%).
- The volume of pre-export and export-trade financing provided amounted to 19,3 billion tenge, with a plan for 2023 – 14 billion tenge (fulfillment 138%).
- The amount of export contracts amounted to 1 574,4 billion tenge, with a plan for 2023 – 1 100 billion tenge (fulfillment 143%). In 2022, this indicator amounted to 1 135,8 billion tenge, with a plan of 723 billion tenge (fulfillment 157%).
- The number of export contracts concluded by exporters amounted to 619 units, while the plan for 2023 is 403 contracts, the execution was 154%. In 2022, this indicator amounted to 553 units, while the plan was 383 units (144% completion).
- The volume of export earnings by enterprises using KazakhExport support tools at the end of 2023 amounted to 619,1 billion tenge, with a plan for 2023 – 364 billion tenge, the execution amounted to 170% of the annual plan.
- The number of exporters who received support from KazakhExport for the first time. Support was provided to 27 new exporters, with a plan for 2023 – 25 new exporters, the execution was 108%. In 2022, support was provided to 21 new exporters.
- The number of employees in enterprises that received support from KazakhExport at the end of 2023 amounted to 11 243 people, while the plan for 8 101 people, the execution amounted to 139 % of the annual plan. The calculation of this indicator is based on actual statistical data and information from exporters based on the results of 2023.
- ROA was 3,36% against the plan for 2023 год –1%, execution was 336%.

SOCIO-ECONOMIC EFFECT

GRI 103-2, 203-1,

According to the Resolution of the Government of the Republic of Kazakhstan No. 932 dated November 21, 2022, KazakhExport is the national development institution responsible for the development and promotion of non-resource exports.

As part of its core business, the Company provides manufacturing exporters and financial institutions with insurance protection against credit risk in foreign trade operations and guarantees the security of export transactions.

Thanks to the financial and insurance support of KazakhExport in 2023, the volume of export earnings by enterprises using KazakhExport support tools amounted to 691,1 billion tenge.



FURTHER PLANS AND TASKS

- 1** Transformation of "KazakhExport ESC" JSC into "Kazakhstan Export Credit Agency".
- 2** Achievement of the plan for the volume of accepted insurance and guarantee obligations amounting to 315.2 billion tenge.
- 3** Implementation (regulation) of new support instruments:
 - ◆ Subsidizing interest rates for financing foreign buyers/banks by Kazakhstani banks;
 - ◆ Guaranteeing export operations.
- 4** Establishment of cooperation with the Eurasian Reinsurance Company (EPC)

THE ECONOMIC GROWTH

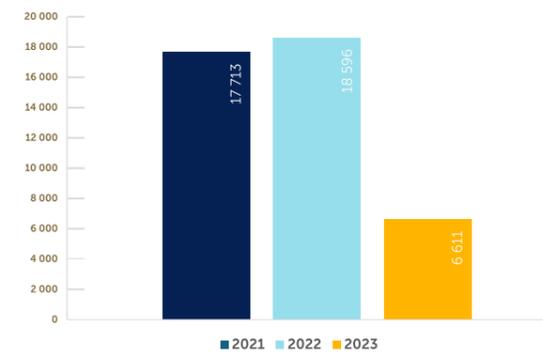


OPERATING RESULTS

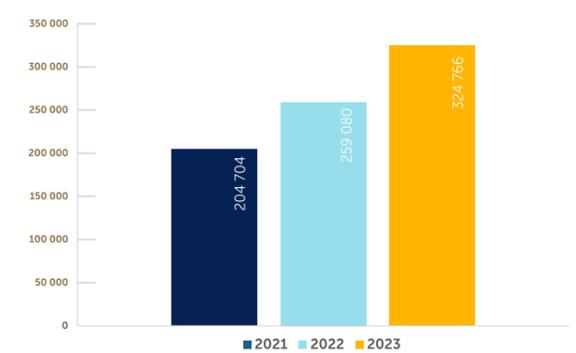
GRI 102-6

In 2023, the Company provided support in the execution of 619 export contracts for a total of 1 574,4 billion tenge. The volume of accepted insurance liabilities increased from 259,1 billion tenge to 324,8 billion tenge in 2023. In 2023, 70 exporters received support, including 27 for the first time.

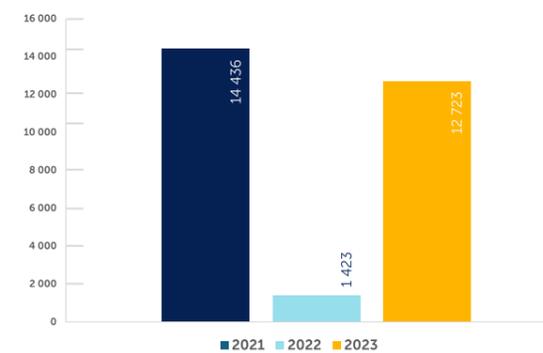
Amount of trade finance provided



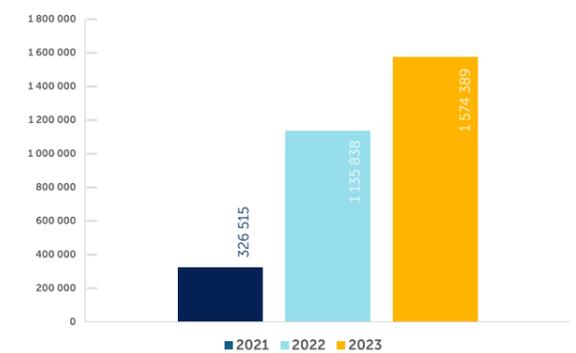
The volume of obligations assumed



Amount of provided pre-export financing

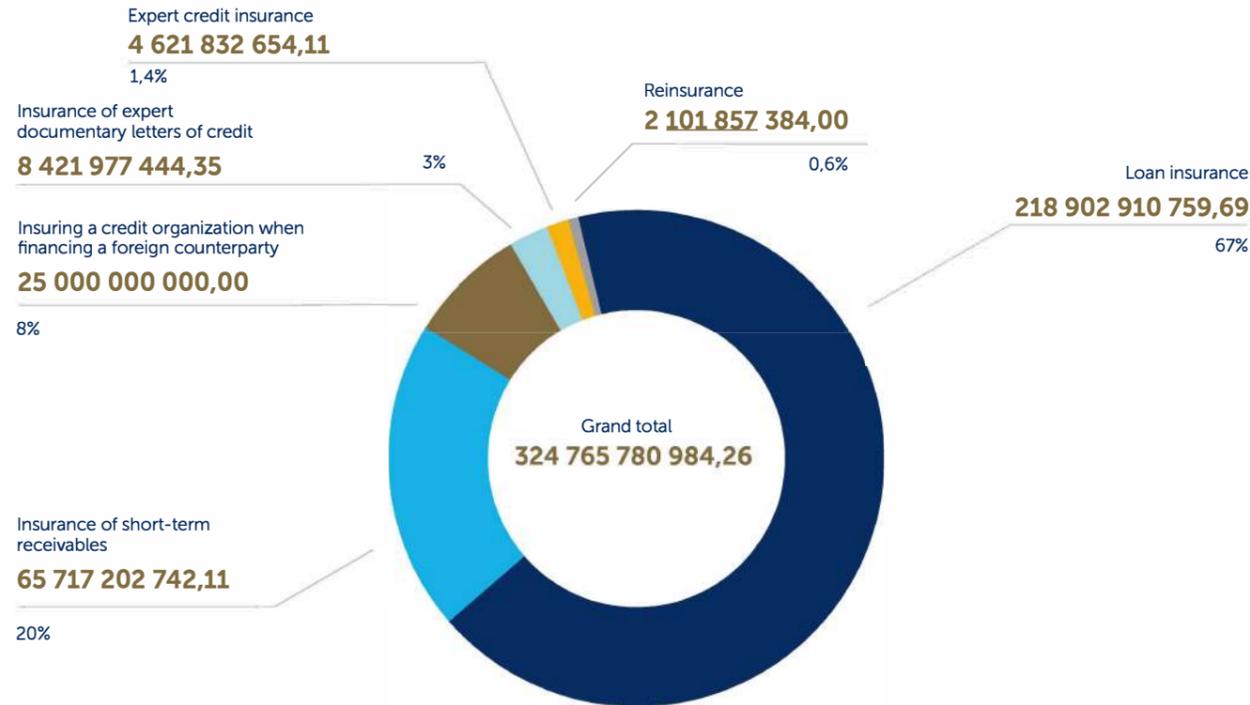


Amount of supported export contracts

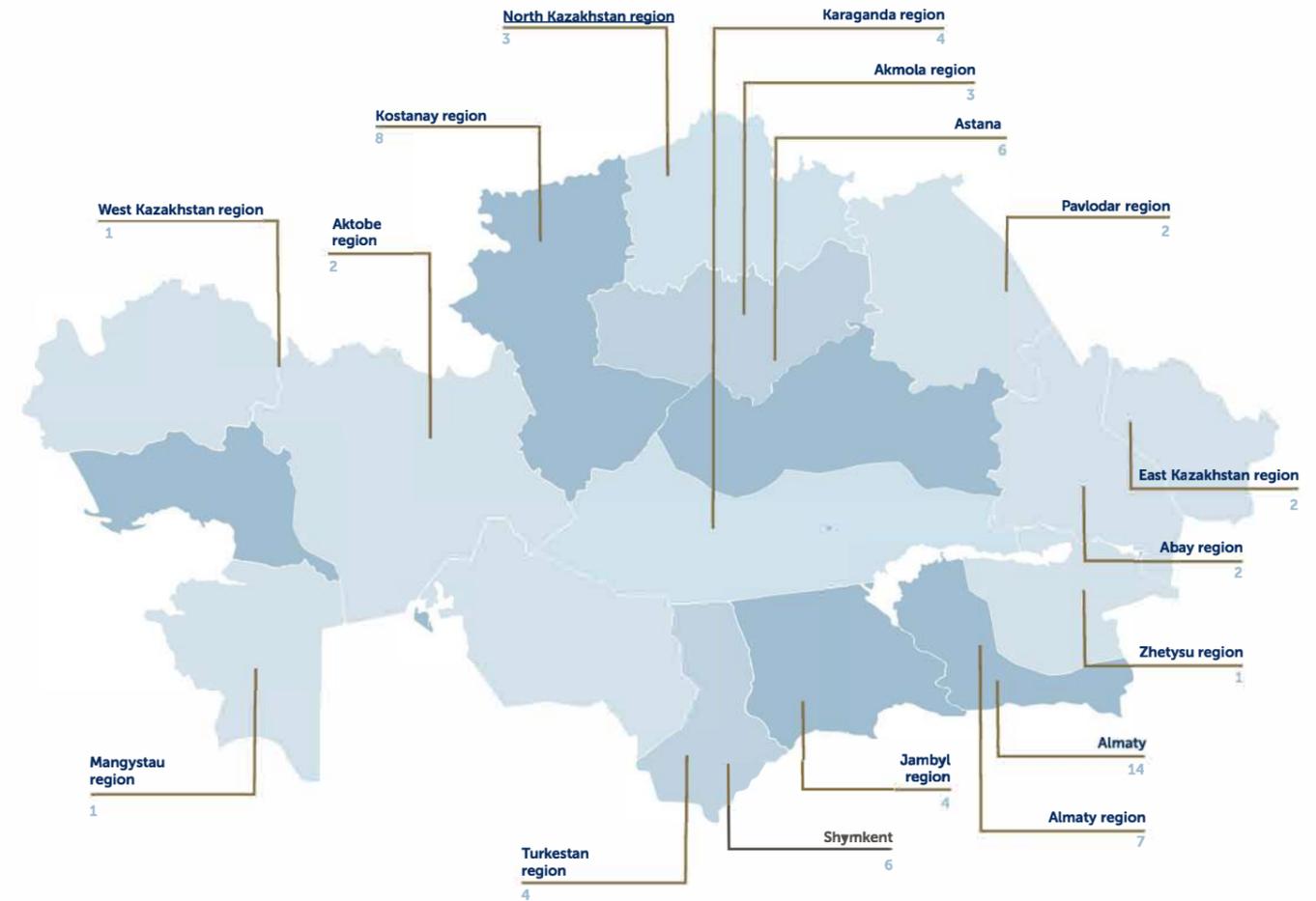


Active work over the past period has helped enhance insurance and financial expertise in international projects, as well as expand competencies to support export transactions, taking into account the specifics of priority markets.

Insurance liabilities by KazakhExport instruments, 2023



Insurance liabilities by regions in RK, 2023



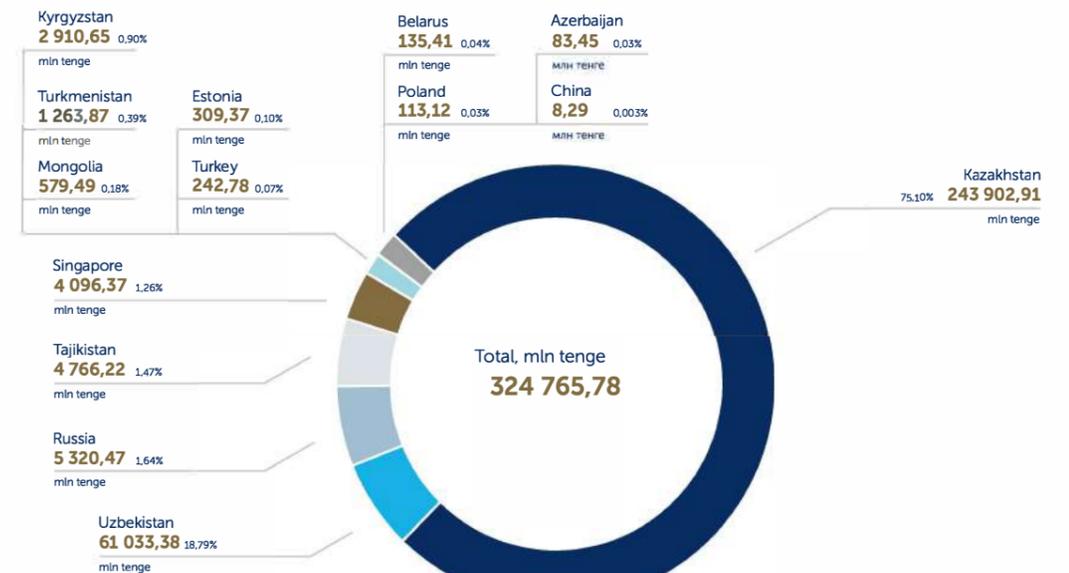
Dynamics of the volume of commitments made by countries, 2023, million tenge

Country	2021	2022	2023
Kazakhstan	144 750	171 788	243 903
Russia	35 440	11 741	5 321
Uzbekistan	14 128	60 920	61 033
Tajikistan	5 109	4 730	4 766
Kyrgyzstan	1 381	3 066	2 911
Poland	59	1 639	113
Lithuania	-	473	-
Azerbaijan	807	182	83
Belarus	805	1 175	135
Ukraine	1 060	1 088	-
Germany	440	86	-
Mongolia	88	318	580
China	123	76	8
Turkey	160	38	243
Georgia	219	267	-
Others (UAE, Oman, Slovakia, Armenia, Turkmenistan, Estonia, Singapore)	130	1 495	5 670
Total, mln tenge	204 704	259 081	324 766

Supported exporters in 2023, by sectors of the economy

Naming	The volume of obligations assumed, mln tenge	The amount of the export contract, mln tenge	Number of export contracts
AIC – finished products	4 676,91	160 019,71	4
Light industry	5 194,43	38 975,23	19
Mechanical engineering	9 516,31	118 587,04	45
Metallurgy	173 687,62	182 651,52	54
Food industry	72 331,95	786 950,96	458
Production of construction materials	682,16	7 208,55	4
Chemical industry	52 671,73	273 587,15	33
Export of services / works	1 804,67	1 863,70	1
Electronic industry	4 200,00	4 545,60	1
Total	324 765,78	1 574 389,46	619

The volume of commitments (VC) by country, 2023



SIGNIFICANT CASES IMPLEMENTED WITH THE SUPPORT OF KAZAKHEXPORT IN 2023

1. "ALA Sintez" LLP, ALMATY

"ALA Sintez" LLP is the only enterprise in Kazakhstan engaged in lithography and tinplate varnishing. The property complex of "ALA Sintez" LLP is located at the following address: Kazakhstan, Almaty city, Turksib district. The property complex includes administrative and production facilities with a total area of 2483.3 square meters, on a privately owned land plot of 0.9287 hectares.

"ALA Sintez" LLP produces crown caps from electrolytically tin-plated thin sheet steel, with or without lithography. The crown caps produced by "ALA Sintez" LLP are intended for consumers represented by brewing sector enterprises in the Central Asian countries and the Republic of Kazakhstan.

In 2023, KazakhExport, in collaboration with JSC "RBK Bank," provided support by insuring a loan to replenish working capital to increase product exports. This was done by providing insurance coverage for the obligations of "ALASintez" LLP to JSC "Bank RBK" in the amount of 250 million tenge.

2. "SAULE CONFECTIONARY FACTORY" LLP, ZHAMBYL REGION

"Saule Confectionery Factory" is a modern Kazakhstan enterprise offering consumers a range of high-quality confectionery products: filled wafers, glazed wafers, sugar cookies, and hard biscuits.

The factory was established in 2017 in Taraz. In a short time, the factory has become a competitive enterprise, with its products in constant demand both in the Republic of Kazakhstan and in neighboring countries such as Kyrgyzstan, Uzbekistan, Tajikistan, the Russian Federation, Azerbaijan, and Georgia.

The production capacity of the confectionery factory is 10,000 tons of products per year.

In 2023, KazakhExport provided support to "Saule Confectionery Factory" LLP through the "Export Credit Insurance" product. As part of the support, KazakhExport assumed the risk of non-payment from foreign buyers in Uzbekistan and the Russian Federation. The total amount of support provided in 2023 was 181.4 million tenge.

3. "TECHNOKONT" LLP

"TECHNOKONT" LLP is a company that provides engineering and technical solutions for its clients in the fields of power supply, power distribution, and automation systems. The enterprise has many years of experience working with ABB, a world leader in the production of electrical products and automation systems.

In 2023, KazakhExport provided support to "TECHNOKONT" LLP through the "Short-term Accounts Receivable Insurance" product. This support enabled "TECHNOKONT" LLP to deliver products to its foreign counterparty, "ENTER Engineering PTE. Ltd." (Uzbekistan), with deferred payment terms totaling more than 9 million USD.

4. "PETROPAVLOVSK VODKA PLANT" LLP, NORTH KAZAKHSTAN REGION

"Petropavlovsk Vodka Plant" LLP is one of the major enterprises in the food industry in the northern region. The main goal of the industrial and economic policy of the area is to develop production diversification. In this regard, the presence of a vodka plant in the region and the subsequent construction of a new workshop hold high social and economic significance.

The company is one of the largest taxpayers in the North Kazakhstan Region. Its exports reach countries such as Germany, the Kyrgyz Republic, Georgia, Russia, and Mongolia.

