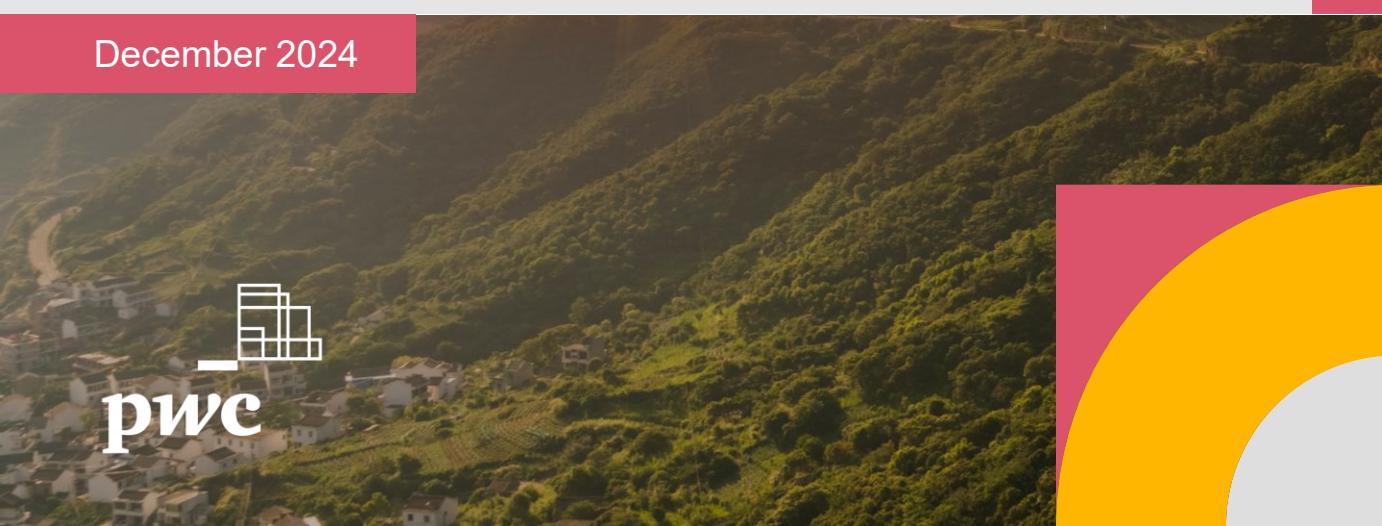


TOP 50 ESG Disclosure Companies in Kazakhstan

Fifth edition (based on 2023 reports)

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Introduction

We are pleased to present the fifth edition of the TOP 50 leading Kazakhstani companies in ESG disclosure for 2023. There has been a significant improvement in ESG reporting quality since our first review and rating in 2019, allowing us to track the progress companies have made over the past five years.

This year, 98 companies were included in our ranking, and for the first time, participants achieved an A+ rating aligned with international best practices, despite increasingly stringent disclosure requirements. The most notable progress relates to disclosures on ESG strategy and goals: in 2019, only 56% of TOP 50 reports described sustainability policies, and just 4% included quantitative targets. Today, 54% of TOP 50 participants disclose inherent ESG risks and report qualitative or quantitative goals.

Previously, environmental disclosures were largely limited to manufacturing companies; today, one-third of companies reporting Scope 3 GHG emissions are in the financial sector. The social section – traditionally the most detailed part of ESG disclosures – has evolved beyond structural indicators and employee turnover. The new norm includes approaches to employee development, remuneration, and equal opportunities.

Although the composition of the TOP 50 ranking changes annually, its participants remain pioneers in ESG in Kazakhstan. These organizations not only follow trends but actively develop innovative solutions to advance sustainable development, including initiatives supporting the country's energy transition.

Through transparent ESG reporting, we can **build bridges between companies and society**, demonstrating the tangible contribution of business to social stability and prosperity. It's more than numbers and data; it is a clear testament to how we shape the world around us and the future we create together.

The topic of sustainable development and corporate responsibility continues to gain momentum and strategic importance in Kazakhstan, enhancing the country's standing on the international stage. The results of our recent [study](#), "ESG Awareness in Eurasia", confirm that sustainable development practices in Kazakhstan are being implemented at a pace exceeding regional trends.

We are proud that Kazakhstan maintains its leadership position in promoting ESG initiatives, demonstrating its commitment to a more transparent, ethical, and responsible corporate culture.

As the quality of ESG disclosure in Kazakhstan rapidly improves, our recommendations are becoming more substantive and detailed. We hope that the results of our analysis will help raise the standard of non-financial reporting in the market. An assessment of Kazakhstani companies' reports shows that some organizations can already serve as benchmarks for ESG reporting practices, being comparable to leading international peers.

Thank you for your attention. We hope the ranks of ESG leaders will continue to grow and that the implementation of sustainable development practices will strengthen further.

Table of contents

Our evaluation approach	04
Summary	05
Key figures	08
1. ESG Strategy	10
2. [E]nvironment	18
3. [S]ocial	29
4. [G]overnance	38
5. Reporting Practices	45
6. Appendix 1: IFRS Standards S1, S2	51
7. Appendix 2: Implementation of ESG risks	56
TOP 50 of ESG Information Disclosure Rating	61
Key Takeaways	65
Report evaluation methodology and criteria	66
Contacts	85



Our evaluation approach

What we evaluated

In compiling this ESG Disclosure Rating (the "Rating"), we review annual and sustainability reports (including integrated reports, ESG reports, and social reports), collectively referred to as the "Reports". We evaluate the completeness, quality, and accessibility of ESG information. We assess how easy we think it would be for stakeholders to find the necessary ESG data.

When compiling the current Rating, the Reports prepared by companies based on the results of their activities for **2023**. The total sample included **98 companies** operating in Kazakhstan. The sample included companies that submitted formal applications for participation in the Rating, as well as Reports from the year 2023, which we were able to find in the public domain. Based on the results of the assessment, **a list of the TOP 50 companies based on the level of ESG disclosure** was prepared (page 61).

When compiling the Rating, we assess only the availability of information and do not verify its reliability or accuracy. However, we reserve the right to downgrade or remove a company from the list if we have good reason to believe that the information in the report is misleading.

How we evaluated

Our ESG disclosure evaluation methodology includes 147 criteria. Each criterion is scored on a scale from 1 to 10, where 10 represents leading disclosure quality. The final rating is calculated as a weighted average of ratings by criteria. Depending on the score obtained, the company is assigned the corresponding Rating value.

The evaluation criteria are divided into five main disclosure blocks (hereinafter referred to as the "**Analysis of the Five**"):

- ESG strategy,
- Corporate governance ,
- Social impact,
- Environmental impact,
- Reporting practices.

Additional scores were awarded for clarity, relevance and quality of information presented.

When compiling the Ranking, we place enhanced focus on the independence of the panel of experts conducting the evaluation and quality management (see page 70 for more details).

A more detailed evaluation methodology can be found on page 66.

Summary (1/3)

Development of Reporting

This year's disclosure rating results indicate a marked evolution and significant progress in non-financial reporting practices. While we continue to adapt our evaluation methodology to increasingly stringent disclosure requirements, company reports demonstrate a consistent improvement in quality. For the first time, some reports have scored above 9 points, reflecting the strong commitment of Kazakhstani companies to advancing disclosure practices and the sustainable development agenda.

The average final score of the TOP 50 companies under the extended criteria reached 6.0 points this year, a notable increase compared to last year's average of 5.1 points. The top ten reports showed a substantial rise from 7.4 points to 8.4 points.

Sections on ESG strategy and social responsibility received high scores in the TOP 50, consistent with last year, at 7.0 and 6.9 points respectively. In the TOP 10, sections on social responsibility and reporting practices were particularly well disclosed, with scores of 9.3 and 9.5 points.

The ESG Strategy section addresses topics such as materiality analysis, setting strategic sustainability goals, engaging with stakeholders and integrating their interests into company operations, as well as promoting the UN Sustainable Development Goals. This section shows significant progress; for example, an increasing number of companies now disclose material topics.

The social responsibility section is generally well covered by companies in the rating, reflecting the importance they place on this area. However, disclosure remains weak on feedback mechanisms, HR management objectives, and human rights.

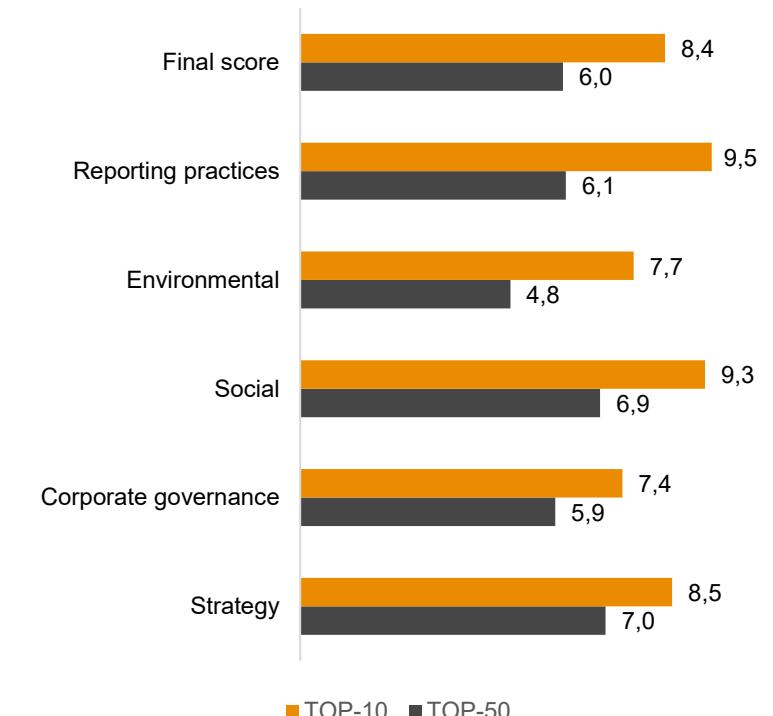
Corporate governance disclosures could be strengthened through more comprehensive reporting on board activities, policy implementation, and sustainability management.