In 2023, KazakhExport supported "Petropavlovsk Vodka Plant" LLP by providing insurance coverage totaling 7 billion tenge for the company's obligations to JSC "Halyk Bank of Kazakhstan" for investment purposes. This included construction and installation work and the acquisition of equipment for production.

5. "BOTA-2015" LLP, AKMOLA REGION

"Bota-2015" LLP is the largest enterprise in the Akmol Region specializing in the production of pressed plant oils and operates a multi-cultural plant for processing flax, rapeseed, and sunflower seeds.

Today, the oils produced by "Bota-2015" LLP are in high demand in markets such as China, Poland, Uzbekistan, Tajikistan, and Germany. The products of LLP "Bota-2015" meet all quality standards. The by-products of processing, such as oil cake, are also in demand in foreign markets.

The high quality of the processed products at "Bota-2015" LLP is achieved through high-tech production and the excellent properties of raw materials. The oil extraction process is fully automated, which positively impacts the product characteristics.

Innovative, high-tech production ensures maximum efficiency in processing oilseed crops, achieving an oil extraction rate of up to 100%. Modern equipment, equipped with computer program control and the latest control technologies, allows for the production of consistently high-quality products that meet the latest international standards.

In 2023, KazakhExport assumed credit risks for a credit line at JSC "Development Bank of Kazakhstan" in the amount of 5 billion tenge to replenish working capital, enabling the exporter to increase the production volume of finished products.

INTERNATIONAL ACTIVITY

GRI 102-4

In 2023, with the assistance of regional directors



Among the projects involving KazakhExport regional directors implemented in 2023, the following can be highlighted:

-  In the Republic of Tajikistan, transactions were implemented through letters of credit issued by the State Savings Bank of Tajikistan "Amonatbank" in order to finance the supply of metal products by Evraz Caspian Steel LLP for needs of "Doro-invest" LLC "Holding Asia Group Tajikistan" CJSC, as well as JAC cars manufactured by SaryArkaAvtoProm LLP for CJSC Holding Asia Group Tajikistan.
-  In the Republic of Uzbekistan, projects were implemented as part of the insurance of letters of credit for the supply of logistics services by Trainast LLP for Yangi-Angren IES JSC and steel billets from the Kazakh company "Business-Expo" LLP for the Uzbek importer "Uzmetcombinat" JSC. Additionally, with the assistance of a foreign representative, support was provided for the export of meat from "Grain Industry" LLP to the Uzbek buyer "Premium Beef Well" LLC.
-  In the Russian Federation, projects have been implemented for the insurance of export credits between the large retail chain "Nakhodka" in the Republic of Tatarstan and the supply of confectionery, household chemicals, beverages, and tea products of Kazakh production.

During 2023, as part of efforts to expand and strengthen trade and economic ties with foreign partners, the office of JSC "ESC "KazakhExport" hosted meetings with the embassies and diplomatic missions of the Republic of Tajikistan, the Republic of Uzbekistan, the Islamic Republic of Pakistan, the Republic of Azerbaijan, the Islamic Republic of Iran, and the United Arab Emirates.

During the aforementioned meetings, representatives of the diplomatic missions were presented with the support measures of JSC "ESC "KazakhExport," and potential projects for the supply of Kazakh goods, works, and services to the markets of the designated countries were discussed.

Additionally, representatives of JSC "ESC "KazakhExport" participated in meetings of international organizations and associations for the insurance of export credits and investments:

- 1 Annual meetings of the members of the Berne Union, the International Union of Export Credit and Investment Insurers;
- 2 The annual meeting of the Islamic Development Bank Group;
- 3 The annual meeting of the members of the Aman Union, the Association of Export Credit Agencies of Islamic Countries;
- 4 Annual gatherings of the members of ICISA, the International Credit Insurance & Surety Association.



In addition, in 2023, representatives of JSC "ESC "KazakhExport" participated in a number of meetings, conferences, and working groups of the United Nations (UN) and the Organization for Economic Co-operation and Development (OECD).

During 2023, employees of JSC "ESC "KazakhExport" participated in various international forums and seminars, including:



As part of activities aimed at developing and strengthening cooperation with foreign export credit agencies, in 2023, employees of JSC "ESC "KazakhExport" participated in a training seminar organized in Berlin (Germany) to exchange experiences with one of the world's leading export credit insurance organizations, Euler Hermes.



Also in 2023, in Astana "ESC "KazakhExport" JSC organized a meeting of the heads of export credit agencies from the Eurasian Economic Union (EAEU) countries.

During this meeting, participants presented the results of their organizations' activities, discussed current trends and challenges in the political and economic risk insurance market.

During the reporting period, employees of "ESC "KazakhExport" JSC participated in 12 sessions of intergovernmental or interstate commissions.

In 2023, six visits of potential importers were organized with the assistance of regional directors and the Department of International Cooperation at "ESC "KazakhExport" JSC:

- 1** Visit of representatives from the trade network "Nakhodka" (Kazan, Tatarstan, Russia) to organize negotiations with Kazakhstani manufacturers - potential suppliers from all regions of Kazakhstan in Astana;
- 2** Visit of representatives from "Eurasian Metallurgical Plant" LLC (Russia) to discuss potential projects for the supply of copper and aluminum billets;
- 3** Visit of representatives from the Russian trade networks "Reid-21" LLC, "AgroRespublika" LLC, and "Forward" CJSC (Republic of Bashkortostan, Russia) to Astana for B2B meetings with Kazakhstani exporters aimed at establishing partnership relations and subsequent export of Kazakhstani products to the Russian market;
- 4** Visit of the company "KIT" LLC (Russia) to discuss the supply of Kazakhstani products utilizing support tools from "ESC "KazakhExport" JSC.

FINANCIAL INDICATORS

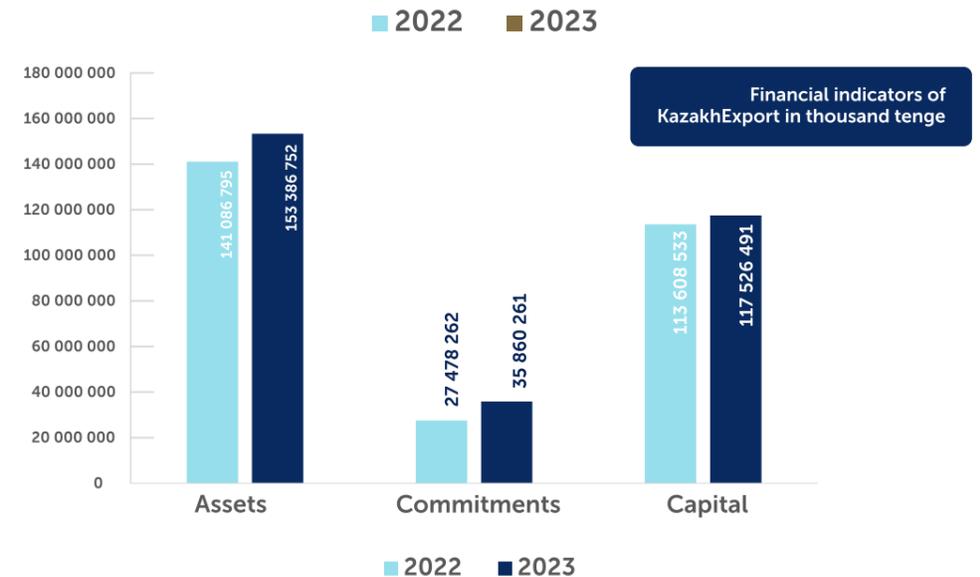
At the end of 2023, KazakhExport

153,38 billion tenge
assets amounted to

KazakhExport received a net profit of
117,53 billion tenge

KazakhExport received a net profit of
4,95 billion tenge

The efficiency indicator for the use of KazakhExport assets in 2023 amounted to 3,36 %, execution 227%.



SUSTAINABLE DEVELOPMENT

SUSTAINABLE DEVELOPMENT MANAGEMENT SYSTEM

GRI 102-12, 103-2

In the new Development Plan of "ESC "KazakhExport" JSC for 2024-2033, emphasis is placed on climate change issues, which pose a threat to the global economy affecting many areas such as societal well-being, resource availability, and rising energy prices.

As part of fulfilling its commitments under the Paris Agreement, an important step for Kazakhstan in 2023 was the adoption of the Republic of Kazakhstan's Carbon Neutrality Strategy by 2060, approved by the decree of the President of the Republic of Kazakhstan.

The main goal of this Strategy is to achieve sustainable development of Kazakhstan's economy in response to climate change and achieve carbon neutrality by 2060.

Currently, the Company applies a system of preferences and discounts for enterprises with an active ESG strategy. It has also incorporated ESG factors into its risk assessment and management system, as well as into the underwriting and reinsurance policies.

In December 2023, during the 28th Conference of the Parties to the UN Framework Convention on Climate Change in Dubai, UAE, the Company

joined as a partner participant in the Net Zero Export Credit Agencies Alliance (NZECA). This alliance aims to support exporters in their transition to a low-carbon economy. The corresponding document was signed during the World Climate Summit (COP28).

By joining NZECA, the Company has committed to supporting Kazakhstani exporters in their transition to a low-carbon economy, facilitating emissions reduction, and shifting strategic orientations towards environmentally neutral and climate-resilient projects and investments.

Reference:
Note that NZECA is a new project approved by the Finance Initiative of the UN Environment Programme (UNEP FI) and the Oxford University Innovation Centre.

- ◆ The goal of the Export Credit Agencies Alliance is to transition all operational greenhouse gas emissions (GHG) in portfolios to net zero emissions by 2050.
- ◆ The Alliance includes the world's largest export credit agencies among its participants.
- ◆ Export credit agencies (ECAs) can play a significant role in decarbonizing global trade, supporting exporters in their transition to a low-carbon economy, reducing emissions in the real economy, and promoting the redirection of financial flows towards environmentally neutral and climate-resilient projects and investments. They can also foster collaboration between public and private sectors aimed at integrating sustainable development principles into production processes.

"Financial institutions, banks, and insurance organizations, by forming portfolios and selecting projects, act as translators of values and strategic orientations for businesses.

In our case, by recommending and motivating the real sector through insurance benefits and seeking specialized funding, we aim to help manufacturers move actively towards more environmentally friendly production. For us, joining NZECA is a way to adopt progressive experience and adapt it to our realities on the path to carbon neutrality. We consider UNEP FI the best platform for developing common approaches in such a serious direction," said Ayan Bektybayeva, Deputy Chairman of the Management Board of KazakhExport.

A. Bektybayeva also expressed confidence that this initiative will enhance Kazakhstan's sustainability and investment attractiveness. She noted that within KazakhExport's corporate ESG activities, the organization has already begun shaping and long-term planning of the climate agenda.

As a socially responsible company, KazakhExport implements and integrates ESG factors into its operations. The company has developed a concept for integrating ESG principles into its business processes. As part of this initiative, a questionnaire has been approved for applicants to assess their compliance with ESG principles.

In addition, the Company has a program to

As part of the Alliance, the company is ready to apply knowledge about approaches to decarbonizing production processes:

- ◆ have the opportunity to exchange experiences through expert discussions;
- ◆ to discuss the real possibilities of achieving the Net Zero strategy, taking into account territoriality;
- ◆ consider environmental, social, and governance issues in the decision-making process.

reward clients who implement ESG principles in their enterprises.

Membership in NZECA plays a significant role for the Company in gradually achieving carbon neutrality. It marks the beginning of a large-scale transformation away from fossil fuel-driven economies and solidifies the transition to renewable energy sources as a policy priority.

Membership in the Alliance will play a crucial role in the step-by-step achievement of carbon neutrality, initiating a large-scale transformation away from fossil fuel-driven economies, and solidifying the transition to renewable energy sources as a policy priority.

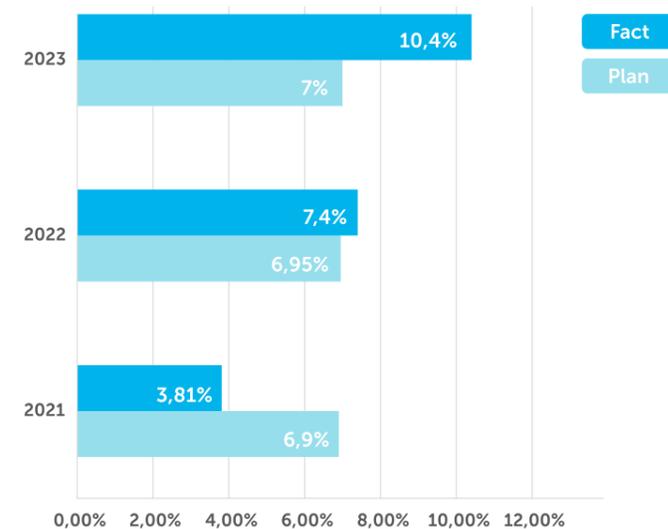
Climate change has a profound impact on both economic growth and the structure of societies.

The main goal of the Company is to contribute to the socio-economic development of the country, adhering to principles of environmental and social responsibility, in order to meet the needs of the present while preserving and enhancing opportunities for future generations.

In 2023, the Action Plan for implementing the Society's Sustainable Development Policy for 2024-2026 was approved. One of the initiatives outlined in this document is the development of the Society's Climate Strategy, creating sustainability guidelines for suppliers, developing customer satisfaction assessment methods, conducting climate risk assessments, and more.

Key performance indicators (KPIs) for sustainable development for the years 2024-2026 have also been defined. These indicators will help monitor the Society's achievements in sustainable development and establish a system to assess progress in this area.

ECONOMIC INDICATOR



Index

The ratio of the amount of export contracts concluded with the support of AO ESC KazakhExport to the total volume of exports of the manufacturing industry and exports of services of the Republic of Kazakhstan

Calculation methodology

The ratio of the amount of export contracts concluded with the support of AO ESC KazakhExport to the total volume of exports of the manufacturing industry and exports of services of the Republic of Kazakhstan, based on official data from the Bureau of Statistics and National Bank of RK

The volume of exports from the manufacturing industry and export of services of the Republic of Kazakhstan in 2023, according to official data from stat.gov.kz and information from the National Bank of the Republic of Kazakhstan, amounted to 15,113.1 billion tenge. The amount of export contracts concluded with the support of AO "ESC KazakhExport" amounted to 1,574.4 billion tenge.

Thus, the indicator "Ratio of the amount of export contracts concluded with the support of AO 'ESC KazakhExport' to the total volume of exports from the manufacturing industry and export of services of the Republic of Kazakhstan" for the year 2023 is 10.4% (1,574.4 billion tenge out of 15,113.1 billion tenge). Management of sustainable development activities is part of the corporate governance system of the Company.

The strategic direction is overseen by the Board of Directors of the Company, which considers and approves matters related to sustainable development.

The Company's contribution to achieving sustainable development goals is demonstrated through its support for exporters, offering a wide range of insurance products, providing non-financial support measures, gradually implementing digital technologies for remote customer service, automating internal business processes, and developing human capital.



The Company also provides methodological support to its clients. In 2023, corporate website recommendations were posted for exporters on implementing Best Available Techniques (BAT) at their production facilities. On July 1, 2021, the new "Environmental Code of the Republic of Kazakhstan" came into effect, laying the groundwork for transitioning to technological norms in environmental protection based on BAT, resource-saving technologies and practices, reducing waste volumes and hazards, and effective waste management. It promotes the use of renewable energy sources, water conservation, measures to improve energy efficiency, sustainable use, restoration, and reproduction of natural resources. The application of BAT aims to comprehensively prevent environmental pollution, minimize and control anthropogenic impact on the environment, and enhance resource efficiency.



Implemented initiatives in 2023

- ◆ Updated Environmental and Social Policy in accordance with the recommendations of the ESG Roadmap initiatives of JSC "NUH "Baiterek"
- ◆ Updated the Company's Risk Register with a focus on ESG risks.
- ◆ Recommendations for exporters on implementing best available technologies have been developed.
- ◆ Key performance indicators (KPIs) for sustainable development activities have been developed and approved.
- ◆ The Annual Report on the activities of JSC "ECA "KazakhExport" for the year 2022 has been published in accordance with the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI).
- ◆ Material topics most significant for disclosure in the Annual Report on activities have been identified.
- ◆ A community clean-up event was held
- ◆ A "Car-Free Day" event was organized to encourage employees to switch to environmentally friendly modes of transportation. More than 50% of the Company's employees participated in this initiative
- ◆ Agreements have been signed for university students in the country to undertake internships at the Company
- ◆ A team-building event was conducted.
- ◆ An award ceremony was held to recognize the best employees of the year, expressing appreciation for their excellent work.
- ◆ Internal and external training sessions were conducted
- ◆ Social support was provided to employees.
- ◆ An internal analysis of corruption risks in several of the Company's business processes was conducted.
- ◆ Mentorship guidelines have been approved.
- ◆ Internships for employees of the company have been organized as part of a bilateral exchange of experience and cooperation with ECAs
- ◆ The document on fraud and corruption prevention and counteraction has been updated.
- ◆ Assessment of the company's vulnerability to money laundering and terrorism financing has been conducted.
- ◆ The Anti-Corruption Policy has been updated in accordance with the recommendations of the ESG Roadmap initiatives of JSC «NUH «Baiterek»
- ◆ Anti-corruption monitoring of activities has been conducted
- ◆ The regulations on ensuring protection for whistleblowers, including guaranteeing non-retaliation, have been formalized in internal documents

COMPLIANCE WITH THE PRINCIPLES OF THE UN GLOBAL COMPACT AND COMPLIANCE WITH PRINCIPLES OF UN WOMEN

In April 2023, in Almaty, the company participated in a meeting of UN partners and members of the UN Global Compact. The participants included representatives from Kazakhstan's government agencies and the UN Country Team in Kazakhstan.

The event aimed to support businesses in advancing the sustainable development agenda (ESG), raise awareness about the UN Global Compact, and demonstrate effective ESG business practices. During the conference, participants discussed the role of business in ESG initiatives, sustainable financing and responsible investing, as well as forms of business collaboration.

It was noted that KazakhExport has developed a concept for integrating ESG principles into its business processes, which includes the approval of a questionnaire for applicants to assess their compliance with ESG principles. Additionally, KazakhExport has implemented a program to incentivize clients who adopt ESG principles in their enterprises.

In addition, at the UN headquarters in Almaty, a ceremonial award ceremony was held to honor the winners of the SDG Ambition business accelerator program, an innovative initiative aimed at promoting sustainable business practices under the UN Global Compact.

The SDG Ambition business accelerator is a six-month educational initiative developed by experts and UN partners to accelerate the integration of

UN Resident Coordinator in Kazakhstan, Mikaela Friberg-Storey, highlighted:

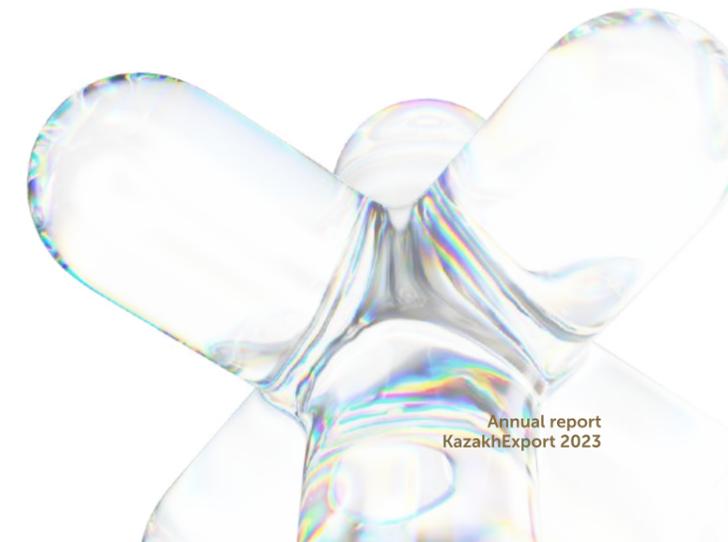
"The recent launch of the 'Business and Human Rights' accelerator in February and the upcoming 'Climate Ambition' accelerator in May indicate growing local business community interest in these initiatives, demonstrating clear alignment with the international agenda. Business plays a key role in achieving sustainable development goals."

In November 2023, a panel discussion titled "Kazakhstan Business for Sustainable Development" took place in Astana. The event was organized by the Office of the UN Resident Coordinator in Kazakhstan to familiarize the business community with the Sustainable Development Goals (SDGs), Kazakhstan's progress in achieving them, and to expand UN cooperation with the business sector for sustainable development purposes.

During the event, it was emphasized that businesses play a crucial role in ensuring economic growth, creating jobs, stimulating innovations to address social issues, and actively participating in climate change mitigation efforts. According to the SDG Index, Kazakhstan ranks 66th out of 166 countries in terms of achieving the Sustainable Development Goals (SDGs).

During the event, Mikaela Friberg-Storey, the UN Resident Coordinator in Kazakhstan, emphasized:
"Sustainable business practices are no longer a choice but a necessity, a path to stability, competitiveness, and long-term success."

the 17 Sustainable Development Goals into the strategic and operational aspects of business. From October 2023 to March 2024, a special training session was organized for Central Asian countries, involving representatives from 40 companies from Kazakhstan, Uzbekistan, and Kyrgyzstan. Among the participants of the SDG Ambition program were representatives from KazakhExport.



The UN has shifted from donation-based partnerships to building more strategic business relationships. The accelerator program has proven itself as an effective tool for stimulating growth, creating jobs, and encouraging innovations to address social issues. It has also played a key role in actively engaging businesses in combating climate change. Today, 62 companies from Kazakhstan are members of the UN Global Compact.

Participation in the accelerator program and the opportunity to enhance competencies and understanding practical ways of integrating Sustainable Development Goals (SDGs) into KazakhExport's operations help companies become more effective, set strategic goals correctly, and become active participants and promoters of ESG practices in Kazakhstan. The environmental and social issues reflected in each of the SDGs are relevant and impact every sphere of activity. Joining the UN Global Compact and having employees participate in the SDG Ambition Accelerator contribute to promoting best global practices in sustainable development and responsible business conduct standards.

It should be noted that the company is a full-fledged participant of the UN Global Compact, the world's largest initiative for corporate social responsibility and ESG (Environmental, Social, and Governance) practices.

By joining the UN Global Compact, KazakhExport has committed to adhere to the 10 principles of the UN Global Compact concerning human rights, labor rights, environmental protection, and anti-corruption efforts. Additionally, the company aims to promote the 17 UN Sustainable Development Goals (SDGs) in the ESG (Environmental, Social, and Governance) realm.

The main advantage of the UN Global Compact is that a company joining it declares its commitment to the global Sustainable Development Goals (SDGs). By doing so, the company becomes part of a new generation of businesses that operate not only to enhance financial performance but also widely adopt ESG principles. This long-term approach is expected to increase the company's value and improve its financial outcomes overtime.

	Principles of the UN Global Compact	Disclosure (section)
Human rights	Principle 1 Businesses must support and respect the protection of internationally proclaimed human rights	5. Respect for human rights
	Principle 2 The business community should not be complicit in human rights violations	
Labor relations	Principle 3 The business community must support freedom of association and real recognition of the right to conclude collective agreements	5. Respect for human rights
	Principle 4 Business community must advocate for the elimination of all forms of forced and compulsory labor	
	Principle 5 Business community must advocate for the complete elimination of child labor	
	Principle 6 Business community must advocate for the elimination of discrimination in labor and employment	9. Responsibility towards employees
Environmental protection	Principle 7 The business community should support an approach to environmental issues based on the principle precautions	2. Responsible insurance
	Principle 8 The business community should take initiatives to increase accountability for state of the environment	
	Principle 9 The business community should promote the development and dissemination of environmentally sound technologies	4. Environmental impact
Fight against corruption	Principle 10 Business community must resist all forms of corruption, including extortion and bribery	6. Business ethics and anti-corruption

THE PRINCIPLES OF THE UN WOMEN INITIATIVE

- 1 Build strong leadership support for gender equality measures at the company level
- 2 Treat women and men fairly at work; respect and support human rights and non-discrimination
- 3 Ensure the health, safety and well-being of all workers, men and women
- 4 Promote the education, training and professional development of women
- 5 In the areas of business development, supply chain and distribution, apply practices that promote the empowerment of women
- 6 Promote equity through community initiatives and advocacy
- 7 Evaluate results and inform the public about progress towards gender equality



CONTRIBUTION TO THE ACHIEVEMENT OF THE UN SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) are globally accepted goals aimed at ending poverty, combating inequality and injustice, and protecting the planet and ensuring peace and prosperity for all people. Until 2030, 17 key areas were selected, the implementation of which could potentially lead the country to the sustainable development of all major areas of life and the solution of global problems affecting every person in this world.

The process of implementation and achievement of the SDGs is constantly monitored by both the UN representatives and the government of the Republic of Kazakhstan.



UN SDGs	Society contribution	Disclosure (section)
SDG 1: End poverty in all its forms everywhere SDG 2: Zero hunger, secure food security	<ul style="list-style-type: none"> providing insurance support to the non-primary sector; training clients on measures to support exporters; 	Responsible insurance The economic growth Socio – economic effect Tax policy
SDG 3: Good health and well-being	<ul style="list-style-type: none"> support for the health and promotion of a health lifestyle for employees and their families; provision of medical insurance to the employees of the Company; implement of measures to prevent the spread of coronavirus infection; 	Human resources management and working conditions Social responsibility and activity Environmental activity
SDG 4: Quality education	<ul style="list-style-type: none"> providing employees with ample opportunities for professional and personal growth; development of technologies to increase the accessibility of education for all; cooperation with export credit agencies for the exchange of experience; cooperation with universities for internships for students; 	Human resources management and working conditions Education and development Key events of digital transformation Social responsibility and activity
SDG 5: Gender equality	<ul style="list-style-type: none"> creation of equal working conditions and career opportunities; ensuring a fair system of recruitment, performance evaluation and remuneration; support for employees on maternity leave; 	social responsibility
SDG 6: Clean water and sanitation	<ul style="list-style-type: none"> Efficient use of water resources in operational activities; Use of resource-saving technologies; 	Responsible insurance Environmental impact
SDG 7: Affordable and clean energy	<ul style="list-style-type: none"> increase of own energy efficiency; use of resource-saving technologies; 	Responsible insurance Environmental impact
SDG 8: Decent work and economic growth	<ul style="list-style-type: none"> maintaining decent working conditions for employees and providing opportunities for their development; 	Tax policy Key events of digital transformation

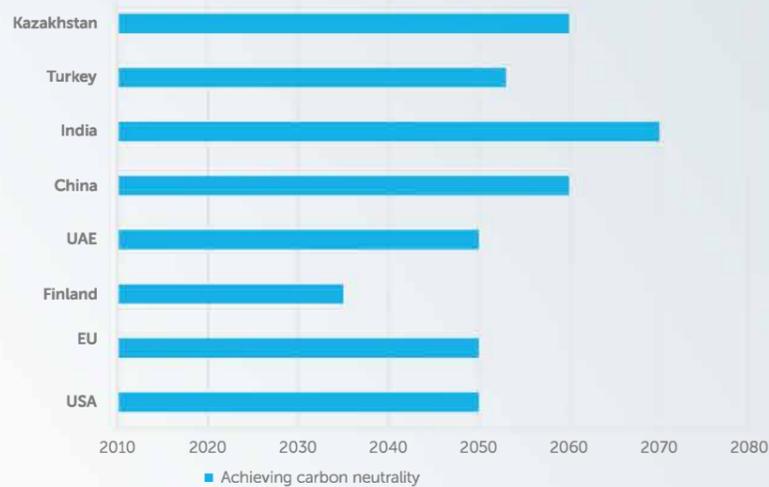
UN SDGs	Society contribution	Disclosure (section)
SDG 9: Industrialization and innovation and building a strong infrastructure	<ul style="list-style-type: none"> provision of financial and non-financial services to promote economic development of large, medium and small businesses; support for projects with socio-economic effect (creation of new jobs); support for projects that contribute to the development of transport infrastructure; 	Human resources management and working conditions Socio-economic effect
SDG 10: Downgrading inequalities within countries and between them	<ul style="list-style-type: none"> expanding access to finance; creation of economically significant financial products and services; development of an inclusive environmental for employees and costumers 	Support tools Respect for human rights Respect for rights, gender equality and inclusion
ЦРП 12: Ответственное потребление и производство	<ul style="list-style-type: none"> implementation of the Green office program; the practice of environmental education in terms of the rational use of energy, water and responsible waste management; providing discounts to costumers, taking into account their commitment to the principles of sustainable development; 	Responsible insurance Environmental impact Key events of digital transformation
SDG 13: Combat climate change	<ul style="list-style-type: none"> compliance with the principles of sustainable development; implementation of measures to offset the carbon trace by landscaping the office, holding subbotniks; providing discounts to costumers, taking into account their commitment to the principles of sustainable development 	Responsible insurance Environmental impact Key events of digital transformation Social responsibility
SDG 16: Peace, justice and strong institutions	<ul style="list-style-type: none"> compliance with the requirements of legislation in the field of insurance and international standards; implementation of corporate governance and business ethics standards; combating corruption and financial crimes; development of cybersecurity and data protection; participation in the process of improving the regulatory framework in the financial sector; 	Tax policy Respect for human rights Corporate ethics Anti-corruption and fraud Key events of digital transformation
SDG 17: Partnerships for sustainable development	<ul style="list-style-type: none"> development of collection and provision of non-financial information; interaction with government authorities, business communities, international organizations on issues related to aspects of ESG; 	Responsible insurance Tax policy Corporate ethics Anti – corruption and fraud Social responsibility

RESPONSIBLE INSURANCE

GRI 103-1, 103-2, 413-1

As part of the fulfillment of the obligations of the Paris Agreement, on February 2, 2023, the Decree of the President of the Republic of Kazakhstan approved the Strategy for achieving carbon neutrality of the Republic of Kazakhstan until 2060. The main goal of the Strategy is to achieve sustainable development of the economy of Kazakhstan climate change and carbon neutrality until 2060. The medium-term goal of the Strategy is to reduce greenhouse gas emissions by 2030 by 15% compared to 1990 emissions (unconditional goal) and bringing the reduction to 25%, subject to the receipt of international support for the decarbonization of the economy (conditional goal). The strategy takes into account the need to adopt the economy of Kazakhstan to global climate trends, such as the dissemination of ESG principles, the promotion and attraction of green investments, energy – efficient production, electrification, and more.

Achieving carbon neutrality



The principles of ESG are increasingly being integrated into the daily operations of Kazakhstani companies. However, there is still room for improvement in domestic businesses: the progress of some players remains quite weak, and in certain cases, it is even possible to talk about an overestimation of their own performance. This is the conclusion reached by analysts at Kursiv Research in their second study of corporate ESG practices in August 2023.



ESG practices include careful attention to the environment, creating favorable working conditions, and proper corporate governance. ESG standards form the foundation of the Society's development strategy from the outset: increasing the volume of non-resource exports reduces dependence on hydrocarbon exports, while the growth of manufacturing enterprises positively impacts job creation and budget contributions. The Society, in its interactions, recommends that exporters apply the best available techniques to reduce the negative impact of economic activities on the environment and offers incentives to enterprises that have already adopted principles of sustainable growth. If they actively demonstrate environmental care and move towards carbon neutrality, the Society is prepared to provide support by lowering insurance tariffs. This will allow enterprises to receive economic incentives, reduce costs on energy, raw materials, and supplies, as well as improve productivity and product quality.

The requirements for implementing ESG practices in Western companies apply not only to the supplier but also extend across the entire supply chain. Any business engaged in foreign economic activities will increasingly encounter this every year. If an exporter does not meet these requirements, they simply will not be able to work with foreign partners.

Currently, investors are increasingly focusing on companies' "green" policies—they are interested in how companies minimize negative environmental impacts, how they care for their employees and society at large, and how they improve the quality of corporate governance. Implementing ESG practices can provide companies with stability, long-term growth, social significance, and the ability to attract additional financial resources. According to leading financial analysts, global funds will soon stop investing in companies that ignore sustainable development principles.

ESG ratings are used to assess a company's management effectiveness and to forecast potential corporate, environmental, and social risks. Additionally, having an ESG rating can increase interest from investors and clients who prefer to work with companies that adhere to sustainable development principles. Amid global climate and environmental changes and the growing importance of socially responsible business practices, the need to evaluate the integration of sustainable development principles into business processes will continue to increase.



The development of a company is evaluated based on three ESG criteria. Each of the three components—Environmental (E), Social (S), and Governance (G)—includes indicators used by rating agencies to assess the business's environmental and social risks, as well as corporate governance risks.

E-sector:

- Impact of the company on the planet's climate (carbon emissions into the atmosphere);
- Use of natural resources (pollution of water sources, negative impact on flora and fauna);
- Environmental pollution (toxic and radioactive waste, use of chemically harmful product packaging);
- Use of "green" technologies (energy from renewable sources, restoration of the company's operational areas).

S-sector:

- Treatment of personnel (occupational safety and health, career opportunities, working conditions);
- Responsibility in product manufacturing (product quality, data security, reliability, responsible investments);
- Social benefits (facilitating staff communication, financial assistance programs, additional health insurance for employees, providing meals)

G-sector:

- Company governance (composition of the board of directors, independent audit, company transparency for shareholders);
- Company conduct (corporate ethics, transparency in taxation, absence of corruption, fair market competition)

There is no unified approach to forming ESG ratings. All agencies analyze publicly available data about companies, but they assign scores differently. Therefore, ESG ratings from different agencies can vary significantly.

It is important to understand that for most companies, the implementation of sustainable ESG practices is not aimed at preventing environmental disasters or avoiding social conflicts. The main motivations are the need to meet consumer and investor demands and the desire to position their business as socially responsible.

ESG ratings primarily focus on assessing potential risks associated with environmental, social, and governance factors within a company. However, they do not typically evaluate the impact a company has on the external environment or potential future losses the company may incur as a result.

Companies with clearly defined ESG strategies generally find themselves in a more advantageous position when raising capital, as an increasing number of investors are willing to invest in such companies. There are investors who use ratings from rating agencies as a basis to confirm the results of their own independent analysis.

The presence of any specific rating is not mandatory, as various organizations offer assessment services with different methodologies. However, in the absence of a rating, interested partners may request specific documents. Currently, there is increased global interest in ecology and responsible environmental practices. Leading companies also continuously improve working conditions for their employees under pressure from unions and human rights organizations. Careful environmental stewardship and creating good working conditions will always be fundamental principles of any business.

Currently, the Society supports non-commodity exports as diversifying into alternative industries can help reduce dependency on raw materials. It has integrated ESG factors into underwriting and tied tariffication to a company's susceptibility to ESG factors.

In the plans for 2024, we aim to develop a Climate Strategy outlining proposed actions and sectoral policies related to climate, highlighting priority areas where we have or can have the most significant impact. This includes sectors with the highest greenhouse gas emissions intensity in our country. Additionally, we intend to explore the possibility of obtaining a sustainability scoring from an international rating agency as part of our credit rating assessment.

Risk management at the Society enables the prevention of risk events that could impact the achievement of strategic and operational objectives, and helps mitigate their impact if they occur. Risk management is an integral part of the Society's strategic planning process and corporate governance, essential for maintaining financial stability.

In 2023, the Society updated its Risk Register, highlighting the following ESG risks:

- Reputation risks;
- High employee turnover risk;
- Risk of inadequate implementation of sustainable development principles within the Society's activities;
- Corruption risks and fraud risks in the Society's business processes.

In the plans for 2024, we intend to consider the possibility of including in the Risk Register risks related to environmental management systems, occupational health and safety management systems, uncontrolled failures, downtime, disruptions to the Society's operations, and also explore the possibility of conducting climate risk assessments and corresponding measures to mitigate their consequences. This disclosure of information can be aligned with existing reporting frameworks such as TCFD (Task Force on Climate-related Financial Disclosures).

TAX POLICY

GRI 103-2, 207-1

In 2021, an important change in tax practice for individuals occurred in Kazakhstan with the introduction of universal declaration. This mechanism aims to ensure transparency of financial transactions involving citizens and to comprehensively assess the structure of their assets. The declaration is being implemented gradually and will eventually cover all citizens and residents of the country.

The first stage of declaration marked the beginning of a new era in the tax sphere. Initially, the obligation to declare assets and income arose for officials and top management of the state and quasi-state sectors, as well as their spouses.

In the second stage, in 2023, declaration extended to all remaining employees of the state and quasi-state sectors, as well as their spouses.

The Society's tax accounting policy is developed based on the Tax Code to regulate accounting principles within the Society, ensuring mandatory, definite, fair, and uniform practices consistent with the current tax system. The Society is obligated to calculate, withhold, and remit taxes and mandatory payments to the budget strictly in accordance with the country's tax legislation. It maintains tax records and registers that clearly outline the basis and procedure for the emergence, execution, and termination of tax obligations.

The tax registers must include detailed breakdowns of numerical indicators reported for each line of tax forms approved by the authorized body. The Society utilizes tax incentives outlined in the Tax Code that are available to commercial organizations.

The Society acts as a tax agent responsible for paying contributions to social insurance, mandatory pension contributions, and contributions to mandatory social health insurance in accordance with legislation on pension provision, mandatory social insurance, and mandatory social health insurance.

Expenses incurred by the Society in connection with income-generating activities are deductible when determining taxable income, in accordance with tax legislation, except for expenses that are specifically non-deductible.

The Society deducts expenses based on actual expenditures supported by documents confirming such expenses related to its income-generating activities.

Information on tax payments and payments to off-budget

The Society, when calculating its obligations for taxes and other mandatory payments to the budget, adheres to the Tax Code of the Republic of Kazakhstan "On Taxes and Other Mandatory Payments to the Budget" and the Tax Accounting Policy of the Society.