Environmental disclosures are the only section to score below 5 points on average. Many companies fail to disclose management approaches for individual environmental components, specific targets, and impacts.



Overall reporting practices show significant improvement

Average scores for the report section



Summary (2/3)

Rating Leaders (TOP 10)

The TOP 10 ranking highlights companies at the forefront of implementing best practices in non-financial reporting. This year, the TOP 10 companies achieved substantial progress in enhancing the quality of information disclosure. As a result, 2024 marked the first year a company achieved the highest score in our rating – “A+.”

The top ten companies demonstrate broad sectoral diversity, covering nearly all sectors defined by our methodology. The mining, financial, and oil and gas sectors are represented by two companies each, while the ranking also includes one company from the energy, telecommunications, and transport sectors, as well as the Sovereign Wealth Fund, Samruk-Kazyna.

Quasi-state organizations and major corporations make up most of the top positions in the ranking. Consequently, the top ten consists of key players in Kazakhstan’s economy, each playing a significant role in advancing the country’s sustainable development goals.

The exceptional commitment of these leaders to improving reporting sets a benchmark for the regional market, influencing not only the quality of information disclosure but also the broader adoption of ESG practices. It is evident that the leaders in our ranking consistently align with the most relevant and advanced ESG trends.

Ranking 2023	Company	Rating
1	Samruk-Energy	A+
2	NC Kazakhstan Temir Zholy	A
3	Solidcore Resources plc	A
4	NAC Kazatomprom	A
5	NC KazMunayGas	A
6	Bank CenterCredit	A
7	Karachaganak Petroleum Operating B.V.	B+
8	Kazakhtelecom	B+
9	Development Bank of Kazakhstan	B+
10	Samruk-Kazyna	B+

Summary (3/3)

TOP 20 companies

Companies in the TOP 20 demonstrate a disclosure level significantly higher than most evaluated reports. These companies have considerable potential to compete with the top-tier participants. The approaches to non-financial reporting meet high standards across many criteria, reflecting the substantial effort invested in report preparation. For the first time, all reports in the TOP 20 achieved at least a “B” rating.

As in previous years, the TOP 20 is largely composed of financial sector companies. Upcoming mandatory requirements from ARDFM on ESG disclosure and green financing under Kazakhstan’s Taxonomy are driving the adoption of best reporting practices among financial institutions. This year, rating criteria were revised and expanded to better align with national requirements.

A couple of companies from the oil and gas, logistics and energy sectors joined the financial sector in the TOP 20.

Our experience in compiling ratings shows that the composition of leading companies in disclosure can vary significantly from year to year. Organizations that fail to significantly improve their ESG disclosure systems risk losing their competitive edge, as their positions are taken by companies actively developing reporting approaches and adapting to new standards. These include both companies that strengthen their positions annually and entirely new entrants. This year, several new reports immediately joined the ranks of ESG leaders.

Ranking 2023	Company	Rating
11	KazTransOil	B+
12	Air Astana	B+
13	QazaqGaz	B+
14	Otbasy Bank	B
15	KEGOC	B
16	Damu Fund	B
17	Halyk Bank Kazakhstan	B
18	Freedom Holding Corp.	B
19	Kazpost	B
20	PAVLODARENTERGO	B

Key figures (1/2)

In the overall list of evaluated companies:

98

(96 based on 2022)

Companies covered
by the ESG
Information Disclosure
Rating

8,4

(7,4 based on 2022)

The average rating of
the TOP 10 reports
on a 10-point scale

44

(39 based on 2022)

Companies declared
their adherence to
the GRI Standards in
the disclosure of
nonfinancial
information

48

(42 based on 2022)

Companies stated
in their Reports their
support for the UN
Sustainable
Development Goals

15

(11 based on 2022)

Companies
obtained
external
assurance of
non-financial
information

Key figures (2/2)

Out of TOP 50 companies:

84%

(74% based on 2022)

Identify material topics
within reporting

54%

(34% based on 2022)

Describe inherent
ESG risks

84%

(80% based on 2022)

Declare commitment
to ensuring equal
opportunities for
employees

76%

(56% based on 2022)

Outline the
approach to
managing climate
change issues

44%

(25% based on 2022)

On average,
disclose
environmental
indicators by
sector

Page 12

Page 12

Page 31

Page 21

Page 22

1

ESG strategy



Approach to disclosure

How is the company coping with the transition to sustainability?

Embedding sustainable development principles into the company's strategy allows us to support long-term growth, meet the growing expectations of investors and meet the requirements of national and international regulatory authorities. [The New York University study](#) also notes a positive correlation between ESG practices and **financial performance**.

ESG transformation and the transition to sustainable development require a holistic approach to their implementation. To begin with, it is important **to state the importance of sustainability issues** in order to show the company's commitment to its principles.

A commitment to sustainability can also be reflected in a company's **mission and business model**, demonstrating how the company creates value for stakeholders and how it affects local well-being and the environment.

One of the initial steps to implement the principles of sustainable development is to identify the most significant topics for disclosure in the financial statements. This year, a wide range of companies disclose this aspect, so the inclusion of **material topics** in the reporting is becoming a disclosure standard.

Reporting practices continue to evolve, and companies are beginning to identify material topics based on the principle of **double and dynamic materiality**.

Double materiality enables disclosure of how issues influence both financial performance and their broader impacts on the environment, society, and the economy. Dynamic materiality, on the other hand, allows you to identify topics that will become significant for the company in the medium and long term, allowing you to determine and predict future impact on the company.

When assessing which topics are material for disclosure, it is essential to consider the company's **distinct profile**, operations, and impacts. The list of material topics can vary greatly for a company in the metals sector and for a company in the telecommunications sector. Moreover, when choosing topics, you can not be limited to the proposed topics from the reporting standards, as well as give your own versions of topics that are applicable specifically to the company's activities.

After identifying the relevant topics, the company can start setting goals and developing KPIs for the transition to sustainability. To ensure the best results, it is worth setting **specific and verifiable goals**, which can be both qualitative and quantitative. It is important that goals and KPIs have specific deadlines for implementation and an expected specific result. The company's short-, medium- and long-term goals help to clearly trace the company's commitment to sustainable development and the achievement of final results.

The year 2025 will serve as an opportunity for companies to track their **intermediate progress on medium- and long-term** sustainability and carbon neutrality goals. It is important to describe the current state of achievement of goals, the initiatives introduced, explain the dynamics of achievements and possibly adjust the course of development. Investors and shareholders will be especially interested in how the real progress of the company corresponds to its ambitions.

Current Practice (1/2)

Results of the analysis of Kazakhstani Reports (TOP 50 Rating)

The implementation of the principles of sustainable development is gaining momentum and is becoming a widespread practice among Kazakhstani companies. Thus, the share of companies declaring **the importance of sustainable development issues** reached 98% in the reporting year.

Disclosure of material topics for sustainability reporting has also become widespread, where 84% of companies have identified significant sustainability topics for themselves. At the same time, many companies also disclose approaches to assessing materiality, mentioning the involvement of stakeholders in this process.

The number of companies with **strategic sustainability goals** has increased significantly, and the disclosure of goals has increased by 80%. In addition, the quality of the goals and KPIs has improved, and more and more companies are disclosing specific sustainability goals with measurable progress and timelines. This year, a large number of companies have reflected in their reports their medium- and long-term strategies for achieving sustainable development.

Despite the fact that **ESG risk disclosure** is still one of the new aspects of reporting, more than half of companies already describe their inherent ESG risks. A slightly smaller number of companies talk about the process of managing these risks and even fewer integrate them into the overall risk management system.

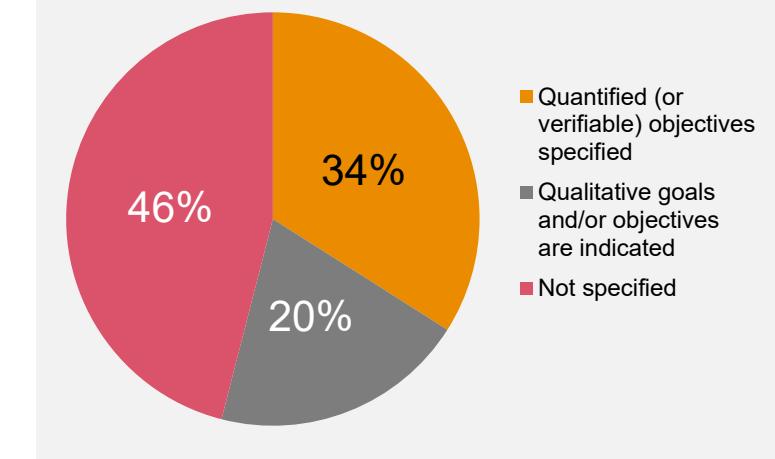
Stakeholder engagement is still one of the critical aspects of sustainability reporting. Still 20% of companies do not consider the interests of stakeholders beyond revenue generation in their mission. And only 50% show the process of creating value for a wide range of stakeholders.

Although 90% of companies disclose the list of their stakeholders and communication methods, more than half have difficulty **identifying the interests and expectations of stakeholders**. Accordingly, few companies disclose the actions taken in response to requests from stakeholders.