Payment type	2022	2023
Social tax	97 365 998	104 082 370
Social security contributions	15 386 624	17 472 212
Deductions for compulsory social health insurance	17 719 610	20 245 811
Taxes and other obligatory payments from the payroll fund	242 758 874	261 758 638
Government duty	53 344 409	82 653 520

SOCIAL RESPONSIBILITY

RESPECT FOR HUMAN RIGHTS

GRI 102-8, 102-40, 103-2, 403-2, 403-3

The Society acknowledges its responsibility for upholding human rights, strives to provide dignified and safe working conditions for its employees, and ensures competitive and fair levels of remuneration. The Society rejects the use of any form of forced or child labor and opposes all forms of discrimination based on any characteristics. The Society expects responsible behavior from its stakeholders regarding human rights and encourages them to collaborate in building a sustainable supply chain that considers human rights alongside environmental and other social aspects.

The company expects from its suppliers:

- ◆ Compliance with internationally recognized human rights and freedoms.
- ◆ Prevention of any form of child labor in its business activities in accordance with core international labor standards.
- ◆ Providing its employees with equal opportunities and favorable working conditions based on their individual characteristics.
- ◆ Prevention of forced labor.
- ◆ Providing all employees with a written employment contract that regulates working conditions: working hours for employees should not exceed the maximum limit established by the current national legislation.
- ◆ Providing employees with necessary rest time in accordance with legislation, including additional days off for overtime work, as well as annual leave, sick leave, parental leave, and other applicable forms of leave.
- ◆ Ensuring employees comfortable working conditions at the workplace.
- ◆ Ensuring payment of wages to employees in accordance with the requirements of current national legislation at a level that ensures a decent standard of living for employees and their families.

The Corporate Internet Resource of the Society features a Guide on Sustainable Development for Suppliers, outlining the fundamental principles that the Society strives to uphold in its daily operations. It is important for the Society that suppliers ensure dignified working conditions for their employees in accordance with legislative requirements and industry standards. Additionally, suppliers are encouraged to take necessary measures to enhance social support, training, and personnel development.

The company is committed to the principles of the UN Global Compact, which are based on the Universal Declaration of Human Rights, the Declaration of Fundamental Rights and Principles at Work of the International Labor Organization, the Declaration on Environmental and Development.

Contributes to the implementation of the UN Sustainable Development Goals:



The company's position regarding human rights is stipulated in the Code of Business Ethics, the Corporate Governance Code, the Sustainable Development Policy, the Internal Labor Regulations and the Stakeholder Map. The provisions of these documents apply to management and all employees who undertake to be guided by them in their work with colleagues, costumers, business partners and society in general.

In 2024, there are plans to address the regulation of human rights norms by developing separate policies or integrating human rights principles into existing internal regulatory documents.

Respect for rights, gender equality and inclusion

Counterparties

- ◆ The right to equal access to provided services
- ◆ The right to the security of one's data, protected by law
- ◆ The right to receive a quality level of service

Employees

- ◆ The right to safe work
- ◆ The right to fair wages
- ◆ The right to education
- ◆ The right to rest
- ◆ The right to equality
- ◆ The right to career growth

The company is guided by the principles of the Labor Code of the Republic of Kazakhstan, according to which no one can be subjected to any discrimination in the exercise of labor rights based on origin, social, official and property status, gender, race, nationality, language, attitude to religion, beliefs, place of residence, age or physical disabilities, as well as membership in public associations.

Equality of opportunities among men and women is ensured, equal conditions for training and career growth are created. The fairness of compensation and equal working conditions are ensured by a grading system that cannot unfairly assess employees based on gender.

All questions about possible violations of the labor rights of employees can always be directed on the Ombudsman for consideration, both orally and in written way. For a long period of time, not a single case of discrimination and non-observance of human rights has been recorded.

For potential clients, an online training platform is supported, where you can learn more about all the support tools offered by the Company.

CORPORATE ETHICS

The principles and norms of corporate ethics, which guide the officials and employees of the Company, are stated in the KazakhExport Code of Business Ethics, approved by the Board of Directors of KazakhExport on May 31, 2019 (Minutes No.5).

Basic goals:

1 Development of a unified corporate culture based on high ethical standards;

2 Strengthening the fundamental values and principles, norms of business ethics behavior, which should guide all employees of the Company in their activities, both when making strategically important decisions, and in everyday situations;

3 Monitoring an atmosphere of trust, mutual respect and honesty;

4 Building effective interaction with stakeholders through the application of best business practices.

Care values:

- **Meritocracy** – recognition of personal merits and achievements of each employee, his career advancement in accordance with his abilities and professional training;
- **Responsibility** – personal responsibility for made decisions.
- **Professionalism and development** – deep knowledge of their specialty, timely and high-quality performance of tasks, continuous improvement of professional knowledge and skills. Equal and optimal conditions for advanced training of employees at all levels, development of their professional knowledge and skills;
- **Mutual respect and trust** – trust in the Company is based on business reputation, responsible conduct of business, transparency, and principles of professional activity. Each employee creates and protects the reputation and authority of the Company, forms an opinion about the Company in society by his behavior;
- **Honesty and openness** - The Company strives for maximum openness and reliability of its information, services, achievements and performance results;
- **Team spirit** - Cooperation among all employees of the Company to achieve high results from joint activities and common intentions. Company employees treat each other kindly and with respect, strive to create and maintain a positive atmosphere in the team, conducive to high-quality and fruitful work.

Compliance with the Code of Business Ethics is mandatory for all employees of the Company, regardless of their position.

Employees of the Company on an annual basis successfully pass testing for knowledge of the Code of Business Ethics of EIC KazakhExport JSC.

GRI 102-16

OMBUDSMAN INSTITUTE

GRI 402-1

Collection of information on non-compliance with the provisions of the Code, initiation of consideration of disputed on its violation, as well as participation in the settlement of disputes is carried out by the Ombudsman.

In accordance with the Code, the main functions of the Ombudsman are:

- 1** consideration of applications from employees, officials of KazakhExport and making recommendations for their permits, including interaction with state bodies, KazakhExport management bodies;
- 2** collection of information on the facts of violation and non-compliance with the provisions of this Code with the formation on an annual basis of the Report on the state of the moral and ethical climate in KazakhExport;
- 3** consultation of employees, officials on the provisions of the Code;
- 4** initiation of consideration of disputes on violation of the provisions of the Code and participation in their settlement in out-of-court and judicial procedures. In terms of corporate conflicts and conflicts of interest, the Ombudsman coordinates his actions with those responsible for resolving corporate conflicts and conflicts of interest in accordance with the KazakhExport Corporate Conflicts and Conflicts of Interest Policy.

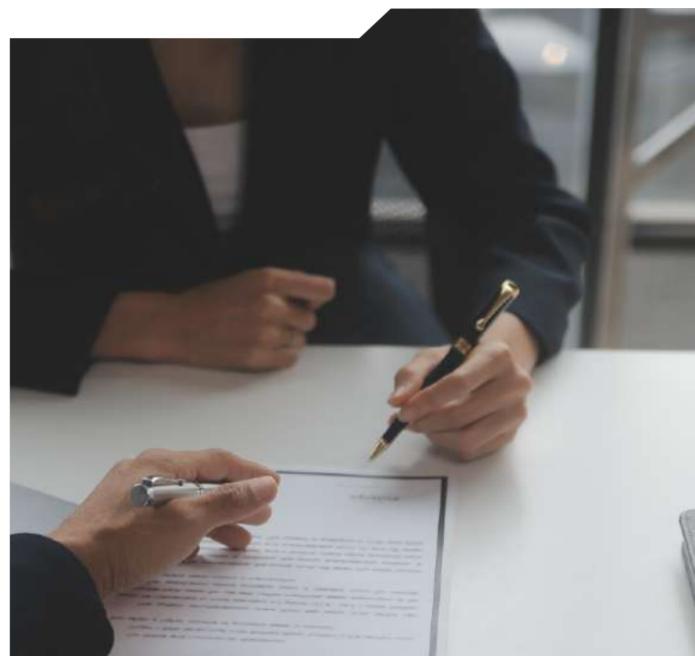
All employees of the Company, clients, partners and other interested persons have the right to apply to the Ombudsman.

By the decision of the Board of Directors of KazakhExport (Minutes No.7 dated June 9, 2022), Akrachkova Dina Viktorovna, who holds the position of Chief of Staff of the Chairman of the Management Board of National Management Holding Baiterek JSC, was appointed as the Ombudsman of the company.

In accordance with the provisions of the Code, the Board of Directors of KazakhExport considered and approved the "Report on the activities of the KazakhExport Ombudsman for 2023" According to the report 2023, there were no requests from the Company's employees for advice from the Ombudsman. There are no violations of the provisions of the Code and litigation on labor disputes between the employer represented by the management of KazakhExport.

Appeals can be sent to:

- 1** Orally, including by contact phone number of the Ombudsman;
- 2** In writing by sending an appeal to the e-mail address of the Company and/or the Ombudsman, drawn up according to the model given on this page.



HUMAN RESOURCES MANAGEMENT AND WORKING CONDITIONS

GRI 401-1, 401-3

Attracting and retaining talented employees is one of the primary objectives of the Company.

The Company is responsible for ensuring decent working and leisure conditions: it pays competitive salaries, offers opportunities for professional development, and maintains an open dialogue with the team, which is especially important during periods of instability.

The Company's corporate culture is based on mutual trust and respect, openness and honesty, continuous development, and improvement.

The Company creates new training programs and enhances existing ones, enabling employees to be more effective in their roles, adapt more quickly to the corporate environment, increase their expertise, and acquire new knowledge.

Talented and competent personnel are crucial for ensuring the success and sustainable development of the Company. The process of cultivating competent staff is greatly supported by the mentorship program, which facilitates the transfer of knowledge, experience, and skills from the "senior" generation to newcomers. In this regard, the Company has formalized the procedure for onboarding new employees and the implementation of the mentorship program in the Company's Rules for Employee Adaptation and Training. It is essential to consider the daily workload of potential mentors to achieve the training objectives for their mentees, as well as to encourage the active involvement of all

parties in the mentorship process.

The Company ensures the availability of educational resources for all employees.

The Company expects employees to adhere to the principles of business ethics outlined in the Code of Business Ethics.

The Company follows a zero-tolerance approach to any form of discrimination and harassment and promotes a culture of equal opportunities.

The Company carries out an open and transparent selection of candidates for vacant positions on a competitive basis.

The personnel selection system is based on equal approach to candidates in employment and on the prevention of restrictions on the rights of candidates. The selection based of personnel is based on the assessment of the personal competencies of the candidate.

The Company employs specialists of different ages, about half of our employees are aged 25-40. All employees have higher education.

The Company provides equal opportunities for men and women. When hiring and promoting employees, first of all, their compliance with the established qualification requirements, professional experience, the presence of such competencies as result orientation, responsibility, ability to change and the ability to work in a team are assessed.

The Company respects the rights of its employees in the field of labor, is guided by the principles of the Labor Code of the Republic of Kazakhstan, according to which discrimination in the field of labor, on gender, nationality, religious and other grounds, forced and child labor is not allowed.

The ethics between employees and company executives is regulated by Code of Business Ethics.

All the Company employees are responsible for establishing a system for preventing identifying and resolving situations involving breaches of business ethics and behavior.

Number of employees by type of employment, pers			
	2021	2022	2023
Complete	92	97	97
Partial	-	-	-
Total	92	97	97

Number of employees by age groups, pers			
	2021	2022	2023
18-25	5	3	2
26-35	34	42	38
36-45	46	43	46
46-55	6	8	10
More than 55	1	1	1
Total	92	97	97

Spending on social programs/benefits, tenge			
	2021	2022	2023
VHI and accident insurance	26 223 830 (VHI) 188 412 (CAI)	25 207 875 (VHI) 104 215 (CAI)	28 748 742,43 Of which: due to accidents 154 602,24
Material aid	115 946 575	130 949 923	141 876 714,00 Of which: for vacation - 135 666 714,00 for birth, burial, marriage - 6 210 000,00
Sick pay	1 082 879	10 409 372 (of these 8 636 736,81 payment for pregnancy and childbirth)	4 775 242,92 (of these 2 067 705,68 payment for pregnancy and childbirth)
Total	143 441 696	166 671 385	175 400 699,35

Total number of employees hired during the reporting period, pers.			
	2021	2022	2023
Женщины	18	8	8
Мужчины	18	24	15
Всего	36	32	23

Other information			
	2021	2022	2023
For women in leadership positions, in particular %	-	28,6	28,6
The proportion of women in executive management, in %	-	50 (taking into account maternity leave)	38,5
Use of child labor (yes/no)	-	-	-
The use of forced labor (yes/no)	-	-	-
The number of cases of discrimination (based on race and skin color, gender, religious beliefs, political views, foreign or social origin), pcs.	-	-	-

General turnover in the reporting period, %			
	2021	2022	2023
Women	7,6	6,2	1
Men	15,2	8,3	4,1
Total	22,8	14,5	5,1

Number of employees by gender, pers.			
	2021	2022	2023
Women	41	44	44
Men	51	53	53
Total	92	97	97

WORKING CONDITIONS

In its operations, the Company not only complies with occupational health, environmental, and industrial safety requirements but also creates the most comfortable working conditions, promotes physical activity, and provides medical insurance for its employees.

The Company traditionally places great emphasis on caring for the health and well-being of its employees. Caring for employees' health is one of the main goals of the personnel policy and includes creating safe workplaces, providing social support, and ensuring occupational safety.

The concept of a "green office" involves not only the rational consumption of resources but also ensuring good ventilation, comfortable temperature, and sufficient natural lighting for office workers. All these conditions improve employee productivity and indirectly reflect the emotional state of employees who are satisfied with their working conditions.

The adjacent area features benches for relaxation, bike racks, and specially equipped tables for table tennis. Charging stations for electric vehicles are being installed, motivating employees to switch to electric cars. Certainly, the concept of a "green office" involves not only the transition to electric vehicles but also the use of safe cleaning products, water and light conservation, reduced paper consumption, and, of course, waste separation.

MOTIVATION AND REWARD

The Company's reward system is based on employees' performance and ensures fair and equal opportunities for professional growth. Periodic salary indexation is conducted, taking into account the inflation rate. Base salaries for men and women performing the same functions do not differ. The proportion of women in various positions is increasing, and conditions are being created for the promotion of women to leadership positions.

The Company provides additional payments during maternity leave. Creating conditions for talent development and respecting human rights are priorities for the Company.

The remuneration policy is based on the recognition of the professional qualities and abilities of employees, the results of their work and achievement of key performance indicators for the purchase of motivation in accordance with internal documents. The Company does not have a division of the base salary of men and women by category of employees. Official salaries are set depending on the qualifications, knowledge and professional level of employees in accordance with the applied grading system.

The Company has a system for evaluating the performance of employees based on key performance indicators (hereinafter referred to as a KPI), which ensures that remuneration is linked to the performance of employees. KPI allows you to motivate high-performing employees to achieve results and, on the

contrary, to identify employees who have potential areas for development. KPIs are formed by cascading the Company's strategic goals to the level of employee performance, in accordance with the area of responsibility.

At the end of the year, a comprehensive assessment of the effectiveness of employees is formed, based on the results of the assessment according to the KPI system and on the assessment of the personal competencies of employees according to the 180-degree system (self-assessment of the manager).

As a result of a comprehensive assessment, personnel decisions are formed for the further development of employees and their career advancement.

In order to increase non-material motivation, the awarding of diplomas and letters of thanks to distinguished employees is carried out annually.

In 2023, employees of the Company were awarded in the following categories: "Employee of the Year," "Most Efficient Front Office Employee," and "Most Efficient Back Office Employee."

As part of the implementation of the Unified Human Resources Policy, knowledge centers (team-learning) were established, where meetings were held involving departmental leaders and employees to discuss the key directions of activities within the structural units.

To assess the quality of knowledge acquired by employees, quality surveys on training were conducted among employees who participated in the following external training programs:

- 1 Anti-Money Laundering and Counter Financing of Terrorism
- 2 Management Coaching Session for Managers
- 3 Advanced Excel and Data Analysis Fundamentals
- 4 Public Speaking

As part of engaging the Company's employees, live broadcasts were organized with guest speakers, including a business psychologist, on the topic: "Analyzing the results of the outgoing year and setting goals for 2024."



It should be noted that non-monetary motivation, like monetary incentives, is primarily aimed at attracting and retaining competitive and valuable talent, creating comfortable working conditions that compete with the market, and fostering a healthy corporate environment.

Additionally, as part of internal knowledge sharing, the Company organized an "Open Doors Day," involving employees from various structural departments.

As part of increasing employee engagement, an event was held to raise awareness about healthy lifestyles and emotional well-being. An online masterclass was organized on the topic: "Healthy Lifestyle: The Impact of Vitamins on Human Health."

Annually, a team-building event is conducted aimed at enhancing team spirit, fostering unity among colleagues, and creating a positive corporate environment. As part of the team-building activities, a Town Hall meeting is organized, facilitating informal feedback sessions between employees and the Company's leadership. This allows employees to receive direct feedback from the company's top management in a relaxed setting.



EDUCATION AND DEVELOPMENT

GRI 404-2

The implementation of most of the Company's tasks largely depends on the level of professionalism and the contribution of employees. The training and development of the Company's employees is set as a priority in the social sphere of the Sustainable Development Policy.

In terms of professional development of personnel, the Company annually approves the Plan for external training and professional development of its employees (hereinafter referred to as the Training Plan), and also draws up a schedule of internal training events on business processes, legislation, internal regulations necessary for the implementation of activities.

During 2023, within the framework of the approved Training Plan for 2023, 26 training events were held (excluding language courses and corporate training: team building), within which 98 employees of the Company were trained.

Within the framework of the approved internal training schedule for the Company's employees for 2023, 33 training events were held on their own with the involvement of the most competent and experienced employees of the Company and (or) other invited persons as trainers. Training owing to the internal training schedule for employees is carried out in business processes of the Company, necessary to improve the work process and to prevent possible violations in the work process.

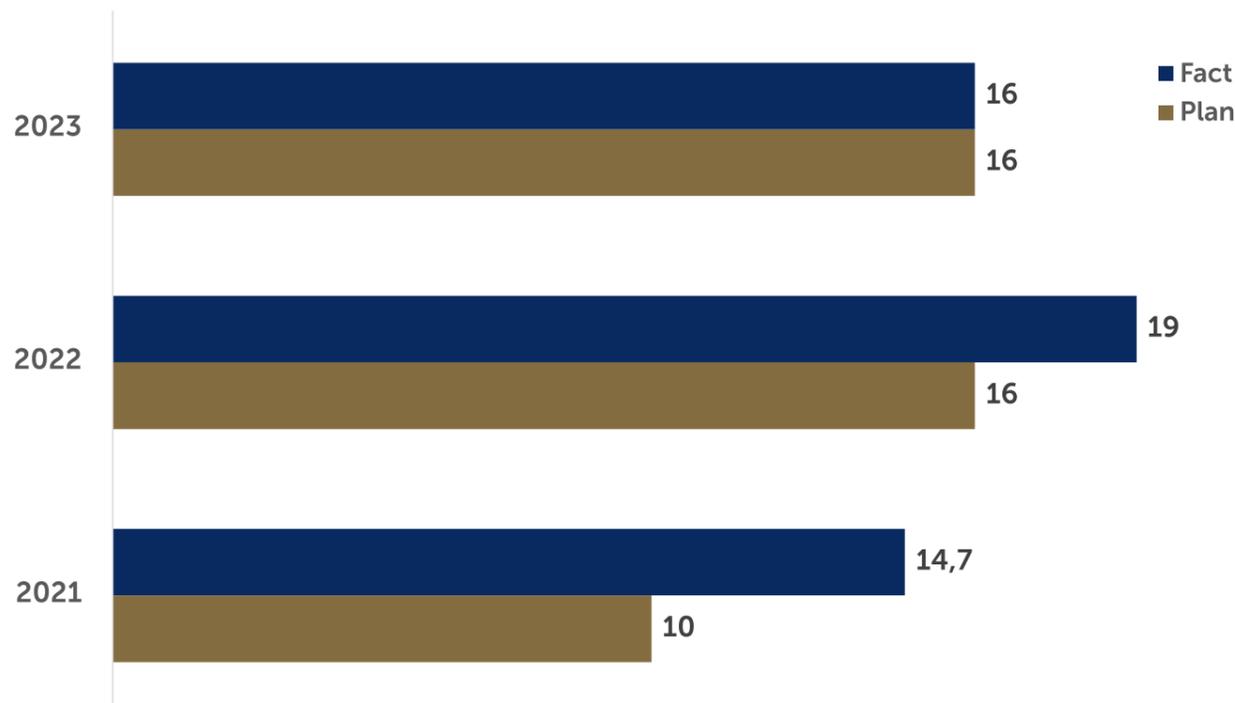
The Company uses non-material incentives for employees by sending them to study for a master's degree and international certification as part of their activities, as well as learning languages.

Additionally, adaptation training seminars were conducted for 23 new employees of the Company to ensure their swift and effective integration into the company's work processes.

One of the key performance indicators in the field of sustainable development of the Company is the indicator on the average number of training hours spent per employee. At the end of 2021, 2022 and 2023 according to this indicator, the dynamics of progress is monitored.

Average annual number of hours per employee = total number of academic hours of training (excluding corporate team trainings and language courses) / total number of KazakhExport employees trained (the number of employees is taken into account upon participation in all trainings during the year)

Average number of training hours per KazakhExport employee



According to the plan for 2023, the average annual number of hours per employee is planned at the level of 16 academic hours per employee.

Upon execution, the average annual number of hours per employee for 2023 amounted to: 19 ac/h. 920 ac.h./57 employees = 16 ac/h.

In addition, in order to increase non-material motivation for obtaining new knowledge, the Company has an experience exchange program with the leading export credit agencies of the countries. This kind of internship provides employees with opportunities to gain new experience and increase their productivity. In the future, employees willingly exchange ideas, the latest market trends, useful skills and become more involved in the company's activities even outside their workplaces. The level of expertise is increasing, this exchange of experience contributes to the growth of professionalism among employees.

During the reporting period, as part of knowledge exchange, employees of the Company underwent training at Euler Hermes, a global leader in export credit insurance. Euler Hermes conducted a seminar on export support and development measures.

During the seminar, Euler Hermes' experience in supporting exports through export credit insurance and guarantees, trade and direct financing of export transactions, as well as other forms of government support, was discussed.

In addition, the seminar covered topics such as automating external communications with exporters and banks, legal aspects of exports, assessment of sovereign risks, and much more.

Furthermore, the Company promotes the practice of attracting young professionals and university students for internships. In 2023, the Company signed two agreements for the provision of services without compensation with two interns.

SOCIAL INITIATIVES

SOCIAL RESPONSIBILITY

The Company contributes to the development of the country by creating and providing jobs, increasing tax revenues, developing export potential, supporting projects that have a social effect in terms of creating new jobs, which subsequently affects the improvement of the living standards of the population.

The main emphasis of the Company is on the social protection of its employees. KazakhExport employees are provided with optimal working conditions for the period of production. As part of the social package for the Company's employees, it is provided:

- ◆ **Provision of health insurance in case of illness for employees and members of their families: 90 employee were insured, taking into account newly hired employees instead of dismissed ones;**
- ◆ **For recovery in the provision of paid annual leave: received 101 employees;**
- ◆ **In connection with the birth of a child: 9 employees received payments;**
- ◆ **In connection with marriage: received 2 employees;**
- ◆ **In connection with the death of a close relative: 3 employee;**
- ◆ **Due to loss of income in connection with maternity leave, leave for those who adopted (adopted) a newborn child (newborn children): received by 4 employees.**

Also, in order to support young personnel, a Memorandum of Cooperation is concluded with the leading universities of the country, on the basis of which students have the opportunity to undergo basic pre-diploma practice in accordance with the requested profile of the educational program.

This allows the younger generation to gain great experience in applying the practical skills of working in their specialty in production conditions and in developing independent work within the framework of the tasks assigned to them.

Social activity

Being a socially responsible company, KazakhExport promotes the principles of sustainable development, including issues of social responsibility. The Company's employees, on their own initiative, strive to take care of our society and the world around us.

On the eve of the school year, employees took part in a charity event. Backpacks and stationery sets were presented to children. The Road to School campaign was launched by the Committee for the Protection of Children's Rights of the Ministry of Education of the Republic of Kazakhstan. Everyone who wanted to take part in the action: volunteers, businessmen, philanthropists, non-governmental organizations and others.

Employees of the Company participated in a charitable campaign called "Donor Day," organized by JSC "NUH Baiterek." A total of 116 employees from the Holding and its subsidiaries became blood donors, contributing approximately 30 liters of donor blood. The main goal of the campaign was to promote blood donation among employees and the wider community, increase stocks of donor blood and its components, and actively support charitable and social initiatives.

This campaign has been held within the Baiterek Holding for several years consecutively and has become a positive tradition that reaffirms the company's social responsibility and the active involvement of employees in societal activities.

At the charitable fair organized by JSC "NUH Baiterek," employees of the Company showcased paintings, handicrafts, culinary treats, souvenirs, toys, and New Year's gifts. This annual charitable fair serves as a stimulus for raising public awareness and enables people to participate in humanitarian aid efforts. The funds raised were used to organize a New Year tree and purchase gifts for children with disabilities.

Employees of the Company participated in a campaign to collect food and supplies for animals. The Holding proposed participation in this initiative to support the "StopOtlov" Fund through material donations, dry pet food, household supplies, and grooming items for dogs. This Fund is dedicated to rescuing animals from capture, providing treatment for exhausted animals, and ensuring their nutrition and care, which requires significant daily expenses.



INCREASING FINANCIAL LITERACY

Issues of improving financial literacy among Kazakh entrepreneurs and second-tier banks are included in the list of KazakhExport's priority goals.

As part of the agreements reached between KazakhExport and partner companies Atameken NCE, QazTrade JSC, Qazindustry JSC, Development Bank of Kazakhstan JSC online seminars were held during the year on existing programs for entrepreneurs in terms of financial and insurance support measures.

In 2023, 1007 Kazakh entrepreneurs from 17 regions of the Republic of Kazakhstan, as well as the cities of republican significance Almaty, Shymkent and Astana took part in the seminars. These seminars contribute to the adoption of competent decisions, minimize risks and, thereby, increase the financial security of entrepreneurs.

Along with this, in the past year, the Company regularly took part in meetings of regional export councils organized by QazTrade JSC with a program of seminars on exporter support measures and practical experience in applying support tools.

As part of the development of trade and economic relations and international activities, KazakhExport's experience in supporting export-oriented enterprises was explored by representatives of export agencies and second tier banks of Tajikistan, the Kyrgyz Republic and Uzbekistan. During the meetings, KazakhExport employees shared their practical experience in applying support tools, including trade finance and export insurance, legal aspects of exports, risk underwriting and digitalization of services.



CORPORATE GOVERNANCE

CORPORATE GOVERNANCE SYSTEM

The Company has a well-established corporate governance system, has developed and approved the necessary internal regulatory documents governing the activities of the Company and its bodies, and has an effective internal audit service that assesses internal control, risk management and corporate governance. The Company's governance processes and procedures ensure compliance with legislation and internal regulations and create the optimum conditions for making farsighted and responsible decisions.

Supreme governing body is the Sole Shareholder

Interaction with the Sole Shareholder is carried out in accordance with the legislation of the Republic of Kazakhstan, the Charter of Kazakh Export, which establishes the exclusive competence of the Sole Shareholder, and the Corporate Governance Code of the Company.

The governing body the Board of Directors

The Company's Board of Directors has established committees to consider audit, risk, strategic planning, corporate development, human resources, remuneration and social issues.

the executive body Management Board

In order to prepare recommendatory decisions for the Management Board in certain areas of the Company's activities, including for the preparation and preliminary consideration of issues within the competence of the Management Board, committees have been created under the Management Board.

CORPORATE GOVERNANCE CODE

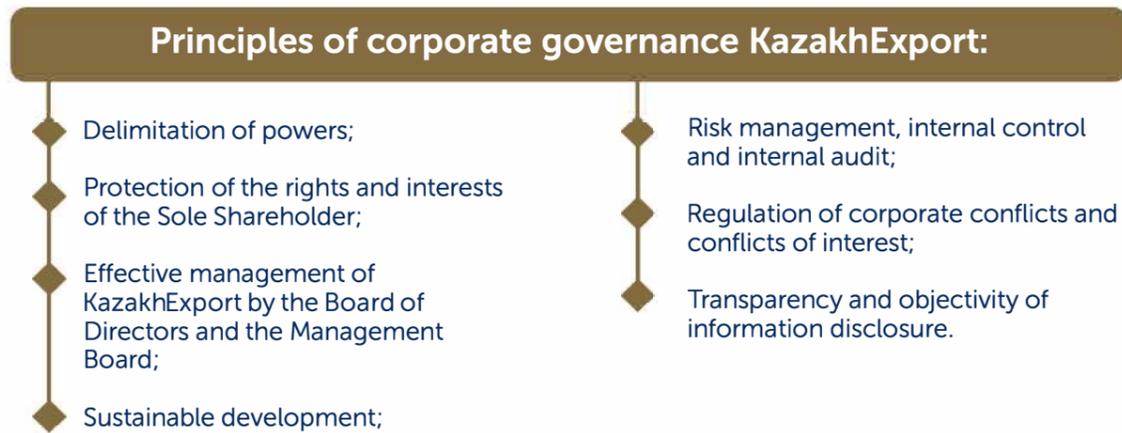
The Company in its activities is guided by the Corporate Governance Code, which provides for efficiency, transparency, accountability, a high level of business ethics in relations both within the Company and with other stakeholders for the successful operation of the Company, including the growth of its value, maintaining financial stability and profitability.

The Code was developed in order to ensure compliance of the Company's corporate governance with the relevant standards of the Organization for Economic Cooperation and Development (hereinafter referred to as the OECD).

The Company annually prepares a report on the implementation of the principles and provisions of the Corporate Governance Code considered at a meeting of the Board of Directors.

An analysis of the Company's compliance with the principles and provisions of the Corporate Governance Code for 2023 showed that KazakhExport complies with all the principles and provisions of the Corporate Governance Code and continues to work constantly to improve corporate governance procedures. A short version of the Report on compliance/non-compliance with the principles and provisions of the KazakhExport Corporate Governance Code for 2023 is given in the Appendix to the Annual Report.

(the full version is posted on the Company's corporate internet resource www.kazakhexport.kz)



SOLE SHAREHOLDER

The sole shareholder of KazakhExport is National Management Holding Baiterek JSC (hereinafter referred to as NMH Baiterek JSC), a key institution of the Republic of Kazakhstan that meets the advanced standards of corporate governance and ensure the implementation of the tasks of sustainable development of the economy Kazakhstan by diversifying it, supporting innovation, developing exports, and increasing labor productivity.

Mission

The development of competitive businesses, provision of housing, and strengthening food security based on principles of accountability to society.

Vision

A proactive holding company that qualitatively transforms Kazakhstan's economy by developing new industry growth points.

Key tasks

- Development of non-primary sectors of the economy;
- Development of entrepreneurship;
- Development of the manufacturing industry;
- Support for the export of non-raw material products;
- Increased labor productivity;
- Development of a competitive agricultural sector
- Enhancing the investment attractiveness of the economy
- Improving the welfare of the population

Strategic directions of activity

- Entrepreneurship support
- Development of the equity financing ecosystem
- Housing provision for the population.

Dividend payment

KazakhExport paid dividends in the amount of 70% of the net profit received in 2022 in the amount of about 1 590 502 thousand tenge.

Share capital

100% holder of the outstanding shares in MNH Baiterek JSC. As of December 31, 2023, the authorized capital of KazakhExport is 105 100 000 000 (one hundred five billion one hundred million) tenge, the number of authorized common shares is 92 000 (ninety two thousand) shares, the number of placed shares is 91 440 (ninety one thousand four hundred and forty) pieces, 1 149 387,58 (one billion one hundred forty nine thousand three hundred eighty seven) tenge 58 tiyn. – nominal value of declared but not placed shares (tenge per 1 share).



BOARD OF DIRECTORS

The Board of Directors is a management body that carries out general management of the Company's activities, with the exception of resolving issues referred by law and (or) the exclusive competence of the Sole Shareholder and the Management Board.

The composition of the KazakhExport Board of Directors and its committees provides for a balance of skills, experience and knowledge of their members, taking into account the industry specifics of the Company's operations, the scale of operations, the issues being considered by the Board committees, to ensure that independent, objective and effective decisions are made in the interests of the Company and the Sole Shareholder.

Members of the Board of Directors have impeccable business reputation, knowledge, skills and experience in the field of agriculture, economics and business management, as well as law.

As of December 31, 2023, the Board of Directors consisted of 4 people, of which 3 members of the Board of Directors are independent directors.

Composition of the Board of Directors of KazakhExport as of December 31, 2023

Position in the Company's Board of Directors, full name	Date and number of the decision of Sole shareholder on election to the Board of Directors	Position at the main place of work
Chairman of the Board of Directors Kaligazin Aslan Ermekovich	from 26 april 2022	Chairman of the Board of KazakhExport
Member of the Board of Directors – independent director Alimukhambetov Nurzhan Erzhanovich	15.11.2023	Chairman of the Board of Directors - Independent Director of JSC "Insurance Company Basel»
Member of the Board of Directors – independent director Samakova Aitkul Baigazyevna	13.09.2016	
Member of the Board of Directors – independent director Dildyayev Yaroslav Grigoriyevich	13.09.2017	Chairman of the Board of Directors, Chief Operating Officer of LLC "Insurance Broker Axiom InRe»

Changes in the composition of directors for 2023

1. The powers of Serik Makashevich Zhumangarin, Chairman of the Board of Directors of JSC "ESC KazakhExport," were terminated early effective from April 27, 2023 (protocol of the Management Board of JSC "NUH Baiterek" dated April 27, 2023, No.15/23).

2. Adil Bektasovich Mukhametjanov, Chairman of the Board of Directors of JSC "ESC KazakhExport," had his powers terminated early effective from December 3, 2023 (notice of resignation from the Board of Directors of JSC "ESC KazakhExport," protocol of the Management Board of JSC "NUH Baiterek" dated February 1, 2024, No. 06/24).

3. Damir Serkpaevich Suentayev, a member of the Board of Directors of JSC "ESC KazakhExport," had his powers

terminated early effective from November 14, 2023 (protocol of the Management Board of JSC "NUH Baiterek" dated November 14, 2023, No. 43/23).

4. The powers of Michael Weinstein, a member of the Board of Directors of JSC "ESC KazakhExport," were terminated early effective from February 10, 2023 (protocol of the Management Board of JSC "NUH Baiterek" dated January 11, 2023, No. 01/23).

5. Nurzhan Erzhanovich Alimukhambetov was elected as a member of the Board of Directors on November 14, 2023, in accordance with the decision of the Sole Shareholder of the Company (protocol of the Management Board of JSC "NUH Baiterek" dated November 14, 2023, No. 43/23).

COMPOSITION OF THE BOARD OF DIRECTORS



Kaligazin Aslan Ermekovich

Member of the Board of Directors, Chairman of the Management Board

Date of birth: January 31, 1982
Work place: KazakhExport

Education:

In 2003 he graduated from the Faculty of Law of the East Kazakhstan State University. In 2005 – master's degree from the Kazakhstan Institute of Management, Economics and Forecasting (KIMEP).

Work Experience:

- Since April 27, 2022 - Chairman of the Management Board of JSC "Export Insurance Company KazakhExport";
- From August 2021 to March 2022 - General Director of LLP "BV Management";
- From October 2018 to August 2021 - Deputy Chairman of the Management Board of JSC "Export Insurance Company KazakhExport"

Samakova Aitkul Baigazyevna

**Member of the Board of Directors, Independent Director
Chair of the Human Resources, Rewards, and Social Issues Committee;
Member of the Strategic Planning Committee;
Member of the Audit Committee.**

Date of birth: February 02, 1949

Education:

- In 1967, graduated from the Alma-Ata Polytechnic Technical School with a degree in Chemical Technology.
- In 1973, graduated from the Dzhambul Technological Institute with a degree in Engineering Economics.
- In 1985, graduated from the Alma-Ata Higher Party School with a degree in Political Science.
- In 1999, graduated from the Almaty State University named after Abay with a degree in Law.

Work Experience:

- Member of the Majilis of the Parliament of the Republic of Kazakhstan, IV Convocation (since August 27, 2007), member of the Committee on Ecology and Environmental Management; Chairman of the Social Council of the Nur Otan Democratic People's Party at the Majilis of the Parliament.
- From 2012 to 2016 - Member of the V Convocation, member of the Committee on Ecology and Environmental Management of the Majilis of the Parliament of the Republic of Kazakhstan.
- Since 2016 - Member of the Board of Directors of KazakhExport Export Credit Insurance Company.





Dildyayev Yaroslav Grigoriyevich

**Member of the Board of Directors, Independent Director;
Chair of the Strategic Planning Committee;
Member of the Committee on Human Resources, Compensation, and Social Issues;
Member of the Audit Committee of the Board of Directors.**

Date of birth: March 19, 1969

Education:

- In 1994, graduated from Al-Farabi Kazakh National University with a qualification in Law;
- In 2013, graduated from Moscow State University of Mechanical Engineering (MAMI) with a Master's degree.

Опыт работы:

- Since 2012 - Member of the Board of Directors, AXIOManx Reinsurance Brokers Limited;
- Since 2004 - Chairman of the Board of Directors, Chief Operating Officer of LLC "Insurance Broker Axiom InRe".

Alimukhambetov Nurzhan Erzhanovich

**Member of the Board of Directors, Independent Director,
Chairman of the Audit Committee,
Member of the Strategic Planning Committee**

Date of birth: November 7, 1959

Education:

- In 1983, graduated from the Kazakh Institute of Physical Culture with a degree in Physical Education and Sports (with honors).
- In 1991, completed postgraduate studies at the Abai Kazakh Pedagogical Institute, specializing in Pedagogical Methodology (recipient of the Council of Ministers Prize).
- In 1998, graduated from the Almaty Management School with an MBA degree in Economics and Management, specializing in Corporate Management.