54% provide a list of ESG risks that may have an impact on the organization

44% describe an approach to managing sustainability risks

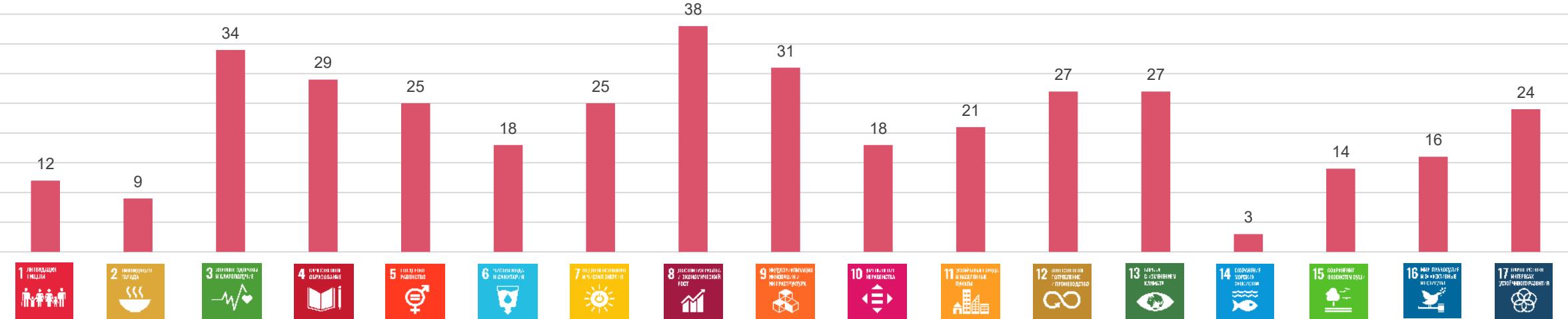
Disclosure of the Sustainable Development Goals



Current Practice (2/2)

Results of the analysis of Kazakhstani Reports (TOP 50 Rating)

Number of companies that have made a reference to a specific UN Sustainable Development Goal



Sustainable Development Goals

The number of companies reporting their commitment to the UN Sustainable Development Goals (SDGs) continues to grow, reaching 88% this year. Companies increasingly go beyond declaring support for the SDGs to actively identifying relevant goals and planning initiatives to achieve them. Aligning ESG strategies and practices with global sustainability ambitions ensures progress and strengthens contributions toward achieving these goals.

The SDG “Decent Work and Economic Growth” remains the most prioritized, followed by SDG 3 “Good Health and Well-being” and SDG 9 “Industry, Innovation and Infrastructure.” Climate action, environmental protection, education, and gender equality also stand out as key priorities for Kazakhstani companies.

88% of companies declared support for the UN SDGs (64% in 2022)

84% provided a list of goals that are relevant to their business and that the company intends to work on (68% in 2022)

60% described initiatives aimed at achieving specific goals (42% in 2022)

Further development

What to focus on in the next report

Stakeholder Interests

Stakeholder engagement is a key aspect of annual reporting. Many Kazakhstani companies address this in their reports, but few provide comprehensive disclosure.

The first step is to identify stakeholders and the channels of interaction. Mechanisms for engaging stakeholders are important, but they represent only part of the required disclosure. It is essential to determine the **interests and expectations of each stakeholder** or identify the outcomes of engagement. Only after defining these interests can the company describe actions taken in response to stakeholder requests. This information is often best presented in a concise format, such as a table or diagram.

It is also important to highlight how stakeholders interact with the **board of directors**, specifying how their interests are communicated and addressed at this level.

Strategic goals

While sustainability strategy issues have become more prominent in reports this year, there is still room for improvement in this disclosure.

To demonstrate the seriousness of ambitions, companies should give preference to **quantitative goals and KPIs** with a specific expected result and deadlines. At the same time, obtaining environmental management certification will be considered quantitative disclosure, and the proposed work on environmental management will be qualitative.

Beyond setting specific results and deadlines, it is crucial to monitor ongoing progress toward the goals. To do this, the current figures/status of the goals can be given in the annual reports.

Sustainable development goals and KPIs can be embedded in the overall strategy of the company and consist of one separate block of information. The same goals can be re-listed in the relevant sections of the reporting to show progress in detail on specific aspects.

Integration of ESG Risks

The identification and management of ESG risks continue to be a crucial focus within the ESG agenda.

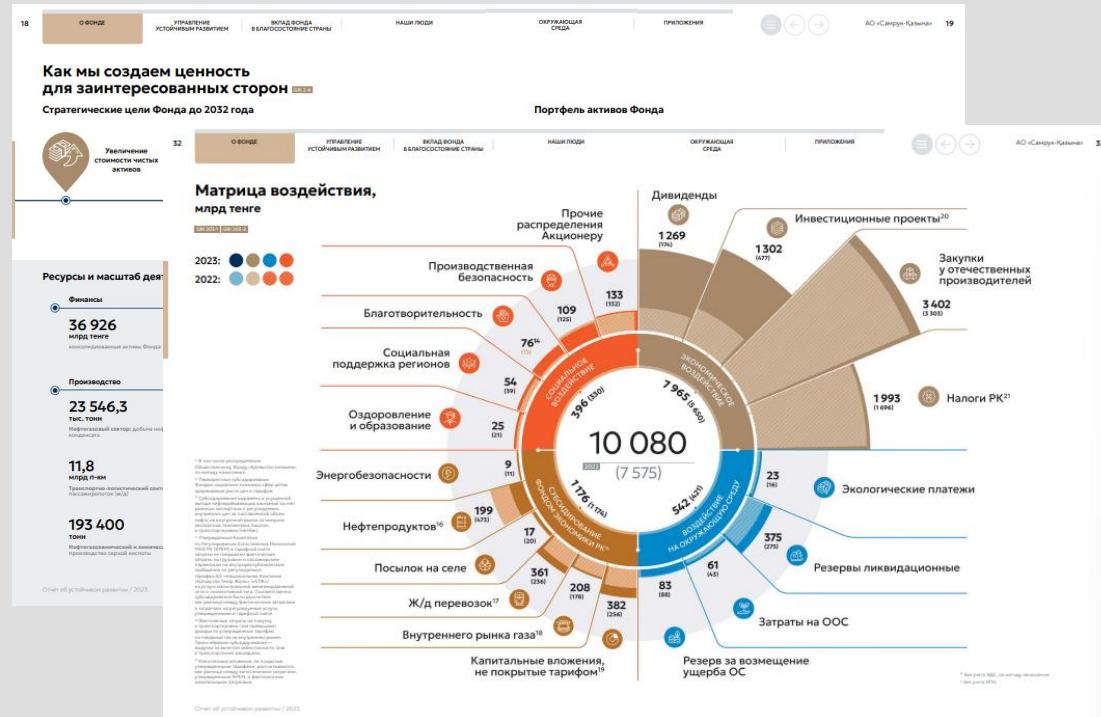
Many companies included in the rating have started to outline the ESG risks associated with their operations. While consolidating ESG risks into a single section is advisable, it is essential to provide distinct descriptions for each risk rather than combining them into a single element. Equally important is detailing the potential **impact of these risks on financial performance metrics**—such as revenue or profit—expressed in either absolute or relative terms.

Beyond identifying ESG risks and their effects, companies should explain how their risk management framework is organized and whether these risks are incorporated into the company's overall risk register.

This issue holds particular significance for the financial sector, especially following the release of ESG risk management guidelines by ARDFM. Although adherence to these guidelines is currently voluntary, they highlight significant trends and best practices that should be taken into account. In addition to standard disclosures, financial institutions may also discuss portfolio exposure to risks, exclusion lists, and how ESG factors are integrated into credit analysis.

Examples of disclosures

In addition to the value chain for a wide range of stakeholders, **Samruk-Kazyna** provides an impact matrix in its sustainability [report](#). The matrix provides social, environmental and economic impacts.



In its annual [report](#), **Kazpost** provides its KPIs on the economy, ecology and social aspect with measurable results and specific deadlines. The company also records its progress in the reporting year.

НАИМЕНОВАНИЕ	КПД	2030	2023
ЭКОНОМИКА			
Прибыль, млрд. тенге	1,5	2,4	
EBITDA-margin, %	4,5	12	
Чистая стоимость активов (NAV), млрд. тенге	6,4	0,1	
Достижение планового рейтинга корпоративного управления BBB	A	BB	
ЭКОЛОГИЯ			
Снижение углеродного следа			
Газификация объектов	Перевод 42 объектов филиалов на природный газ		Проведена газификация 1 объекта (ФПС батарек Енбекешказахского района в Актауском ОД).
Модернизация системы освещения с применением светодиодного оборудования - планируется привести	100% охвата производственных площадей в объеме 191 тыс. кв. м		Проведена модернизация системы освещения на 5731,6 кв. м. площади в 5 филиалах.
Приобретение автотранспортных средств с оснащением двигателями экологического класса «Евро-5»	510 ед.		Приобретено 61 единиц автотранспорта экологического стандарта ЕВРО-5 (40 грузовых, 21 пассажирских).
Перевозки объекты на электроснабжение от собственных солнечных батарей	37 объектов		---
Посадка зеленых насаждений на собственных территориях, свободных от застройки	10 тыс. деревьев		Высажено более 1000 деревьев в регионах РК собственными силами и в рамках участия в городских акциях по заселению
СОЦИАЛЬНЫЙ АСПЕКТ			
Охрана труда	Стрекания к купанию травматизму среди работников	0,0	0,17
Социальная стабильность	Регулирование сферы социально-трудовых отношений	Рейтинг соц. стабильности на уровне 80%	69%
Организационная структура	Компетенции менеджмента и персонала	Гибкая организационные структура	Утверждена новая организационная структура
Обучение	Постройка системы обучения	Процесс по управлению талантами	Внедрена комплексная система оценки работников, улучшена система повышения квалификации и планирования обучения работников
Стандартизация, цифровизация HR-услуг и аналитики	Создание бренда	90% HR процессов	Автоматизированы и введены в эксплуатацию с учетом развития более 30 HR процессов.
Эффективное вознаграждение	Оценка труда	Связать интересы работника с производственными целями	Проведена индексация должностных окладов работникам производственных филиалов от 7% до 25 %.