Work Experience:

- 1985-1988: Assistant at the Department of Foreign Languages, Ust-Kamenogorsk Institute of Civil Engineering and Road Construction.
- 1992-1998: Director of Foreign Economic Relations, General Director at OF "International Fund of Kunaev D.A."
- 1998-2009: Vice President, Deputy Chairman of the Board, First Deputy Chairman of the Board, Deputy Chairman of the Board at JSC "National Bank of Kazakhstan Pension Fund".
- 2009: Advisor to the Chairman of the Council, Union of Legal Entities "Association of Financiers of Kazakhstan".
- 2009-2013: Member of the Board of Directors, Chairman of the Board at JSC "Life Insurance Company "State Annuity Company".
- 2013-2018: Advisor to the Chairman of the Board at JSC "Insurance Company "Trust Insurance".
- 2013-2018: Advisor to the Board of Directors at JSC "Insurance Company "Kompetenz".
- 2017-2019: Independent Director, Member of the Board of Directors at JSC "National Research Center of Oncology and Transplantology" UMC, Nazarbayev University.
- 2018-2019: Independent Director, Member of the Board of Directors at JSC "Kazagrogarant".
- 2017-2021: Independent Director, Member of the Board of Directors at JSC "BRK-Leasing" (Industrial Development Fund JSC).



- Since March 16, 2020: Advisor to the Chairman of the Board at JSC "Insurance Company "Sinoasia B&R".
- Since 2022: Member of the Board of Directors, Independent Director at JSC "National Company "QazExpoCongress".
- Since 2022: Chairman of the Board of Directors, Independent Director at JSC "Insurance Company "Basel".

Activities of the Board of Directors

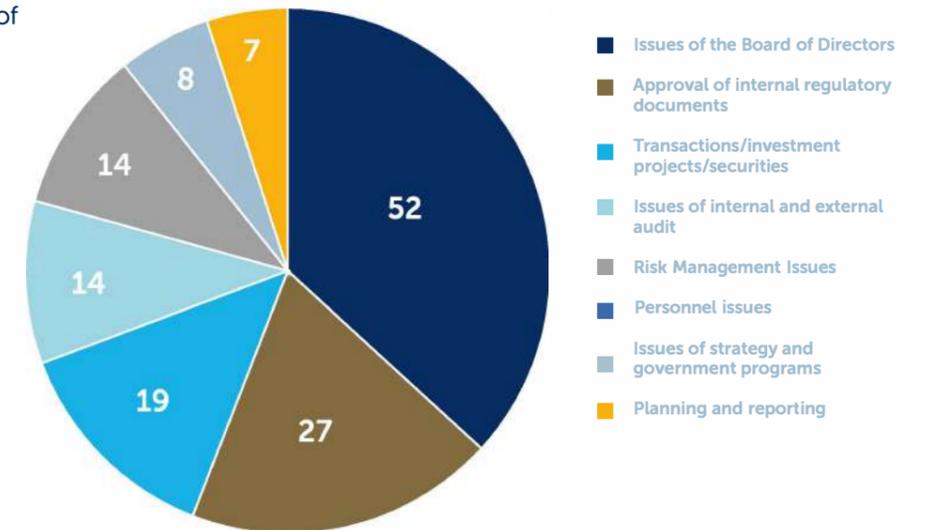
The activities of the Board of Directors are based on the principles of professionalism, reasonableness and prudence, honesty and objectivity, the principle of protecting the rights of the Sole Shareholder. During 2023, the Board of Directors of KazakhExport held 22 meetings: 15 meetings in presentia and 7 in absentia. 141 questions were considered.

Materials, explanatory notes for a comprehensive consideration of issues were sent to the Chairman and members of the Board of Directors of KazakhExport within the time limits established by the Regulations on the Board of Directors of KazakhExport 10 (ten) calendar days before the meeting date of the Board of Directors.

Structure of issues considered by the Board of Directors of KazakhExport

During 2023, 141 issues were considered at the meetings of the Board of Directors of KazakhExport.

In particular, the Board of Directors considered the following issues:



Committees of the Board of Directors

In order to improve the effectiveness of KazakhExport's development management by making fully informed recommendations to the Board of Directors, KazakhExport has established and operates the following advisory and consultative bodies:

- 1 Audit Committee of the KazakhExport Board of Directors;
- 2 Human Resources, Remuneration and Social Affairs Committee of the KazakhExport Board of Directors;
- 3 Strategic Planning Committee of the Board of Directors of KazakhExport.

All proposals developed by the Committees are recommendations that are submitted for consideration to the Board of Directors of KazakhExport.

Composition of the Committees of the Board of Directors of KazakhExport as of December 31, 2023

Audit Committee of the Board of Directors

Chairman, members, experts	Full name	Position
Chairman of the Committee	Alimukhambetov Nurzhan Erzhanovich	Member of the Board of Directors - Independent Director
Member of the Committee	Samakova Aitkul Baigazyevna	Member of the Board of Directors - Independent Director

Human Resources, Remuneration and Social Affairs Committee of the Board of Directors

Chairman, members, experts	Full name	Position
Chairman of the Committee	Samakova Aitkul Baigazyevna	Member of the Board of Directors - Independent Director
Member of the Committee	Dildyayev Yaroslav Grigoriyevich	Member of the Board of Directors - Independent Director

Strategic Planning Committee of the Board of Directors

Chairman, members, experts	Full name	Position
Chairman of the Committee	Dildyayev Yaroslav Grigoriyevich	Member of the Board of Directors - Independent Director
Member of the Committee	Alimukhambetov Nurzhan Erzhanovich	Member of the Board of Directors - Independent Director

The Secretary of the KazakhExport Board Committees is the Corporate Secretary of KazakhExport, Kuralbayeva A.R.

During 2023, the Committees of the Board of Directors of the Company held meetings in person at KazakhExport and via video conference:

During 2023, the Committees of the Board of Directors of KazakhExport considered 169 issues, of which:

- Audit Committee - 123 issues (73%);
- Human Resources, Remuneration and Social Affairs Committee - 38 issues (22%);
- Strategic Planning Committee - 9 issues (5%).

Materials, explanatory notes for a comprehensive consideration of issues were sent to the Chairman and members of the Committees of the Board of Directors of KazakhExport within the time limits established by the Regulations on the Committees of the Board of Directors of KazakhExport, 5 (five) working days before the date of the meeting of the Committee.

MANAGEMENT BOARD

The Management Board manages the current activities of the Company and is responsible for the implementation of the Development Plan and decisions taken by the Board of Directors Sole Shareholder. The activities of the Management Board are regulated by the Regulations on the Management Board of the Company.

During 2023, 97 meetings of the Management Board were held, all in person. 462 questions were considered.

In 2023, the Board of KazakhExport included the following persons:

Full name	Position	Date of joining the Management Board
Kaligazin Aslan Ermekovich	Chairman of the Board	27/04/2022 (decision of the Sole Shareholder dated 26/04/2022 No. 19/22)
Bekkhodzhin Erdan Erlanovich	Deputy Chairman of the Board	02.10.2014 (decision of the Board of Directors dated 30.09.2014, No.83) In accordance with the decision of the Board of Directors dated November 17, 2023 (Protocol No. 16), the powers have been terminated early.
Zhaksybayev Rauan Omirbekovich	Deputy Chairman of the Board	12.07.2016 (decision of the Board of Directors dated 12.07.2016 No.104)
Bektybayeva Ayan Erspayevna	Deputy Chairman of the Board	30.03.2021 (decision of the Board of Directors dated 30.03.2021 No.2)
Mukazhanov Kuanysh Amangeldievich	Deputy Chairman of the Board	30.10.2021 (decision of the Board of Directors dated 29.09.2021 No.9)



COMPOSITION OF THE MANAGEMENT BOARD



Kaligazin Aslan Ermekovich

Member of the Board of Directors, Chairman of the Management Board

Date of birth: January 31, 1982
Work place: KazakhExport

Education:

In 2003 he graduated from the Faculty of Law of the East Kazakhstan State University. In 2005 – master's degree from the Kazakhstan Institute of Management, Economics and Forecasting (KIMEP).

Work Experience:

- Since April 27, 2022 - Chairman of the Management Board of JSC "Export Insurance Company KazakhExport";
- From August 2021 to March 2022 - General Director of LLP "BV Management";
- From October 2018 to August 2021 - Deputy Chairman of the Management Board of JSC "Export Insurance Company KazakhExport"

Bektybaeva Ayan Erspaevna

Deputy Chairman of the Management Board, Member of the Management Board

Date of birth: January 18, 1983.
Education:

- In 2003, graduated from the State Financial Institute with a qualification in Economics.

Work experience:

- Since April 2021 - Deputy Chairman of the Management Board, KazakhExport.
- From 2018 to 2021 - Managing Director, KazakhExport.



Zhaksybayev Rauan Omirbekovich

Deputy Chairman of the Management Board, Member of the Management Board

Date of Birth: September 22, 1981.

Education:

- In 2002, graduated from the State Financial Institute with a qualification in Economics and Finance.
- In 2004, graduated from the Kazakh Humanities and Law University with a qualification in Law.

Work Experience:

- Since April 2021 - Deputy Chairman of the Management Board at KazakhExport;
- From January 2021 to May 2023 - Member of the Board of Directors, Independent Director at JSC "Eurasian Financial Company";
- From 2016 to 2021 - Managing Director, Member of the Management Board at KazakhExport.



Mukazhanov Kuanysh Amangel'diyevich

Deputy Chairman of the Management Board, Member of the Management Board

Date of Birth: November 26, 1980

Education:

- In 2002, graduated from Kazakh National Agrarian University with a degree in International Economic Relations.
- In 2004, graduated from Weihenstephan-Triesdorf University (Germany) with a degree in Master of Business Administration.

Work Experience:

- Since October 2021 - Deputy Chairman of the Management Board, KazakhExport.
- From July 12 to September 30, 2021 - Managing Director, KazakhExport.
- From 2016 to 2021 - Director of the Insurance Department, JSC "Export Insurance Company" KazakhExport.



Bekhozhin Erdan Erlanovich

Deputy Chairman of the Management Board, Member of the Management Board

Date of Birth: September 22, 1981.

Education:

- In 2006, graduated from Monash University in Melbourne, Australia, with degrees in Business and Computer Science.

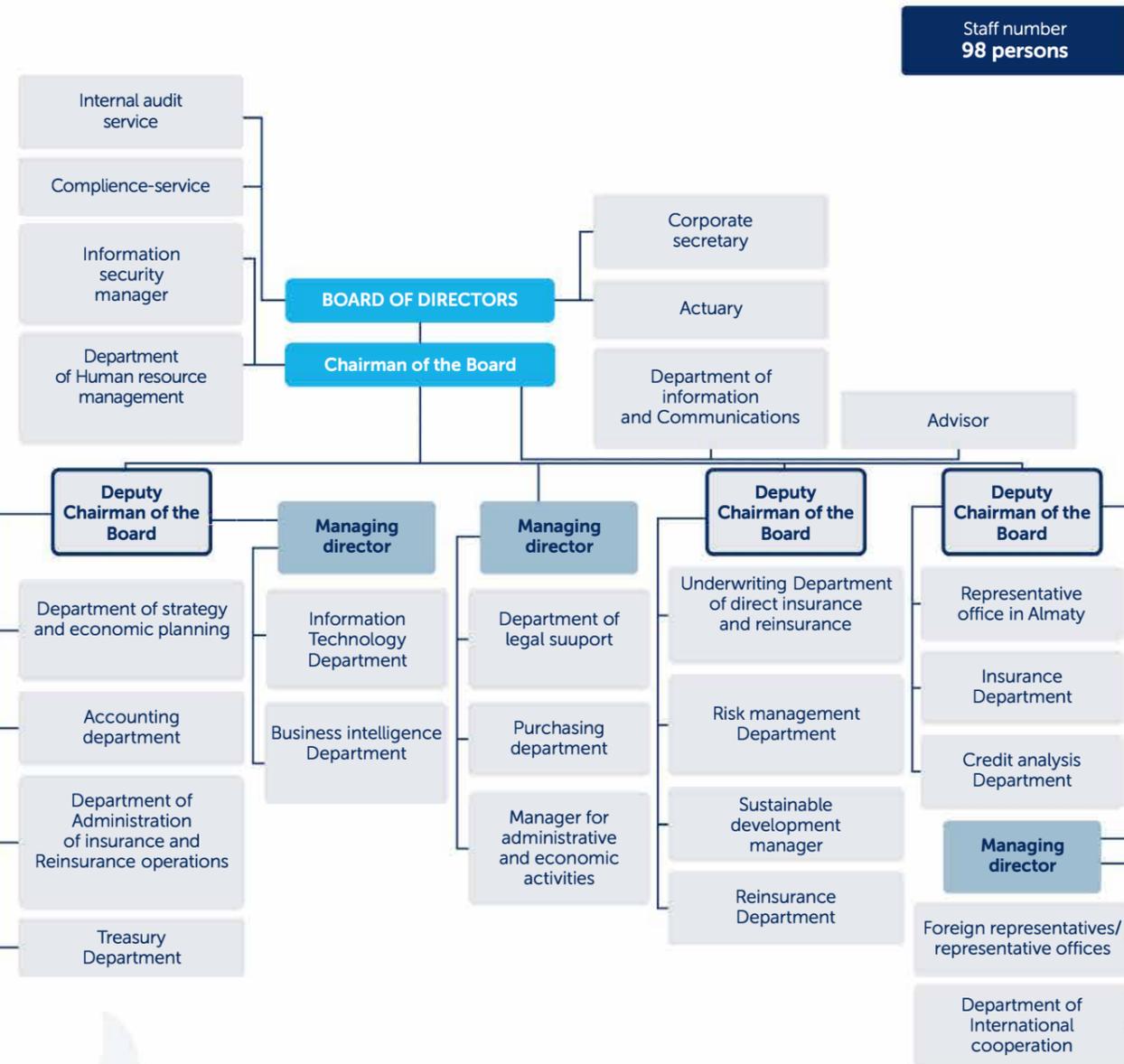
Work Experience:

- From 2014 to 2023 - Deputy Chairman of the Board of KazakhExport.

Professional Qualification:

- 2021 - Financial Risk Manager - Certified by the Global Association of Risk Professionals.

The organizational structure of the joint-stock company "KazakhExport Export Insurance Company"



GRI 102-18

INTERNAL AUDIT SERVICE

The Internal Audit Service (hereinafter - IAS) in KazakhExport was established to protect the interests and rights of NMH Baiterek JSC, as the Sole Shareholder of KazakhExport, to promote the achievement of strategic goals and objectives through a systematic and consistent approach to assessing and improving the efficiency of corporate governance, risk management and internal control processes. In its activities, IAS of KazakhExport takes into account all current International Standards for the Professional Practice of Internal Auditing and the Code of

Ethics for Internal Auditors adopted by the International Institute of Internal Auditors and is guided by approved internal regulatory documents on internal audit.

In the Company, the activity of internal audit complies with the International Standards for the Professional Practice of Internal Audit, that is, the functions of internal audit are separated from the functions of internal control and risk management. Internal audit is in the mode of special functional and administrative subordination and accountability, in order to ensure the objectivity of auditors and the independence of the IAS. As part of this accountability, KazakhExport's governing bodies are provided with reliable and up-to-date information on the level of effectiveness of internal control, corporate governance and risk management systems.

In accordance with the assigned competencies, the Board of Directors of KazakhExport approves the risk-oriented Map of audit areas, the Annual Audit Plan, key performance indicators of the IAS and its employees.

The IAS activity report is submitted on a quarterly basis to the Audit Committee and the Board of Directors of KazakhExport.

In accordance with the Annual Audit Plan of the Internal Audit Service for 2023, 9 audit assignments were planned and fully completed, including the Audit of Information Security and Information Technology with the involvement of the external audit firm KPMG Tax and Advisory.

The IAS also undertakes consulting assignments to provide guidance and advice for the future.

Periodically the IAS monitors the implementation of the recommendations of the IAS and external auditors. Employees of the Internal Audit Service undergo continuous training and development to enhance their skills and qualifications, including obtaining professional certifications.

By the decision of the Board of Directors dated December 1, 2023, the term of office of the Internal Audit Service (CBA) has been set for three years starting from February 15, 2024.

MANAGEMENT OF CORPORATE CONFLICTS AND CONFLICTS OF INTEREST

KazakhExport has approved the Policy on Management of Corporate Conflicts and Conflicts of Interest, which defines a list of measures aimed at preventing the occurrence and realization of risks of corporate conflicts and conflicts of interest.

The specified policy clearly establishes the obligation of officials and employees of the Company to act in the interests of the latter and its Sole Shareholder, and also defines their responsibility.

In order to prevent conflicts, officials and employees of KazakhExport are required to:

- 1** comply with the requirements of the legislation of the Republic of Kazakhstan, the Charter and internal documents of KazakhExport
- 2** exclude the possibility of the Company's involvement in illegal activities;
- 3** confirm in writing that they have read the Policy on the management of corporate conflicts and conflicts of interest and undertake to comply with it.
- 4** ensure timely provision to the Sole Shareholder of comprehensive information on issues that may become the subject of a conflict;
- 5** not to make major transactions and transactions with interest without consideration and approval by the relevant management bodies of the Company in the manner prescribed by applicable law and internal documents;
- 6** refrain from actions and decisions that may lead to conflicts;
- 7** to disclose information about the Company's activities in accordance with the requirements of the legislation of the Republic of Kazakhstan

KazakhExport confirms that in 2023 there were no cases of corporate conflicts and conflicts of interest, and there were no appeals from the Sole Shareholder regarding the actions of the Company and its officials.

COMPLIANCE RISK MANAGEMENT

Compliance risk management is an integral part of the function of the internal control system. Its purpose is to protect the interests of KazakhExport, its partners and clients by monitoring compliance in the Company's activities with the provisions of the current legislation of the Republic of Kazakhstan, internal documents governing the provision of services and operations in the insurance market.

An effective compliance risk management system and its maintenance in an appropriate state allow the management to timely identify all significant risks of incomplete implementation of KazakhExport development goals.

All structural divisions and employees of the Company are participants in the compliance risk management system within their competence and responsibility and interact with each other.

The main goal of compliance risk management is to minimize and/or maintain compliance risks at an acceptable level, such as the occurrence of financial losses for KazakhExport, damage to its business reputation, the application of legal sanctions against it due to non-compliance with the requirements of the legislation of the Republic of Kazakhstan, regulatory legal acts of authorized state bodies, corporate documents and procedures, as well as the laws of foreign countries that affect the activities of KazakhExport.

In order to effectively manage the compliance risk, the Board of Directors of KazakhExport annually approves the Compliance Program and quarterly reviews the report of the Compliance Service on its work and the implementation of this program.

In 2023, the Compliance Service carried out all the activities provided for by the Compliance Program and aimed at minimizing the emergence of a compliance risk in the activities of KazakhExport.

In particular, the Compliance Service performs the functions of financial monitoring of transactions conducted by the Company with clients in order to comply with the requirements of the legislation of the Republic of Kazakhstan on combating the legalization (laundering) of proceeds from crime and the financing of terrorism.