Examples of disclosures

Allianz Group describes the approach to managing investment assets, taking into account the impact, risks and opportunities in the field of ESG, and also provides detailed statistics on the withdrawal of assets from coal business models.

<h2>02.2 Sustainability in proprietary investments</h2> <h3>02.2.1 Integrating sustainability in insurance investment assets</h3> <p>A sustainable investment part important for our stakeholders, clients, employees and regulators scrutiny on how we dep capital. Supporting the E.U. act sustainable finance is a key aspect</p> <p>Allianz Investment Management approach for its insurance invest portfolio of € 736.8 billion is root in four fundamental convictions:</p> <ul style="list-style-type: none"> Match liabilities: We invest led by the profile of our portfolio Capture opportunities: We pr capital to sustainable business because these will deliver bet returns in the long run. Manage material risk: We are to managing all material st risks for our portfolio. <p>Table ESG-8 Divestment from coal-based bus Proprietary Investments € mm</p> <p>As of December 31</p> <p>Cumulative divestment since Never</p> <p>Cumulative divestments since 201</p> <p>Cumulative divestments since 201</p> <p>Additional investments</p> <p>Additional investments – Fixed inc</p> <p>Additional investments – Equities</p> <p>1 Allianz SE Signatory profile PRI (ur 2 NZAOA, The-future-of-investments</p> <p>Allianz Group Sustainability Rep</p>	<ul style="list-style-type: none"> Manage impact: As a long-term investor, our decision-making process includes assessing and managing <p>We strive to implement best practices across all asset classes, guided by the recommendations of leading sustainable</p> <ul style="list-style-type: none"> Providing our expertise to the E.U. regulator via membership in the E.U. Sustainable Finance Platform. <h2>02.2 Sustainability in proprietary investments</h2> <h3>02.2.1.5 Exclusion of certain sectors, companies and sovereigns</h3> <p>Our exclusion approach covers multiple aspects, with exclusions lists up to annually based on data from external service providers and in-house review. The following exclusion themes a to Allianz portfolios globally:</p> <p>1. Controversial weapons</p> <p>Weapons that fall under the scope the following international come are excluded: Ottawa Convention Cluster Munitions (cluster bombs), Biological and Toxin We Convention (biological weapons), Weapons Convention (chemical w</p> <p>2. Sustainability integration approach based on six pillars</p> <p>All Allianz insurance investment assets, which total € 736.8 billion (2022: € 701.1 billion), are covered by an integrated sustainability approach with stringent management and continuous enhancements. This is based on six pillars and closely follows the PRI recommendations. Each of the pillars addresses impact (positive and/or negative), risks and opportunities as shown in the table on the right.</p> <p>For more information on the six pillars, please see chapters 2.2.1.1 – 2.2.1.6 and the Allianz sustainability integration framework: Allianz Sustainability Integration Framework, version 5.0.</p> <p>Sustainability integration approach for Allianz insurance investment assets addressing impact, risks and opportunities</p> <p>The following table provides an overview how the different pillars of our sustainability integration strategy contribute towards managing our impact, risks and opportunities. The six pillars are explained in detail in the following chapters.</p> <p>1 This commitment will cover all three GI products (i.e., above 60 billion euros) and represent approximately 85 % of the h</p> <p>Allianz Group Sustainability Rep</p>	<p>In addition, since 2023, we have excluded companies that do not comply with the U.N. Nuclear Weapons Non-Proliferation Treaty.</p> <p>0 % by 2040 at the latest, with 15 % being the next step in 2025.</p> <p>For more details, see our Coal Policy.</p> <h2>02.2 Sustainability in proprietary investments</h2> <h3>5. Unsuccessful engagement</h3> <p>While the majority of our engagements are successful, we have to close a small number</p>
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Hera Group, a multidisciplinary utility company, sets quantitative KPIs for each of the ESG aspects in the medium to long term as part of a vision to create shared value for stakeholders and the company.

1.03 CSV and sustainability KPIs

2005 2021 2022 2023 2027 2030

Creating shared value

Shared-value Ebilda (million euro)	-	570.6	670.3	776.0	1,049	-
Shared-value Ebilda (% of total Ebilda)	-	46.6%	51.8%	51.9%	64%	70%
Shared value investments (million euro) ¹	-	406.6	489.5	558.4	621 ²	-
Shared-value investments (% of total) ³	-	69.1%	69.0%	68.5%	>70% ⁴	-

Creating shared value: Pursuing carbon neutrality

ISO50001 energy saving interventions (% savings compared to 2013 ⁵)	-	6.8%	6.9%	7.8%	9%	10%
Household gas and electricity contracts at the end of the year at least one energy efficient solution (% of total free market household contracts)	0%	32.1%	34.3%	35.7%	42%	43%
Renewable electricity sold to customers on the free market (% of total volumes sold on the free market) ⁶	-	45.5%	40.5%	42.8%	56%	>50%
Installed photovoltaic capacity (owned, sold and with third parties) (MW) ⁷	-	2.7	9.9	18.4	~300	-
Renewable gases produced (GWh)	-	75.8	72.2	80.6	184	200
CO ₂ emissions reduction compared to 2019 with SBTi calculation methodology (% ⁸)	-	-10.3%	-11.7%	-13.8%	-29%	-37%

Creating shared value: Regenerating resources and closing the circle

Sorted waste (%)	28.9%	65.3%	67.8%	72.2%	78%	-
Plastic recycled by Aliplett (k tonnes)	-	80.9	79.2	84.6	120	149
Reusable and reused purified wastewater (% of total purified wastewater)	-	6.0%	7.3% ⁹	10.1%	13.6%	18%
Water losses (physical and administrative losses in the civil aqueduct) (m3/km of network/day)	-	8.1	8.1	-	7.4	-
Reduced internal water consumption compared to 2017 (%) ¹⁰	-	-16.6%	-20.5%	-21.5%	-23.8%	-25%
Aqueduct users served in areas with a Water Safety Plan (% of total aqueduct users served)	-	22.6%	61.9%	65.8%	91%	100%
Urban agglomerations >2,000 population equivalents complying with waste water treatment legislation (% of population equivalent)	-	99.6%	99.6%	99.8%	100%	100%
Emissions from WTE plants vs legal limits (actual concentrations vs legal limits: optimum value <100%)	22.4%	13.8%	13.5%	13.6%	<20%	<20%
Re-use of soil in infrastructure construction (%) ¹¹	-	78%	78%	76%	72%	>80%

2005 2021 2022 2023 2027 2030

Creating shared value: Enabling resilience and innovating

Value of supplies from local suppliers (% of total purchases)	62% ¹²	67% ¹³	65% ¹¹	72%	-	-
Workers in permanent contracts (annual average % of total workers)	95.5%	96.5%	96.6%	95.4%	97%	97%
Women in roles of responsibility (% ¹⁴)	19.9%	30.5%	31.1%	32.6%	33%	>33%
Employees with digital transition skills (% of total population)	-	49%	54%	56%	75%	90%
Employees with environmental transition skills (% of total population)	-	-	21%	32%	53%	60%
Employees with energy transition skills (% of total population)	-	-	28%	36%	53%	60%
Districts-based approach (%) ¹⁵	-	49%	51%	55%	73%	-
Water network undergoing predictive maintenance	-	9%	46%	60%	100%	-
Remote-controlled plants (thousand)	2.9% ¹⁶	7.9	9.0	9.7	12	-
Electronic gas meters (%)	0%	67%	77%	88%	95%	-
Second-generation electronic gas meters (%)	0%	0%	6%	42%	91%	-
Electronic water meters (%)	0%	0%	0.3%	0.4%	21%	-

Alongside the protagonists of change

Added value distributed to stakeholders (million euro)	722.1	1,764.4	1,674.1	2,036.7	2,352	-
Average hours of training per capita (number)	18.5	30.3	30.8	31.5	32.6	32.6
Injuries/hour worked (index of injuries/hours worked x 1,000,000 ¹⁷)	49.6	10.3	10.5	10.2	10.4	<10
Internal climate index (score from 0 to 100) ¹⁸	50	71	-	70	≥70	≥70
Customer satisfaction rate, residential customers (score from 0 to 100) ¹⁹	67	73	72	73	70	≥70
Procurement by most economically advantageous bid method: sustainability score (% of total)	-	38	39	39	40	40

¹Corporate acquisitions included

²Average years 2023-2027

³Data referring to Hera SpA, Inrete Distribuzione Energia, AcegasSpA, Anga, Marche Multiservizi, Herambiente, Hes, AcegasSpA Servizi Industriali, and Frullo Energia Ambiente

⁴The final accounts for the years prior to the reporting year were updated based on the latest GSE data available at the time the financial statements were prepared. The data does not include AreaGas. The 2022 figures do not include the data from the 2022 reorganization of the business units.

⁵In line with the validated science-based targets

⁶Purpose 1+2+3 data of downstream electricity and gas. Scope 1 data on methane gas sales for 2021 and 2022 does not include the data from the 2022 reorganization of the business units. The data relating to gas sales is related to gas sales to the natural gas for 2021 have been aligned with the calculation methodology used for the 2022 data.

⁷Data referring to Hera SpA, AcegasSpA and Marche Multiservizi.

⁸Data referring to the consumption of water from civil and industrial aqueducts of the Group's most "water-demanding" business units, namely Hera SpA in Emilia-Romagna

⁹Progressive data from 2018

¹⁰2007 data

¹¹Ex-internal HSE

¹²Executives and managers. The percentage of women in the total workforce was 27.5 percent in 2023.

¹³Data excluding Marche Multiservizi.

¹⁴2020 data

¹⁵Only figures with absence greater than or equal to three days

¹⁶2021 data excluding Marche Multiservizi

Examples of disclosures

Teck takes a detailed approach to assessing double materiality, which has resulted in the identification of key themes in the 2023 [Sustainability Report](#). The approach consists of three stages – identification, prioritization and verification.