According to the results of the reporting year, KazakhExport's line of insurance products

was not allowed to be exposed to a high level of risk of legalization (laundering) of proceeds from crime and financing of terrorism.

On a regular basis, monitoring and control were carried out in order to prevent cases of establishing business relations with clients that are included in the lists of organizations and persons suspected of financing terrorism and extremism, regularly compiled by the authorized state body for financial monitoring.

Due to the aggravated geopolitical situation in 2023 and the tightening of sanctions and trade and economic wars between various countries of the world, KazakhExport has taken enhanced control measures to prevent the application of secondary sanctions against it by foreign states.

Separate emphasis was made on preventing cases of violation by the Company of sanctions measures imposed against certain individuals and legal entities, as well as states, assistance in circumventing certain types of sanctions imposed by international associations and foreign states.

During the reporting year, sanctions and administrative penalties were not applied by the authorized state bodies against KazakhExport and its officials.

The Company did not allow the onset of factors affecting the deterioration of its financial position as an insurance (reinsurance) company.

At the end of 2023, the Board of Directors of KazakhExport recognized the effectiveness of the compliance risk management level as satisfactory.

ANTI-CORRUPTION AND FRAUD MANAGEMENT

GRI 103-2, 205-1, 205-3

KazakhExport adheres to a policy of zero tolerance for corruption and fraud in any of their manifestations, for which it tries to actively interact with all interested parties and authorized state bodies.

The Company, in its daily activities, takes all necessary measures to ensure compliance with the requirements of anti-corruption legislation and prevent the risk of fraud and corruption.

The Company regulates and implements internal procedures for compliance with ethical standards and ensuring the functioning of the anti-corruption and fraud system.

These procedures are reflected in the following corporate regulatory documents approved by the decisions of the Sole Shareholder, the Board of Directors and the Management Board of the Company:

- Corporate Governance Code;
- Code of Business Ethics;
- Policy for the management of conflicts of interest and corporate conflicts;
- Anti-corruption policy;
- Rules for the Prevention and Counteraction of Fraud and Corruption.

The above corporate regulations take into account the principles of the Sustainable Development Policy.

The Compliance Service, as a unit responsible for the organization and operation of the anti-corruption and fraud system, in 2023 ensured the implementation of the following measures provided for by the compliance program, aimed at reducing the risks of corruption and fraud:

- conducting anti-corruption expertise of prepared projects, internal regulations;
- conducting due diligence of clients and contractors when establishing business relations with them;
- observance by officials and employees of KazakhExport of anti-corruption restrictions and anti-corruption standards;
- observance of the legislative prohibition on employment in quasi-state organizations of persons who have committed corruption crimes;
- control over the fulfillment by KazakhExport officials and their spouses of the requirements of the tax legislation of the Republic of Kazakhstan on the timely submission of declarations of their income and property as part of the implementation of the policy of universal declaration of income of the population;
- Conducting an internal analysis of corruption risks in the activities of KazakhExport.
- conducting anti-corruption monitoring in the activities of KazakhExport.

Also, the compliance service regularly analyzes publications in the media and social networks about the activities and/or its officials.

In the reporting period, there were approximately 2,679 publications about the activities of KazakhExport. Among them, there were no reports of misconduct by officials or employees of KazakhExport, nor were there any cases of corruption or fraud.

The Company takes measures to study and generalize the analysis of factors that may lead to the emergence of risks of corporate fraud and corruption.

KazakhExport has the necessary internal regulatory documents, including the Anti-Corruption Policy, which define the main provisions for preventing and combating corruption and fraud.

As part of the formation of anti-corruption culture, KazakhExport pays great attention to preventive work aimed at reducing the risks of corruption and fraud.

Thus, as part of the internal staff training program, the following seminars and training sessions were conducted in 2023:

- 1** Anti-corruption Restrictions and Standards in the Quasi-public Sector
- 2** Company Business Processes Susceptible to Fraud Risks
- 3** Legislation of the Republic of Kazakhstan Company on Combating Corruption and Fraud and the Application of Its Norms in the Current Activities of the

KazakhExport has implemented the following mechanisms for disclosing information about measures to prevent corruption offenses:

- ◆ To prevent or detect facts of corruption offenses and fraud, employees, clients, contractors of KazakhExport, and other interested parties can report via any publicly available communication channels that ensure confidentiality. These include a hotline telephone and the "Senim" hotline email, the Compliance Service employees' email addresses and contact phone numbers, as well as submitting a message by filling out a form on the KazakhExport website or via the KazakhExport postal address. Each employee or person reporting known instances of corruption or fraud is guaranteed confidentiality and no negative consequences for such reports.
- ◆ Reports of possible fraudulent actions or corruption by employees of the Company or other persons in relation to the Company, and complaints about their actions (or inaction), are subject to verification by the Compliance Service and examination within the framework of internal investigations, based on the presumption of innocence until proof of violations is obtained. Based on the results of internal investigations, decisions are made regarding the implementation of legal, organizational, and disciplinary measures. If necessary, KazakhExport's Compliance Service interacts with the law enforcement agencies of the Republic of Kazakhstan to assist in preventing and investigating cases of fraud and corruption offenses committed against KazakhExport.
- ◆ KazakhExport guarantees that employees and other interested parties who assist in combating corruption will not suffer from persecution or discrimination. The guarantees of protection and non-retaliation for KazakhExport employees and interested parties who report instances of corruption or fraud are publicly available on the KazakhExport website.
- ◆ To foster an anti-corruption culture among employees, the Compliance Service, in collaboration with the Human Resources Management Department of KazakhExport, implements an internal training and education program on issues related to combating fraud and corruption.
- ◆ The results of anti-corruption monitoring and internal analysis of corruption risks are made publicly available for all interested parties on the KazakhExport website.

Hotline

In KazakhExport, the channels of the telephone hot line "Senim" 7 (7172) 55-44-70 and the trust e-mail senim@kazakhexport.kz operate on a permanent basis.

All interested parties are given the opportunity to report on information that has become known to them about corruption, abuse of office, and cases of fraud among the Company's personnel.

At the same time, confidentiality and anonymity are guaranteed when considering such applications.

Throughout 2023, there were no requests for actions that have signs of corruption and fraud against the management and employees of the Compliance Service to e-mail addresses or through the Senim hotline channels.

At the end of 2023, it should be noted that there were no confirmed cases of corruption and cases of corporate fraud in the activities of KazakhExport and its personnel.

KazakhExport and its officials also ensured compliance with the requirements of the legislation of the Republic of Kazakhstan and corporate regulatory documents on anti-corruption restrictions, financial control measures, the exclusion of cases of conflict of interest, and the formation of an anti-corruption corporate culture.



Disclosure of Information

KazakhExport consistently maintains strong connections with internal and external stakeholders, recognizing the importance of timely and comprehensive disclosure about itself and its activities.

The principles and procedures for disclosing information to the sole shareholder, investors, clients, media, government bodies, and other interested parties are outlined in the Information Disclosure Policy of the Export Insurance Company KazakhExport, approved by the Board of Directors on February 23, 2018 (with amendments on November 25, 2020).

The main principles of KazakhExport's information disclosure are:

- ◆ Regularity and timeliness of information disclosure;
- ◆ Openness and accessibility of information;
- ◆ Accuracy and completeness of information content;
- ◆ Promptness of information disclosure;
- ◆ Balance.

As part of the Policy's implementation, annual media plans are developed, according to which PR activities are conducted to inform about the Company's activities, and ongoing work is carried out to update the corporate website.

In 2023, KazakhExport implemented the following informational activities:

- ◆ 120 materials were published in 222 media outlets;
- ◆ 494 materials were posted on the Company's social media channels;
- ◆ Over 100 press releases and informational messages were prepared and published;

- ◆ More than 10 video segments and special reports were aired on television;
- ◆ 2,679 publications mentioning KazakhExport appeared in the media and social networks;
- ◆ 10 public appearances by the Company's management were organized and conducted in the media;
- ◆ More than 15 responses to media inquiries were prepared;
- ◆ 10 promotional videos about support tools featuring company employees were developed for social media;
- ◆ A motion video about the company's products and services was developed.

PROCUREMENT PRACTICE

GRI 103-2, 204-1

Procurement procedures in KazakhExport are based on the following principles:

- | | | |
|---|---|---|
| 1 optimal and efficient spending of money used for procurement | 2 openness and transparency of the procurement process | 3 providing potential suppliers with equal opportunities to participate in the procurement process |
| 4 fair competition among potential suppliers | 5 responsibility of procurement participants | 6 prevention of corruption manifestations |

In the reporting period, procurement activities were carried out in accordance with the Procurement Rules for individual entities of the quasi-public sector, with the exception of the National Wealth Fund and organizations of the National Wealth Fund, approved by Order of the Minister of Finance of the Republic of Kazakhstan dated November 30, 2021 No. 1253.

The Company to ensure the principles of procurement, the Company also continues to use the online platform for electronic procurement of the Eurasian Electronic Portal - eep.mitwork.kz, where any potential supplier can register and submit applications for participation in procurement by requesting quotations and open tender / auction.

This web portal also implements the functionality for agreeing and signing electronic procurement contracts, as well as acts of acceptance and transfer of goods, works and services on them, which greatly facilitates and automates the process of contract execution, saves time and resources of the Company.

The total volume of purchased goods, works and services of the Company in 2023 amounted to 712.7 million tenge (services - 637.9 million tenge, goods - 74.8 million tenge)

EXTERNAL AUDIT

The work on the external audit of financial statements in 2023 was carried out by PricewaterhouseCoopers LLP. The contract with the external auditor was concluded for the period 2023-2024.

In accordance with the Policy on the organization and conduct of external audit, the external auditor must follow the principle of rotation of the project partner every five years.

If an external auditor is selected who performed an external audit in the previous year, such auditor prepares a succession plan for the project partner, which is submitted to the Audit Committee of the KazakhExport Board of Directors for consideration.

Preparation of a succession plan for the project partner is not required if a different external auditor is selected from the previous one.

According to the Code of Ethics, the provision of a number of non-audit services not related to the

audit of financial statements may give rise to a conflict of interest that affects the independence of the external auditor.

In order to ensure the independence of judgment of an external auditor performing an audit of financial statements, a tax audit, a special purpose audit, it is prohibited for KazakhExport to purchase and /or receive the services of this auditor for accounting and financial reporting.

To determine whether there is a threat to independence for an external auditor when receiving services, KazakhExport is guided by the legislation of the Republic of Kazakhstan and internal regulatory documents of KazakhExport, including the Policy on organizing and conducting an external audit.

GRI 102-11

MANAGEMENT OF RISKS

The risk management system is an integral part of KazakhExport's activities and is aimed at identifying, assessing and monitoring all significant risks, as well as taking measures to reduce their level, which may adversely affect financial stability and reputation. The risk management system is based on the process of assessing the adequacy of internal capital. For each type of risk, it is quantified for the purpose of further aggregation for the calculation of internal capital at the level of KazakhExport and its comparison with the available financial resources of the Company, designed to cover all risks. Internal capital takes into account the following types of risks calculated under normal and stress situations: credit risk, currency and interest rate risk, operational risk, business risk and insurance risk.

As part of the KazakhExport risk management system, in order to timely identify and constantly monitor risks, such tools as a risk register, a matrix of business processes, risks and controls, a risk

management action plan, key risk indicators, a database of realized risks and a risk map are used.

To systematize the identified risks, KazakhExport uses a risk register and a risk map, which are updated on a quarterly basis. Risk identification improves confidence in achieving goals by obtaining an overview of risks and their main characteristics, determining the connection of risks to each other, ranking the level of risks, increasing awareness of risks and their management methods, and focusing on the most critical risks.

Additionally, in order to prevent early signals of an increase in risk and / or a potential event that could adversely affect the activities of KazakhExport, key risk indicators (hereinafter referred to as KRI) are used. When the KRI exceeds its threshold value, risk response measures are carried out in order to bring the level of risks to their acceptable value.

In accordance with the requirements of the Agency of the Republic of Kazakhstan for the regulation and development of the financial market, the Holding and the best corporate governance practices, risk reporting is regularly provided to the Management Board and the Board of Directors of KazakhExport.

The level of efficiency (maturity) of the KazakhExport risk management system is classified as "Mature". The main elements of the RMS are in line with the "Best Practice" and the RMS is quite effective.

KazakhExport's internal control system is a set of organizational policies, procedures, standards of behavior, actions, methods and internal control mechanisms created by the Board of Directors and the Management Board of KazakhExport to ensure effective internal control over the financial and economic activities of KazakhExport.

Internal control at KazakhExport focuses on risk prevention in three key areas of activity, including operations, financial and management reporting, and compliance with regulatory and legal requirements. KazakhExport's internal control system consists of five interdependent components such as the control environment, risk

assessment, control procedures, information and its transmission, and monitoring.

Regular risk audits of internal business processes are conducted to identify ineffective control procedures and to improve the internal control system and raise employee awareness of its importance.

Based on the assessment of the compliance of the risk management and internal control system with the requirements of Resolution No. 198 of the Management Board of the National Bank of the Republic of Kazakhstan dated August 27, 2018, "On Approval of the Rules for the Formation of Risk Management and Internal Control Systems for Insurance (Reinsurance) Organizations and Branches of Non-resident Insurance (Reinsurance) Organizations of the Republic of Kazakhstan," the overall compliance rating of the risk management and internal control systems was 94%.

In 2023, there were no cases of delays in the preparation and submission of reports required by the regulatory legal acts of the National Bank of the Republic of Kazakhstan for insurance (reinsurance) organizations, and prudential standards were met.

CLIENT AND COUNTERPARTY RISK ASSESSMENT

To assess the risks associated with the Company's counterparties and clients, procedures based on international banking and insurance sector practices are applied, as outlined in internal methodologies.

The Company uses proprietary scoring models based on specialized methodologies. Since 2017, these scoring models have been applied and validated with positive results for evaluating insurance risks related to export credit, international factoring, and short-term exporter receivables.

Given the high turbulence in the world, the Company has actively developed its competence in assessing country risks over the past year. A

proprietary regulatory framework for assessing country categories has been developed and implemented, based on the analysis of socio-political tensions, economic indicators, and other factors.

To ensure financial stability, the Company transfers insurance risks to reinsurance companies, both resident and non-resident in the Republic of Kazakhstan. Currently, the Company has obligatory and facultative reinsurance agreements with international reinsurance organizations holding a minimum rating of "A-".

ENVIRONMENTAL BALANCE

ENVIRONMENTAL IMPACT

GRI 103-2, 302-3,
303-2, 305-5, 305-7,
306-2, 307-1

The new Action Plan for implementing the Company's Sustainable Development Policy for 2024-2026 includes several measures related to the Company's environmental impact:

- ◆ Consider implementing an environmental management system.
- ◆ Evaluate the possibility of disclosing information on climate-related risks (both transition risks and physical risks) in the Company's lending activities and other financial intermediation operations.
- ◆ Consider developing a climate strategy that outlines proposed actions and sectoral policies related to climate, identifying priority areas where the Company has or can have the most significant impact, such as sectors with the highest greenhouse gas emissions in our country.
- ◆ Assess climate risks and implement corresponding mitigation measures. This disclosure could be aligned with existing reporting systems, such as the Task Force on Climate-related Financial Disclosures (TCFD).
- ◆ Consider calculating Scope 1, Scope 2, and Scope 3 emissions and publishing greenhouse gas emission data in accordance with international standards.

In simpler terms, Scope 1, Scope 2, and Scope 3 emissions refer to how many companies worldwide aim to reduce greenhouse gas emissions.

To take action on reducing emissions, we first need to understand and measure their sources.

These three scopes represent a way to classify different types of emissions that a company generates in its own operations and throughout its broader "value chain" (including suppliers and customers). The Greenhouse Gas Protocol is the global standard for carbon dioxide emissions accounting. It is a joint project of the World Resources Institute and the World Business Council for Sustainable Development, and it is the most widely used greenhouse gas accounting standard worldwide.

Developing a comprehensive greenhouse gas emissions inventory, including Scope 1, Scope 2, and Scope 3 emissions, allows companies to understand the full emissions chain within their value chain and focus their efforts on the greatest reduction opportunities.

Scope 1 emissions are direct emissions owned or controlled by the company, whereas Scope 2 and Scope 3 indirect emissions result from the company's activities but originate from sources not owned or controlled by it.

Scope 1

Scope 1 covers emissions from sources owned or directly controlled by the organization. For example, emissions from fuel combustion in our fleet of vehicles (if they are not electrically powered).

Scope 2

Scope 2 encompasses emissions that the company indirectly causes and occur where the energy it purchases and uses is generated. For instance, this category includes emissions generated during the production of electricity that we use in our buildings.

Scope 3

Scope 3 includes emissions that are not produced directly by the company and are not the result of its owned or controlled assets, but for which it is indirectly responsible throughout its value chain. An example of this is when we purchase, use, and dispose of products from suppliers. Scope 3 emissions encompass all sources not covered within the boundaries of Scope 1 and Scope 2.

Despite the fact that our company's operations do not have a significant impact on the environment, reducing our own environmental footprint is one of our strategic goals. Therefore, implementing an environmental management system will play a crucial role as it allows us to monitor and manage our environmental aspects, leading to more efficient resource use, reduced negative impact on the environment, and enhanced company reputation. This standard helps companies of all sizes across sectors to make their daily operations more sustainable. Sustainability can ultimately save costs, enhance company reputation, attract employees, increase resilience to uncertainty, and improve adaptability to changes.

As a participant in the UN Global Compact, our company adheres to the principles of sustainable development and strives to contribute to environmental protection and the achievement of the following UN Sustainable Development Goals (SDGs):



The company aims to implement innovative solutions in its business processes and automate core operations, transitioning step-by-step towards more efficient resource consumption (such as paper, electricity, heat, and water).

Transitioning to electronic document management significantly reduces not only office paper consumption but also minimizes environmental impact in terms of greenhouse gas emissions by cutting down on document transportation via both company-owned vehicles and courier services.

Environmental priorities of the company are outlined in its Sustainable Development Policy and Corporate Governance Code, encompassing:

- ◆ Rational use of resources;
- ◆ Minimization of environmental impact;
- ◆ Careful resource management and efficiency enhancement;
- ◆ Responsible waste management.

These priorities reflect the company's commitment to sustainable practices and environmental stewardship.

EFFICIENT USE OF RESOURCES AND RESPONSIBLE WASTE MANAGEMENT

The company is located in a modern and comfortable leased space in the "Bayterek" business center. The business center takes responsible steps towards environmental conservation and efficient use of electricity. Resource savings do not compromise on quality. Special attention is given to enhancing the quality of life and health of tenants. A unique air recirculation and purification system helps reduce electricity consumption while ensuring consistently fresh and clean air throughout the year, and water undergoes thorough purification processes.

The design of the business center incorporates advanced technologies aimed at conserving energy, water, and thermal energy.