2023 Double Materiality Assessment

At Teck, we prioritize sustainability risk alongside our major business risks, as highlighted in our Annual Information Form. We define a material sustainability topic as a specific dimension of sustainability under which Teck has a significant economic, environmental and social impact, or one that could result in risks or opportunities that substantially influence the assessments and decisions of our COEs, in accordance with guidance from the Global Reporting Initiative (GRI) Standards.

Double Materiality Approach

We have built upon our robust approach to undertaking a materiality assessment, identification, prioritization, integrating the assessments described above in the Er Interest (COEs) section of the Annual Information Form.

Validation

During the third phase, the results were socialized and validated by members of Teck's senior management team, the Disclosure Committee, and the Safety and Sustainability Committee of the Board of Directors.

For 2023, we took an ambitious approach to re-evaluating our material topics through a double materiality assessment that considered materiality on both a financial and impact basis. This new process included:

- Aligning the nomenclature of material sustainability topics with that of the new sustainability standards, such as the International Sustainability Standards Board (ISSB) Standards and the European Sustainability Reporting Standards (ESRS)
- Undertaking a detailed analysis by defining subtopics and the relevant positive and negative impacts, risks and opportunities (IROs) of each material topic
- Evaluating the materiality of each material topic, subtopics and IROs using an impact and financial materiality lens – a double materiality approach (Figure 1)
- Adapting our stakeholder engagement approach to cover affected stakeholders and users, and our broader internal and external stakeholder groups across our business units

The outcome of the materiality assessment drives the content of our annual sustainability report that, alongside our management approach documents, outlines the controls and procedures Teck has in place to manage the identified impacts, risks and opportunities within the materiality assessment.

Figure 1: Double Materiality Approach

Impact materiality (Company impact on people and planet) and **Financial materiality** (Sustainability and climate impact on your company) are plotted on a 2D matrix. The matrix is divided into four quadrants: **Double materiality** (top-left), **Impact outwards** (top-right), **Financial materiality** (bottom-right), and **Impact inwards** (bottom-left). A legend indicates that green dots represent **Environment**, blue dots represent **Social**, and dark blue dots represent **Governance/Economic**.

Figure 2: 2023 Materiality Matrix of Sustainability Topics

This year, we undertook a double materiality assessment, which assesses impact materiality (Teck's impact on people and planet) and financial materiality (the topics' financial effect on Teck).

8 Teck 2023 Sustainability Report

Figure 2: 2023 Materiality Matrix of Sustainability Topics

True Corporation PCL, a telecommunications company, defines stakeholder expectations, communication channels, and the company's response to the identified expectations. In addition, the company [describes](#) its approach to stakeholder engagement.

Stakeholder Engagement

The Company implements a process to collect and respond to concerns and expectations from all stakeholder groups through various channels. The concerns and expectations shall be taken into considerations and translated into directions to improve business operations to ensure a comprehensive stakeholder engagements and risk mitigations.

Management Approach

The Company responds to expectations and provides opportunities for all groups of stakeholders to express their opinions through various channels and take their opinions and important issues into consideration to improve operations in accordance with the needs of 6 groups of stakeholders as shown in the following table.

Stakeholder Engagement Process at True:

- Planning: Bring information, concerns, expectations, suggestions from stakeholder groups to analyze and identify ways to respond
- Preparation: Identify geographical areas and activities to suit the needs of stakeholders.
- Taking Action: Visit the stakeholders, implement the planned activities and publicize
- Review and Improve: Follow-up, evaluate and improve for better results.

Stakeholder Groups

Stakeholder Groups	Stakeholder Expectations	The Company's Response
Customer	<ul style="list-style-type: none"> Good products and services, reasonable price Employment security and career advancement Convenient and punctual delivery Proper and accurate product description Environmental friendly products Network coverage in all areas 	<ul style="list-style-type: none"> Good and responsible service. Convenient and punctual delivery with quality after-sales service Develop and establish strong and safeguarding customer data at international standards. Provide a secure and convenient service Take responsibility for products and services, and using biodegradable materials Fast network expansion and ensure strong signal coverage in all areas.
Employee	<ul style="list-style-type: none"> Competitive compensation and benefits Employment security and career advancement Convenient and punctual delivery Participation and open communication Proper office equipment and technology that supports flexible work 	<ul style="list-style-type: none"> Competitive compensations, decent welfare and equal opportunities for promotion and transfer Fast and accurate performance evaluation Provide on-demand and on-trend training programs Collect feedback to make improvements Proper office equipment and support 'Work From Anywhere' practice
Business Partners and Supplier	<ul style="list-style-type: none"> Fair treatment Transparency Mutual financial and business growth Participate in business as specified time and value Participations and mutual communications Cyber Security 	<ul style="list-style-type: none"> Fair and transparent competition Fair contracts and transparent transactions Build capacities and knowledge in sustainability practice Establish and maintain a relationship with the specified time and value Protect sensitive data
Stakeholder	<ul style="list-style-type: none"> Profits and sustainable growth Good Corporate Governance Transparency Well-round strategies and opportunities to grow Participate in business as specified time and value Accurate financial data Transparent dividend payments 	<ul style="list-style-type: none"> Conduct business on the basis of fairness and integrity to customers Keep information under good governance Fair and equal compensation Cooperate and support various activities Effective complaint management
Government Agencies	<ul style="list-style-type: none"> Business ethics and transparency Good Corporate Governance Build trust and maximum returns Disclose information transparently and conveniently Conduct business transparently, ethically, and in compliance with the law and laws Provide accurate and complete financial information Pay debts on time and take care of the quality of collateral 	<ul style="list-style-type: none"> Conduct business transparently, ethically, and in compliance with the law. Conduct business transparently and conveniently Govern and manage operations in accordance with the law. Manage with quality to instill confidence Collaborate in various activities
Communities And Society	<ul style="list-style-type: none"> Collaborate with social welfare agencies both nationally and internationally on sustainable development issues, and work towards reducing inequality in the society Participate in economic and social development by leveraging the company's expertise in digital technology, communication, and other relevant fields to benefit the society for the economic, environmental and social development of disadvantaged groups and addressing their grievances Participate in the community's development by encouraging community participation, and provide support to aid society, particularly during crisis situations Ensure safety measures are implemented in organizational operations, such as electromagnetic field safety from signal pole construction and network expansion. Assess the impact of business operations on the environment, society and neighboring areas 	<ul style="list-style-type: none"> Organize activities to promote the use of digital technology for education and learning, such as CONNECT ID and True Plaekpanya, VRiCOM and VLARIN online solutions, and Mobile Application Organize activities to promote income generation opportunities for community members and those of vulnerable groups. For example, the Project for Living Project, the Autism Project, the Project for the disabled, the Project for the elderly, the Project for the poor, and the Project for the disabled. Implement the project Safe Internet Project aiming to create a safe digital ecosystem for Thai children and teenagers. The project aims to increase the awareness of the importance of safety and skills. Comply strictly with the Building Control Act B.E. 2522 and regulations set forth by governmental agencies at both national and local levels when constructing and expanding network facilities. The company will take measures to prevent the impact of network facilities on the environment, such as mitigating the impact of signal poles, mitigating electromagnetic fields, safety and other related issues associated with erecting signal poles and network expansion. Assess the impact of business operations on the environment, society and neighboring areas

SUSTAINABILITY AT TRUE **LIVING RIGHT** **LIVING WELL** **LIVING TOGETHER** **APPENDIX**

2

[E]nvironment



Approach to disclosure

How can companies take into account their industry specifics?

In order to fully disclose environmental issues, it is important to identify the most significant environmental topics, taking into account the level of the company's impact on the components of the environment, as well as the impact of the environment itself on the company's activities, taking into account the specifics of the industry.

One of the most common standards for industry indicators is **SASB**. The SASB standard takes into account the specifics of the industry and provides a minimum bar for disclosure.

In order to improve the completeness and consistency of issues specific to individual industries, **GRI** is also working on **industry standards**. Industry standards have already been published for the coal and mining, agriculture, fisheries and oil and gas sectors. In the future, it is planned to expand industry standards to 40 sectors.

When using industry standards, companies should evaluate their business model and value chain to accurately determine the applicability of the standards. Often, large companies may have multiple industries to their credit, which means that several relevant standards need to be applied for full disclosure.

Companies can also take into account the disclosure requirements of different industry associations. At the same time, it should not be forgotten that industry standards do not replace the procedure for determining material topics by an organization.

IFRS S1 and S2 standards approved in 2023 also take into account industry indicators based on the SASB standard. The IFRS S2 thematic standard reinforces the TCFD's requirements for **disclosure of climate risks and opportunities**. The new standard requires the mandatory identification, assessment and monitoring of climate opportunities taking into account industry indicators (for more details, see pages 51-55).

According to [the ISSB report](#), countries that have adopted IFRS standards have noted the importance of including industry-specific disclosure requirements. Most of them plan to make industry disclosure mandatory.

Standardization of disclosure of **risks related to nature** is also gaining momentum. GRI has updated its biodiversity standard (GRI Biodiversity 101). In 2024, the ISSB announced the start of work on the creation of a thematic standard on natural risks based on TNFD (we wrote more about TNFD in the [TOP 50 at the end of 2022](#)).

As the ISSB's thematic standards are created on the basis of a common framework, the disclosure of risks related to nature will also take into account industry specifics.

Environmental aspects have always been a significant topic for a wide range of stakeholders, but every year we see an increase in the requirements for the depth of information disclosure. This trend is confirmed by the development of industry standards, increased attention to risks associated with nature and the disclosure of the impact of climate issues on the financial performance of the organization its activities and its impact on the environment.



Current Practice (1/3)

Results of the analysis of Kazakhstani Reports (TOP 50 Rating)

This year, as in the previous year, the topic of climate change received the greatest development. More and more companies are disclosing their approach to managing climate change, as well as setting goals and KPIs for achieving them.

34% of companies from the TOP 50 have set climate goals, most of them long-term.

However, unlike global practice, where most often companies have separate climate and decarbonization strategies, and reporting on progress, most Kazakhstani companies do not have a separate climate strategy. Most often, climate goals are set within the framework of separate programs and plans.

In 2023, there is also an expansion of practices for disclosing information on greenhouse gas emissions.

78% of the top 50 consider their direct GHG emissions, more than half estimated indirect ones (Scope 2).

The number of companies disclosing Scope 3 GHG emissions has almost doubled. A third of the companies that disclosed Scope 3 are financial institutions, the rest are oil and gas, and mining and metallurgy sectors.

At the moment, companies are limited to several Scope 3 categories. Most often, the volumes of financed emissions (financial organizations) are disclosed, followed by GHG emissions from production waste, as well as purchased goods and services.

Scope 3 GHG emissions include 15 categories throughout the supply chain. The potential for improvement would be a preliminary assessment of the materiality of each category and the calculation of GHG emissions from the most significant categories, as well as the provision of justification for the selected categories. It is equally important to disclose the standards and methodologies used to calculate emissions.

The practice of assessing climate risks continues to evolve. The number of companies assessing climate risks has increased by 10% compared to last year. 12% of companies have assessed the potential losses and damages from the materialization of climate risks.

When assessing losses and damages, companies most often carried out a high-level analysis, but a preliminary calculation of losses, possible costs of R&D and transition to low-carbon technologies, as well as changes in the structure of income, will give the most complete picture to investors and other stakeholders. Conducting and disclosing the results of the scenario analysis will show the company's resilience under various climatic conditions.

The volume of greenhouse gas emissions for the last reporting year was disclosed by:

78%
Scope 1
(60% in 2022)

58%
Scope 2
(38% in 2022)

22%
Scope 3
(12% in 2022)

40%
describe climate risks in qualitative terms
30% in 2022

28%
disclose the process of managing the risks and opportunities associated with climate change
20% in 2022

16%
provide scenario analysis
10% in 2022

Current Practice (2/3)

Results of the analysis of Kazakhstani Reports (TOP 50 Rating)

Environmental aspects remain important for most industries against the backdrop of tightening environmental legislation, the threat of water scarcity and ecosystem destruction, as well as the increasing importance of risks associated with nature and natural resources.

At the end of 2023, among the Kazakh companies included in the TOP 50, the level of disclosure of environmental protection issues increased compared to last year.

However, there has been a slight decrease in disclosure of measures taken on climate change and waste management.

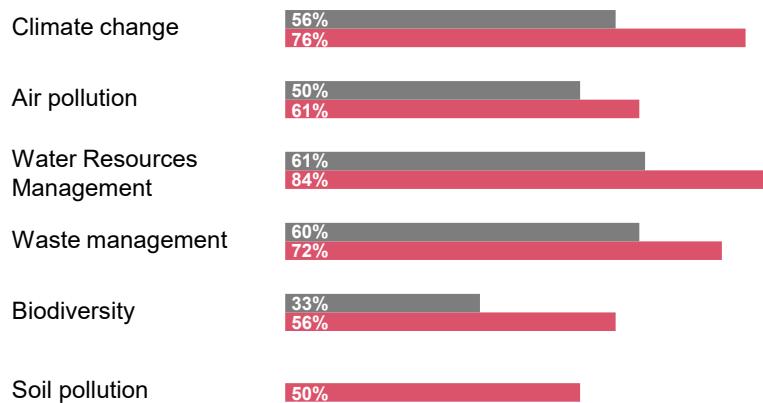
Compared to last year, the level of disclosure of biodiversity issues has increased significantly. 5 companies out of 25 to which this criterion was applied disclosed their biodiversity targets.

This year, we have added a criterion for soil pollution. The criterion was applicable to 14 companies from the

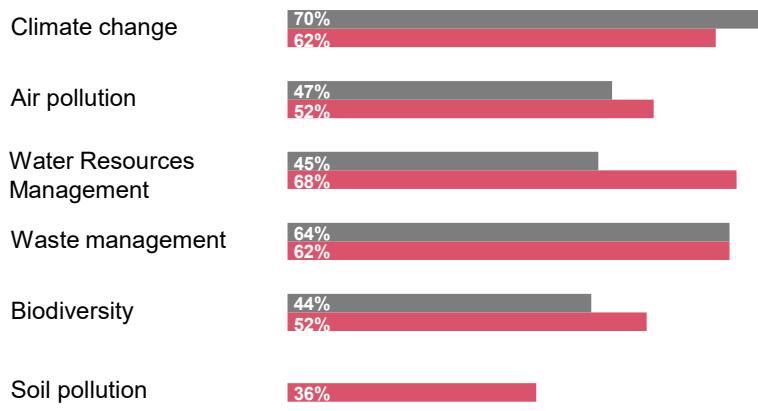
TOP 50, only half of them revealed their approach to this aspect.

The potential for the development of environmental disclosure will be a detailed description of how exactly the company affects the environment and its components, giving a broader understanding of the consequences of its activities to stakeholders. It is also necessary to pay attention to the ongoing work to reduce the negative impact on the places of presence.

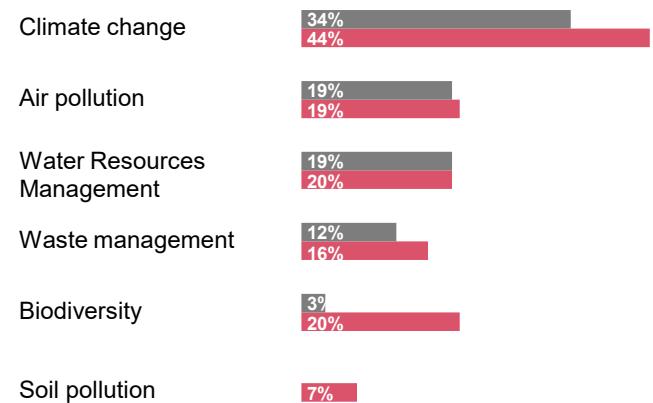
Share of companies describing an approach to managing the aspect:



Share of companies describing work to reduce negative impacts:



Share of companies describing goals and progress metrics by aspect:



Current Practice (3/3)

Results of the analysis of Kazakhstani Reports (TOP 50 Rating)

Every year, we evaluate companies based on sector-specific industry indicators. This year, we have added industry criteria for the agricultural and oil and gas sectors.

One company from the agricultural sector entered the TOP 50, but industry indicators are practically not disclosed.

Out of 7 companies in the oil and gas sector, 5 disclosed information on spills, but disclosure on other indicators are almost absent.

For companies in this sector, improving reporting practices would involve disclosing information on estimated carbon emissions from proven reserves as part of their climate impact management strategy.

Almost 80% of companies in the electric power sector within the TOP 50 disclosed sector – specific indicators.

In the mining and metals sector, it is particularly important to disclose information on tailings management as they are one of the main aspects of the negative environmental impact. In 2023, 50% of the companies in the TOP 50 disclosed information on the volumes of tailings storage facilities, and 33% disclosed their approaches to tailings management.

The aforementioned sectors are among those most exposed to climate risks. More than half of these companies assess climate risks, but only 23% evaluate potential damage and losses.

Given the characteristics of the energy, mining and metals, and oil and gas sectors – such as high energy intensity and water consumption – there is significant potential for improving reporting through the disclosure of information on climate change adaptation, resilience and transition. In particular, disclosure of the impact of factors such as carbon regulation and the transition to low-carbon technologies and renewable energy sources on the financial performance of companies. Special attention should be given to the impact of physical risks (water shortages, floods, extreme temperatures) on the company operations and the measures taken to adapt to these risks.

At the same time, it is essential not to overlook other environmental aspects and to disclose information tailored to the specific characteristics of each industry.



Further development

What to focus on in the next report

Climate risks and opportunities

The climate agenda implies not only risks, but also significant opportunities. Decarbonization processes and the development of renewable energy sources create new prospects for business growth and transformation. Disclosing information about climate – related opportunities has become an important element of ESG reporting, attracting the interest of investors and other stakeholders.

To provide a comprehensive view of **climate risks and opportunities**, companies should disclose the following information:

- how climate risks are integrated into the overall risk management system (including the role of senior management);
- the impact of these risks on the company's activities in the short, medium and long term;
- how climate risks and opportunities affect the **company's financial performance**;
- the measures are being taken to **adapt to climate change**.

For more detailed guidance on climate risks and opportunities, we recommend that you refer to IFRS S2 standard (see pages 51-55).

Sector-specific indicators

General corporate standards, while applicable to all industries, do not fully take into account the specificities of different sectors.

Most companies have industry - specific indicators, including those related to the environmental issues. For example, for the mining and metals sector, this could involve detailed disclosure of plans for land reclamation and restoration after the end of mines.

To identify industry specific topics, companies can use the **SASB standard** or **GRI sectoral standards** (currently available for 4 sectors). They can also refer to benchmarks, rating agency requirements and thematic standards, as well as apply the principle of double materiality when identifying material topics.

Large companies with diverse business models that span multiple industries must ensure that all critical issues across their product chain are addressed.

Detailed disclosure of industry-specific information supports better decision making and helps direct focus toward the most significant issues.

Environmental aspects

As in previous year, we recommend not overlooking other **environmental aspects** besides climate change.

Companies should consider the specifics of their activities and disclose information in terms of their impact on each environmental aspect.

Providing information on the connection between **environmental aspects, climate issues and other** sustainable development topics will make reporting even more valuable to stakeholders.