The introduction of ESG principles into operational activities was carried out by the following activities:

- ◆ Conducting environmental education trainings
- ◆ Automation of internal business processes
- ◆ Organizing cleanup events
- ◆ Implementation of the Green Office concept
- ◆ Installation of boxes for separate collection of waste (paper, plastic, batteries, etc)
- ◆ The introduction of digital devices in the form of electronic business cards;
- ◆ Installation of campaign materials.

Annually, the company conducts environmental education internally as part of the Society's Employee Training Plan.

The Company welcomes landscaping of offices, which has a positive effect on air equality and saturates the room with oxygen, improves the emotional climate in team improves efficiency and creates a comfortable environmental for fruitful work.

The consumption of office paper is meticulously tracked, and double-sided printing is actively practiced, given that paper is a primary material used by insurance companies in their daily operations. As part of a large-scale digitalization and process automation initiative, there are plans to significantly reduce paper usage, which will prevent waste generation and decrease company expenses in the long run. This effort not only aims for environmental benefits but also economic feasibility.

Consideration is also being given to the disposal and storage of used office equipment, as the waste from production and operation is one of the contributors to harmful substances released into the environment.

Through the automation of business processes within the company, numerous personnel-related procedures have been transitioned to electronic formats, including employment contracts, vacation schedules, leave approval notices, travel orders, agreements for individuals responsible for material resources, and more. Additionally, processes for employee familiarization with decisions made by authorized bodies and participation in internal training sessions have been digitized.

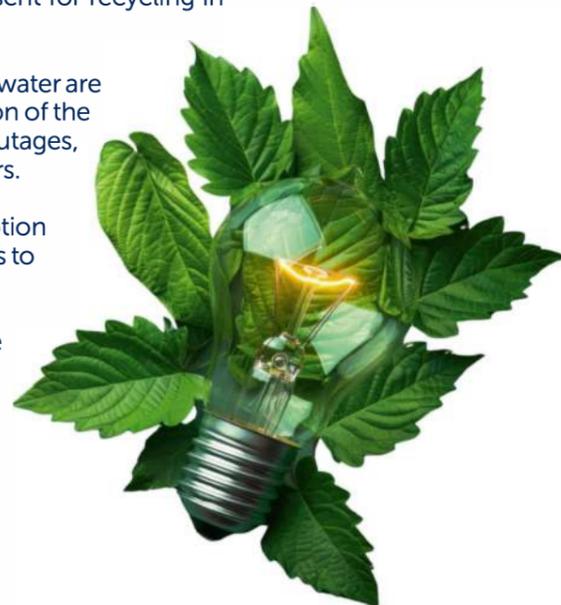
Energy efficiency and water consumption			
	consumption 2021	consumption 2022	consumption 2023
Water consumption (cold water)	810,52 m3	1 078,82 m3	1 243,1 m3
Thermal energy and hot water supply	238,42 gcal	223,73 gcal	235,4 gcal
Electricity	259 261,47 kW/h	280 480,08 kW/h	310 396,42 kW/h

In the business center, photoelectric cells are installed in areas of intermittent human presence, and plumbing fixtures are equipped with sensors for water-efficient usage. According to the landlord's information, 386 kg of cardboard and 322 kg of paper were sent for recycling in 2023.

Measures to reduce the consumption of energy resources and water are implemented within the framework of environmental education of the Company's employees, in particular, mentions of power outages, monitors at the end of the working day, and use of a flight of stairs.

Facade glazing of the building helps to save energy consumption through panoramic windows. Some areas have motion sensors to turn on the lights.

In order to save water consumption, water supply sensors are installed.



ECOLOGICAL ACTIVITY

As part of the implementation of the Ecological Responsibility initiative in April 2023, a city-wide clean-up event was organized jointly with the Akimat (local administration) of Astana. The designated area for cleaning was around the EXPO exhibition. The Akimat of Esil district in Astana provided necessary tools such as rakes, shovels, brooms, and garbage bags. More than 75% of KazakhExport employees participated in the clean-up event.

In order to encourage the Company's employees to switch to an ecological mode of transport, the action "Day without a car" was held. More than 50% of the Company's employees took part in this action, and a will appeared to carry out such actions systematically.

The company strives to lead by example, aiming to motivate its stakeholders to engage in environmental activities and foster environmental awareness. This effort is expected to have a positive impact on the sustainable development of the country as a whole.



GRI 102-54, 102-55

APPENDIX 1. GRI INDEX

GRI standard and publication	Index	Page number, section and/or URL	Exceptions/Comments
GRI 102: General information (2021)	Organization Profile	Section "About the company"	
	102-1 Organization name	Section "About the company"	
	102-2 Activities	Section "About the company", subsection "Business model"	
	102-3 Location of head office	Section "Contract information"	
	102-4 Geographic reach	Section "Economic growth", subsection "International activities"	
	102-5 Form of ownership	Section "About the company"	
	102-6 Sales markets	Section "Economic growth"	
	102-7 Scale of organization	Section "About the company"	
	102-8 Personnel information	Section "Social responsibility"	
	102-9 Supply chain	Section "About the company", subsection "Business model"	
	102-10 Significant changes in the work of the Company	Section "Key events"	
	102-11 Precautionary principles	Section "Corporate Governance", subsection "Risk Management"	
	102-12 Support for external initiatives	Section "Sustainable Development"	
	102-13 Membership in associations	Section "Stages of company development"	
Strategy			
102-14 Management statement	Section "Address of the Chairman of the Board of Directors" Section "Address of the Chairman of the Board"		
Ethics and Integrity			
102-16 Values, principles, standards and norms of behavior	Section "Corporate Governance", Subsection "Corporate Ethics"		
Corporate Governance			
102-18 Management structure	Section "Corporate governance", Subsection "Organizational structure"		
Stakeholder Engagement			
102-40 List of stakeholders	Annex 4. "Engagement with stakeholders"		
102-41 Collective agreements	Section "Social responsibility"		
102-42 Identification and selection of stakeholders	Annex 4. "Engagement with stakeholders"		
102-43 Interaction approaches	Annex 4. "Engagement with stakeholders"		
102-44 Key topics and concerns raised	Section "Sustainable Development", subsection "Identification of material topics"		

Report Details			
	102-46 Defining report content and boundaries	Section "About the report"	
	102-47 List of material topics	Section "Sustainable Development", subsection "Identification of material topics"	
	102-53 Contact information for questions about the content of the report	Section "Contracts"	
	102-54 Level of compliance with GRI standards	Appendix 1. "GRI Index"	
	102-55 GRI content index	Appendix 1. "GRI Index"	
	102-55 GRI content index	Appendix 1. "GRI Index"	
Material Topics			
Economy			
Economic Performance			
GRI 103: Management approaches (2021)	103-1 Materiality and boundaries	Section "Sustainable Development", subsection "Identification of material topics"	
	103-2 Approaches to management	Section "Development plan"	
GRI 201: Economic performance (2021)	201-1 Economic value generation and distribution	Section "Development plan"	
	201-4 Financial assistance received from the state	Section "Message of the Chairman of the Board of Directors"	
Indirect economic impact			
GRI 103: Management approaches (2021)	103-1 Materiality and boundaries	Section "Sustainable Development", subsection "Identification of material topics"	
	103-2 Approaches to management	Section "Development Plan", subsection "Socio-economic effect"	
GRI 203: Indirect Economic Impact (2016)	203-1 Infrastructure investment and service support	Section "Development Plan", subsection "Socio-economic effect"	The company carries out activities aimed at supporting non-commodity exports
Procurement practice			
GRI 103: Management approaches (2021)	103-1 Materiality and boundaries	Section "Sustainable Development", subsection "Identification of material topics"	
	103-2 Approaches to management	Section "Corporate Governance", subsection "Procurement Practice"	
GRI 204: Procurement Practices (2016)	204-1 Share of spending on local suppliers	Section "Corporate Governance", subsection "Procurement Practice"	
Anti-corruption			
GRI 103: Management approaches (2021)	103-1 Materiality and boundaries	Section "Sustainable Development", subsection "Identification of material topics"	
	103-2 Approaches to management	Section "Corporate Governance", subsection "Anti-Corruption and Fraud management"	

GRI 205: Anti-corruption (2016)	205-1 Transactions assessed for corruption risk	Section "Corporate Governance", subsection "Anti-Corruption and Fraud management"	
	205-3 Confirmed incidents of corruption	Section "Corporate Governance", subsection "Anti-Corruption and Fraud management"	
Taxes			
GRI 103: Management approaches (2021)	103-1 Materiality and boundaries	Section "Sustainable Development", subsection "Identification of material topics"	
	103-2 Management approaches	Section "Sustainable Development", subsection "Tax Policy"	
GRI 207: Taxes (2021)	207-1 Approach to taxation	Section "Sustainable Development", subsection "Tax Policy"	
Ecology			
GRI 103: Management approach (2016)	103-1 Materiality and boundaries	Section "Sustainable Development", subsection "Identification of material topics"	
	103-2 Approaches to management	Section "Environmental balance"	Environmental impact management policy covers all major environmental issues
Energy			
GRI 302: Energy (2016)	302-3 Reduced energy consumption	Section "Environmental balance"	
Water			
GRI 303: Water (2016)	303-2 Water sources that are significantly affected by the organization's water intake	Section "Environmental balance"	
Emissions			
GRI 305: Emissions (2016)	305-5 Reduction of greenhouse gas emissions (COR2R) 305-7 Emissions of NOx, Sox and other significant pollutants	Section "Environmental balance"	
Waste			
GRI 306: Effluent and waste (2016)	306-2 Total mass of waste by type and method of disposal	Section "Environmental balance"	
Compliance with the requirements			
GRI 307: Compliance (2016)	307-1 Information about non-compliance with environmental laws and regulations	Section "Environmental balance"	
Social category			
GRI 103: Management approach (2016)	103-1 Materiality and boundaries	Section "Defining the content of the report"	
	103-2 Approaches to management	Section "Social responsibility"	HR policy covers the social aspects of sustainable development related to personnel management

Employment			
GRI 401: Employment (2016)	401-1 Hired employees and employee turnover	Section "Social responsibility", subsection "Personnel management and working conditions"	
	401-3 Maternity/paternity leave	Section "Social responsibility", subsection "Personnel management and working conditions"	
Relationship between employees and management			
GRI 402: Relationship between employees and management (2016)	402-1 Minimum notice period for significant changes in the organization's operations	Section "Social Responsibility", subsection "Ombudsman Institute"	
Health and safety			
GRI 403: Health and safety (2016)	403-2 Types and rates of occupational injuries, rate of occupational diseases, last days rate and absenteeism rate, as well as the total number of work-related deaths	Section "Social responsibility"	
	403-3 Workers with high injury and high risk of illness related to their occupation	Section "Social responsibility"	
Education			
GRI 404: Training and education (2016)	404-2 Skill development programmes	Section "Social responsibility", subsection "Training and development"	
Diversity and Equal Opportunity			
GRI 405: Diversity and Equal Opportunity (2016)	405-1 Composition of governing bodies	Section "Corporate Governance"	
Consumer health and safety			
GRI 103: Management approach (2016)	103-1 Materiality and boundaries	Section "Sustainable Development", subsection "Responsible Insurance"	
	103-2 Approaches to management	Section "Sustainable Development", subsection "Responsible Insurance"	
GRI 412: Human Rights Assessment	103-2 Approaches to management	Section "Sustainable Development"	
GRI 416: Consumer health and safety (2016)	413-1 Assessment of product safety for the consumer	Section "Sustainable Development", subsection "Responsible Insurance"	

APPENDIX 2.

Report on compliance/non-compliance with
the principles of the Corporate Governance Code of JSC EIC KazakhExport

APPENDIX 3. FINANCIAL STATEMENTS

The full financial report of the Company can be
found on the corporate website: <https://kazakhexport.kz>

GRI 102-40, 102-42, 102-43

APPENDIX 4. INTERACTION WITH STAKEHOLDERS

Issues of the Company's interaction with stakeholder are regulated by the Company's Stakeholder Map approved by the decision of the KazakhExport Board dated September 30, 2021, which was developed in order to determine the list of stakeholders with whom the Company interacts during its activities, the degree of their influence and is intended for systematization and visualization of information about the KazakhExport environment, as well as for an adequate strategy for working with each of the stakeholders.

The annual report is the main channel for regularly informing stakeholders about the activities of the Company.

A satisfaction survey regarding the company's services and offerings is conducted on the corporate website.

Interests / Motives	Interaction methods
1.Sole Shareholder	
Growth in profits and annual dividends, growth in the value of the Company, efficiency of the Company's activities	Coordination of the main directions of activity, as well as issues related to the general management of The Company. Ensuring the exercise of the rights of the Sole Shareholder within the framework of the principles of corporate governance aimed at the effective adoption of key decisions in accordance with the legislation of the Republic of Kazakhstan and the Charter of the Company. Provision of reliable information on the results of financial and economic activities in accordance with the requirements of the legislation of the Republic of Kazakhstan, the Charter, internal documents of the Company. Providing information about the plans, achievements, problems of the Company's activities. Decisions of the Sole Shareholder.
2.Governing body	
General management of the Company's activities	Implementation of general management of the Company's activities, with the exception of resolving issues referred by the legislation of the Republic of Kazakhstan and (or) the Charter to the exclusive competence of the Sole Shareholder of the Company.
3.Management	
Salary, bonuses, status, areas of responsibility	Implementation of decisions of the Sole Shareholder and the Board of Directors of the Company. Preparation, implementation and monitoring of the implementation of the development plan and strategy, action plan for managing the Company's critical risks. Preparation and implementation of other issues provided for by the legislation of the Republic of Kazakhstan, the Articles of Association, as well as those falling within the competence of the Board of Directors and the Management Board of the Company (according to the Articles of Association of the Company). Meetings of the Management Board of the Company and committees under the Management Board. Working groups, operational meetings.
4.Staff	
Salary, bonuses, career growth, professional development, terms of an employment contract, social guarantees (including health insurance), level of authority and responsibility, level of job satisfaction	Execution of official powers aimed at the implementation of the tasks and functions of the Company. Maintaining an open, transparent personnel policy aimed at the formation of qualified and motivated personnel. Providing all employees with equal opportunities to realize their potential in the course of their work, impartial and fair assessment of their results, selection and career growth of employees solely on the basis of professional abilities, knowledge and skills. Questionnaires and surveys.
5.Clients	
Commercial interests, obtaining high-quality services at affordable rates	Ensuring compliance with the expectations of consumers of the Company's products and services. Conclusion of contracts, control over the execution of contractual relations. Analysis of customer satisfaction. Negotiations, consultations.

6.State bodies	
Legislative and executive functions, tax income, economic growth, employment	Invitation to participate in working groups, forums, conferences organized by KazakhExport. •Preparation and implementation of all necessary procedures provided for by the legislation of the Republic of Kazakhstan for the Company's participation in public procurement. •Coordination of the main directions of the Company's activity. •Participation in the development and implementation of state programs. •Provision of reliable information on issues of interest in accordance with the requirements of the Republic of Kazakhstan, the Charter, internal documents of the Company. of the legislation of Participation in government working groups; Consultations with authorized state bodies. Checks and inspections. Meetings and sessions.
7.Subsidiaries of the Holding	
Joint activities, commercial interests	Mutually beneficial cooperation, improvement of business and technological processes and their automation. Conclusion of contracts, control over the execution of contractual relations.
8.Competitors	
Increasing the share of presence in the market of insurance and reinsurance activities	Showing respect, avoiding the use of unreasonable advantages and distortion of competition, following the principles of the Corporate Governance Code and the Company's Code of Business Ethics. Monitoring, analysis and market research of the market.
9.Company partners	
Joint activities, commercial interests	Conclusion of contracts and agreements on mutually beneficial cooperation and mutual understanding. Control over the execution of contractual relations.
10.Export Credit Agencies	
Discussion, development of conditions and coordination of actions for the development of financial insurance support between countries, exchange of experience and information on financial and insurance support for exports, implementation of joint projects, commercial interests	Conclusion of contracts and agreements on mutually beneficial cooperation and mutual understanding. Control over the execution of contractual relations.
11.International financial institutions	
Implementation of joint international projects, commercial interests, risk reinsurance	Conclusion of contracts and agreements on mutually beneficial cooperation and mutual understanding. Improvement of business processes and their automation. Control over the execution of contractual relations.
12.Financial institutions	
Placement of free cash on deposit accounts, participation in the implementation of the Company's programs, insurance of the Company's risks (including medical insurance), reinsurance of risks, maintenance and accounting of the Company's special accounts, transactions with issue-grade securities and other financial instruments	Conclusion of contracts, control over the execution of contractual relations. Improvement of the terms of the contract.
13.Suppliers	
Commercial interests, compliance with contractual obligations	Conclusion of contracts, control over the execution of contractual relations. Business correspondence, inquiries. Ensuring the procurement of goods, works, services based on the principles of: publicity and transparency of the procurement process; optimal and efficient spending of money used for procurement; Acquisition of quality goods, works and services; Providing all potential suppliers with equal opportunities to participate in the procurement process, subject to the support of organizations of persons with disabilities (individuals persons with disabilities engaged in entrepreneurial activities); increasing the share of local content in goods, works and services; fair competition among potential suppliers; control and responsibility for decisions made; Minimize the involvement of intermediaries in the procurement process. Interaction based on mutual benefit, respect, trust, honesty and fairness. Publication of information for potential suppliers on the website.

14.Foreign counterparties	
Commercial interests, obtaining high-quality services at affordable rates	Ensuring compliance with the expectations of consumers of the Company's products and services. Conclusion of contracts, control over the execution of contractual relations. Analysis of customer satisfaction. Negotiations, consultations.
15.Population	
Opportunity for employment, solution of social problems, transparency of the Company's activities, environmental protection	Public opinion polls, implementation of the communication strategy. Publication of financial and non-financial statements of the Company. Demonstration of practical commitment to the principles of social responsibility, transparency of operations and sustainable development. The desire to observe fair competition, generally accepted moral and ethical standards. Acceptance of additional social obligations, solution of urgent social problems. Charity.
16.Public organizations	
Implementation of the goals and objectives of public associations, obtaining sponsorship	Compliance with legal norms Conclusion of agreements on cooperation and mutual understanding Implementation of charity and sponsorship Holding joint events (meetings, forums, conferences, etc)
17.Public Council	
Implementation of the goals and objectives of the Public Council, implementation of public control	Discussion of draft strategies and plans for the development of the Company. Discussion of reports and monitoring of the implementation of strategies and plans for the development of the Company. Development and submission to state bodies of proposals for improving the legislation of the Republic of Kazakhstan.
18.Mass media	
Publications and informing about the activities of the Company, commercial interests	Organization of information activities by: Implementation of PR – events (press tours, press conferences, briefings); Reporting to the target audience the strengths and capabilities of the Company; Creating a positive public opinion; Ensuring the transparency of the Company's activities through reliable, regular, continuous and timely disclosure of information; Maintaining awareness of the Company's brand; Presentation to the public of the results of the Company's activities.



KAZAKHEXPORT

The Republic of Kazakhstan,
Z05T3E2, Astana,
Mangilik El avenue, 55 «A»

GRI 102-3

tel.: +7 (7172) 95 56 56
e-mail: info@kazakhexport.kz
www.kazakhexport.kz

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