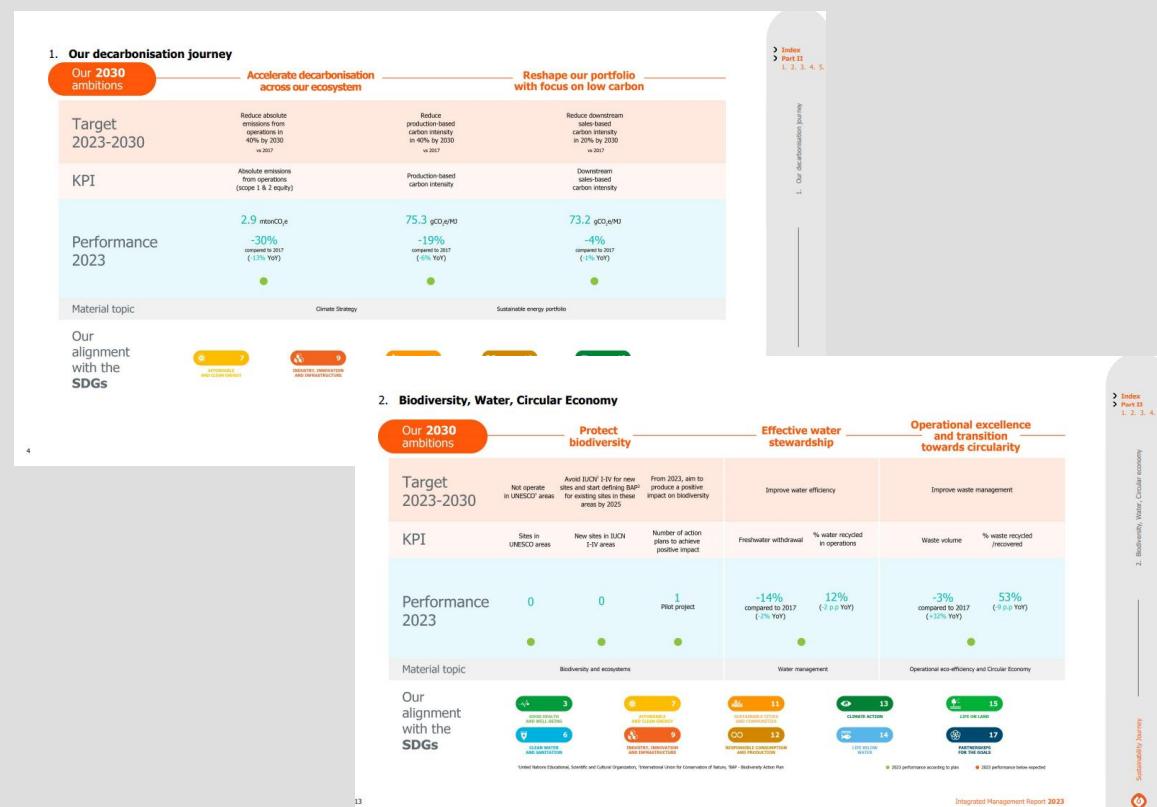
Supply chain engagement

The topic **of working with suppliers** and ensuring their compliance **with environmental requirements** remains underdisclosed.

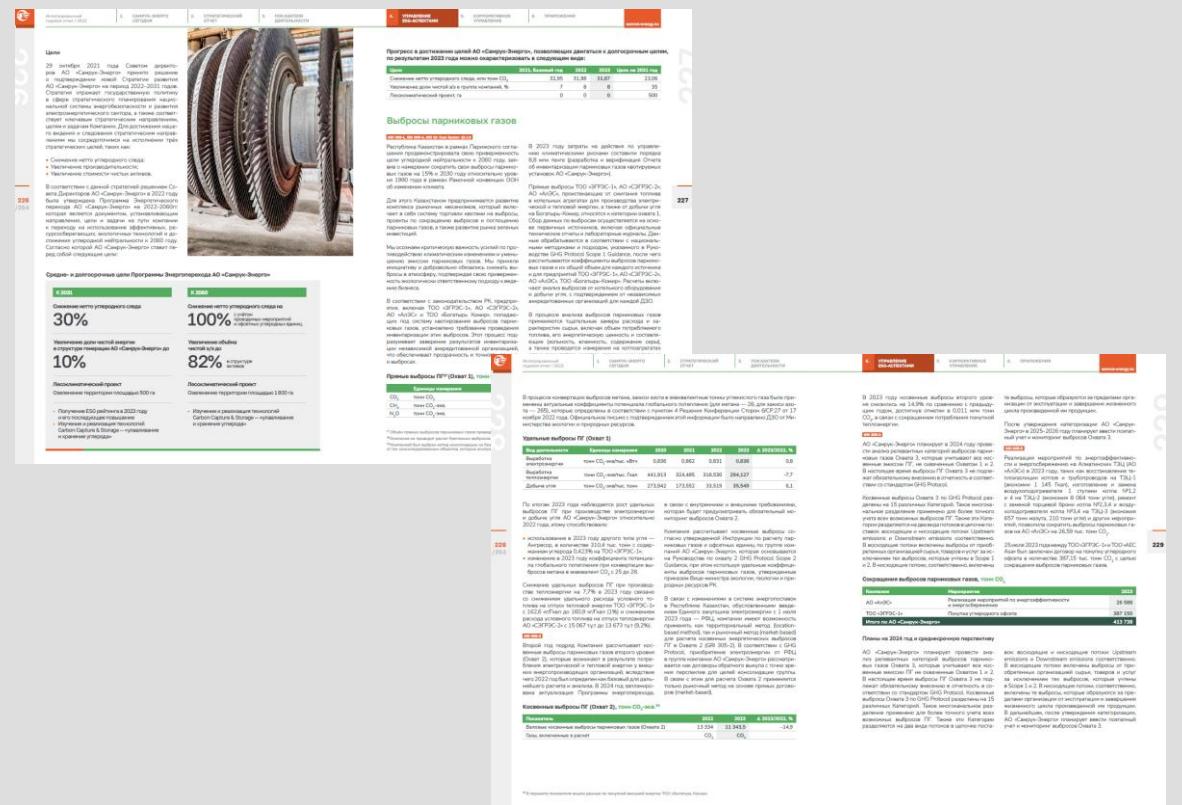
In addition to implementing ESG and environmental requirements, companies can start by surveying suppliers to assess their maturity in these areas. Subsequently, companies can then support their suppliers in improving their environmental performance and adopting ESG practices. Over time, companies should disclose these efforts in their reports.

Examples of disclosures

In its sustainability report, **Galp Energia** provides a clear infographic on the long-term decarbonization goals and environmental aspects, KPIs and progress on the goals in the reporting year. Each goal is also linked to the UN SDGs.



Samruk-Energy's [Sustainability Report](#) contains specific decarbonization and climate goals, measures taken and implementation status.

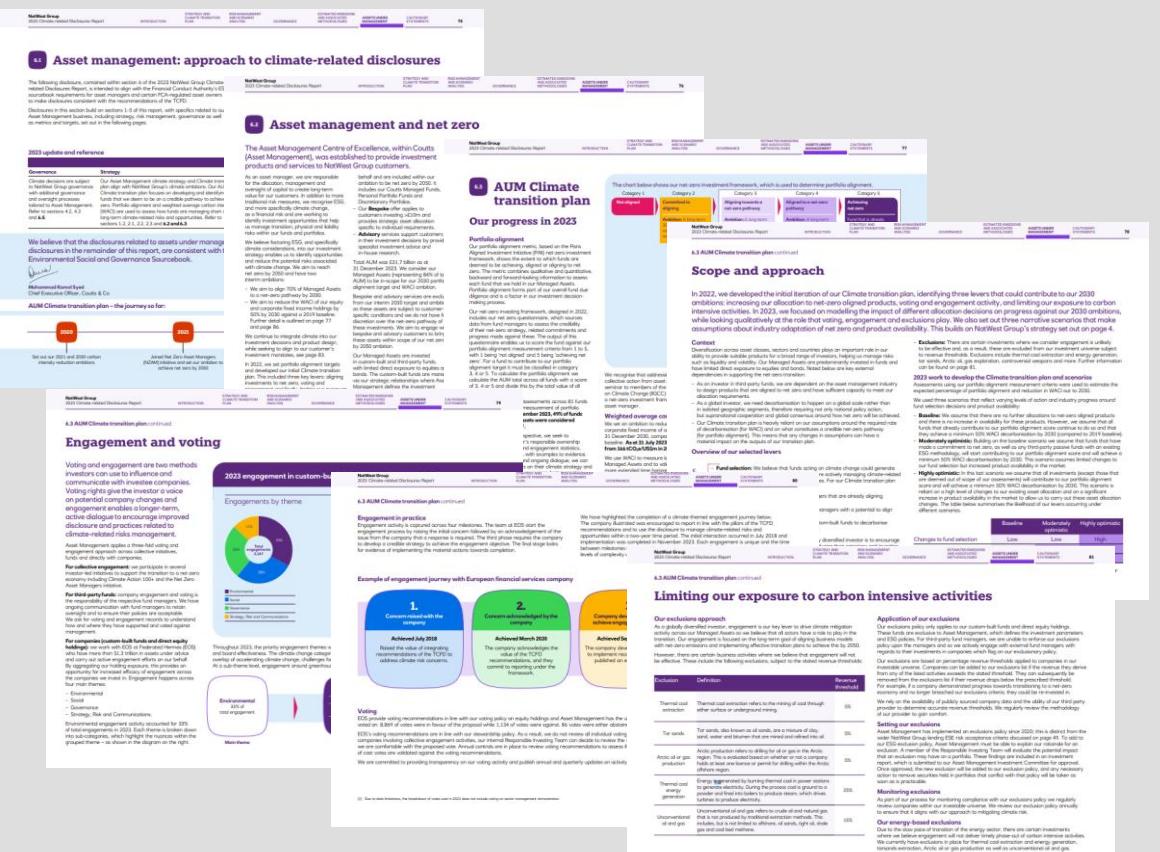


Examples of disclosures

In its sustainability report, **Bank CenterCredit** assessed Scope 3 emissions in its supply chain and financed emissions by economic sectors and business segments, and disclosed the standards and methodologies used for the calculation.

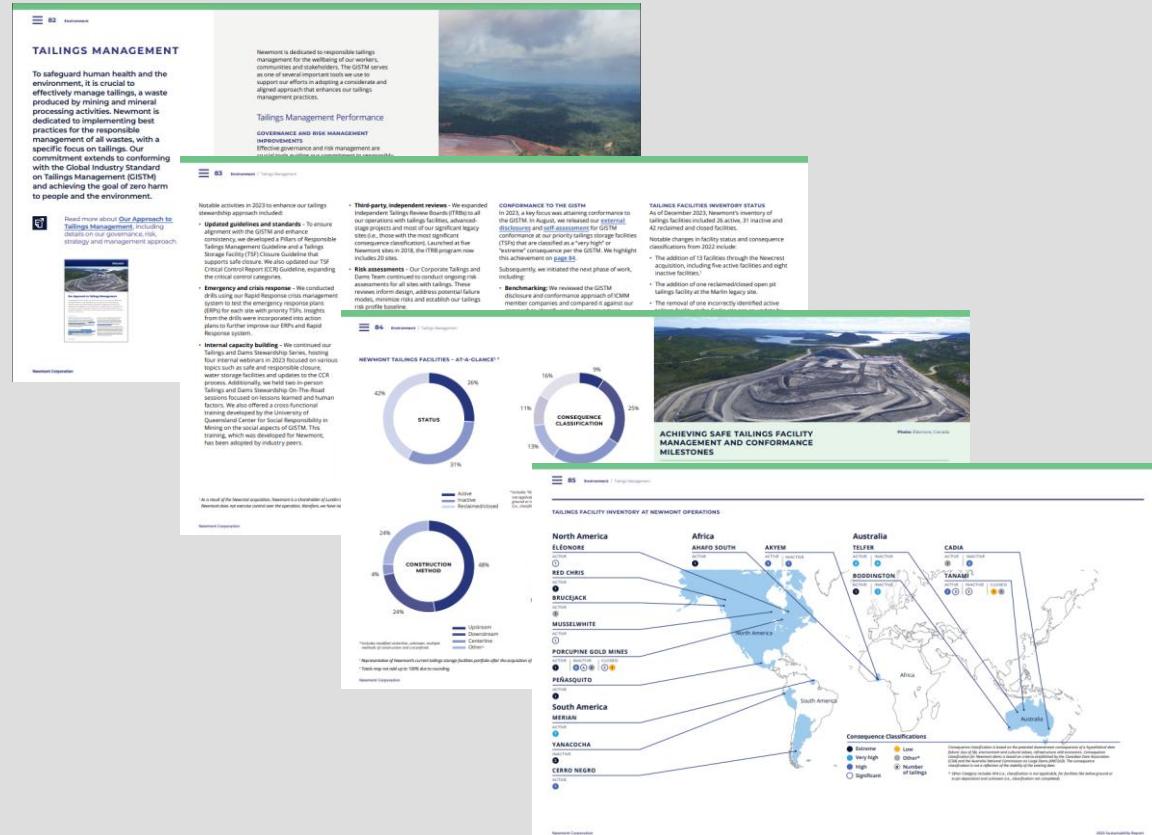


In its climate-related disclosure report, NatWest Group plc provides information on the climate transition plan for assets under management, as well as measures to reduce participation in high-carbon intensity activities.

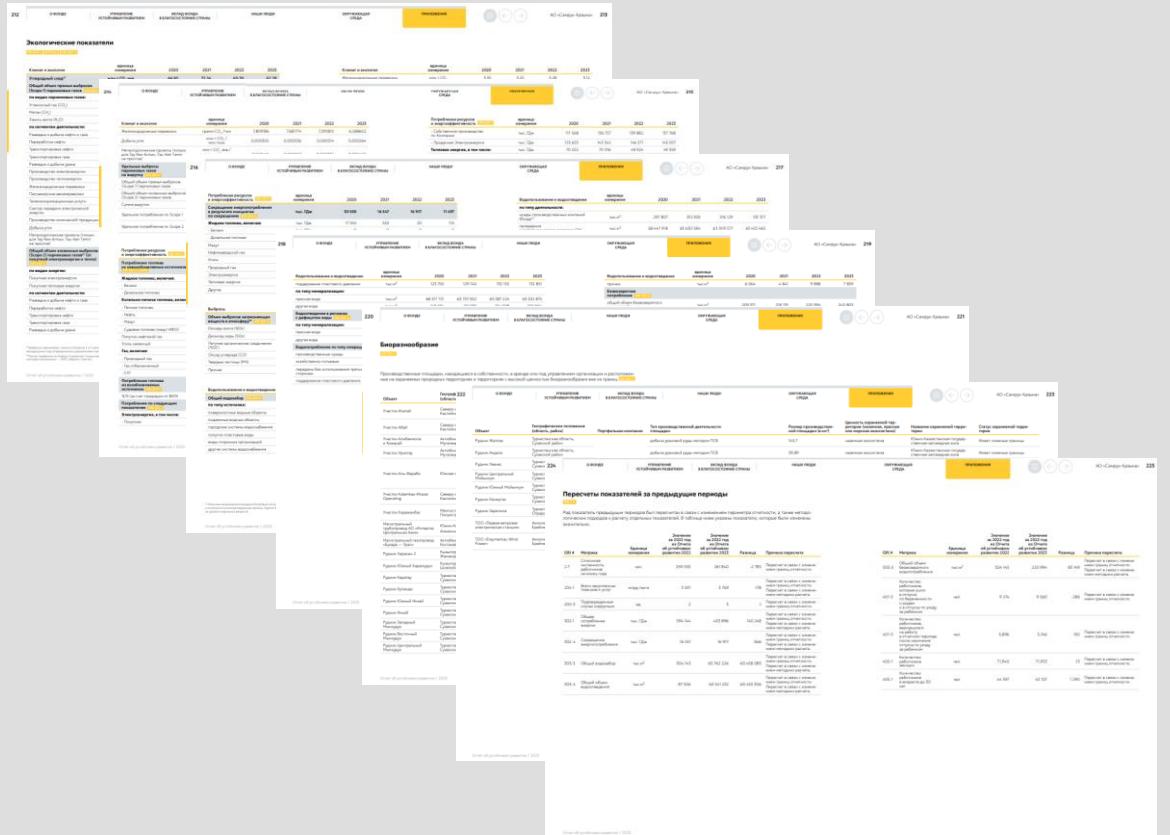


Examples of disclosures

Newmont Corporation's [Sustainability Report](#) details its tailings management activities. In addition, it provides a link to a separate [report on tailings disclosures](#) and the [approach](#) to management.

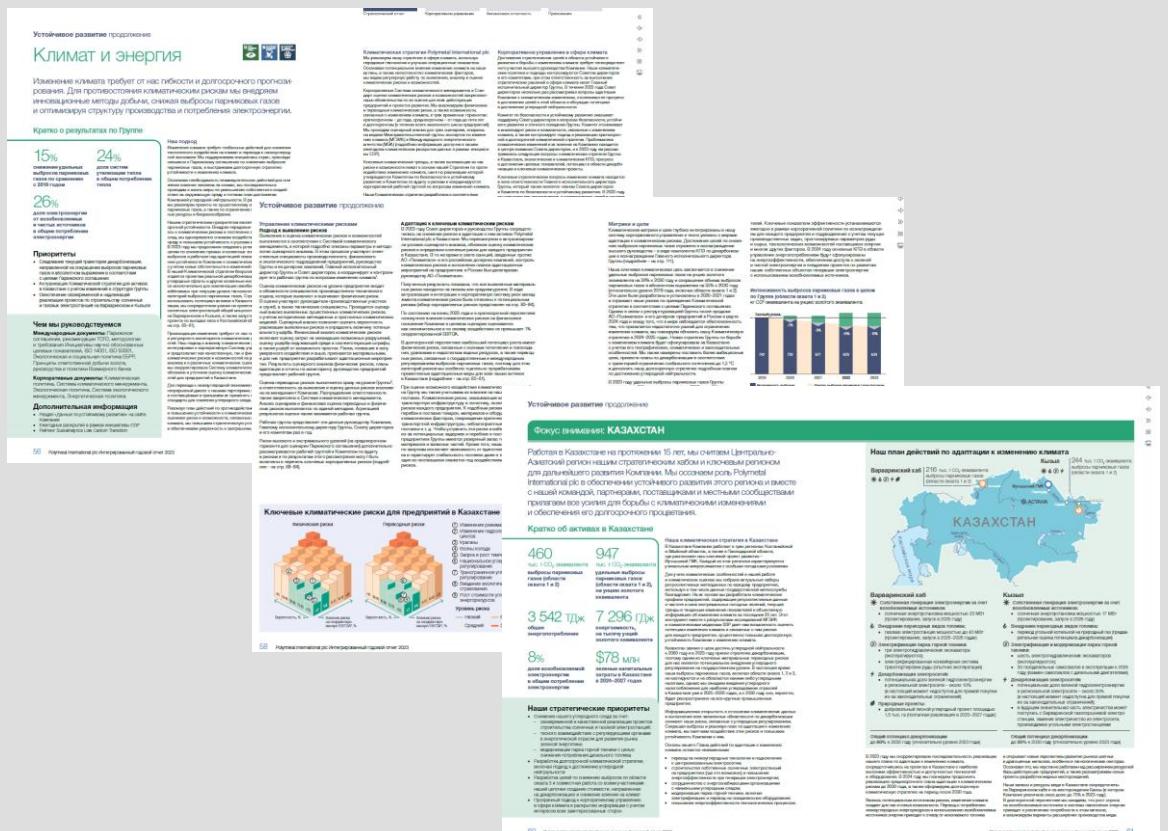
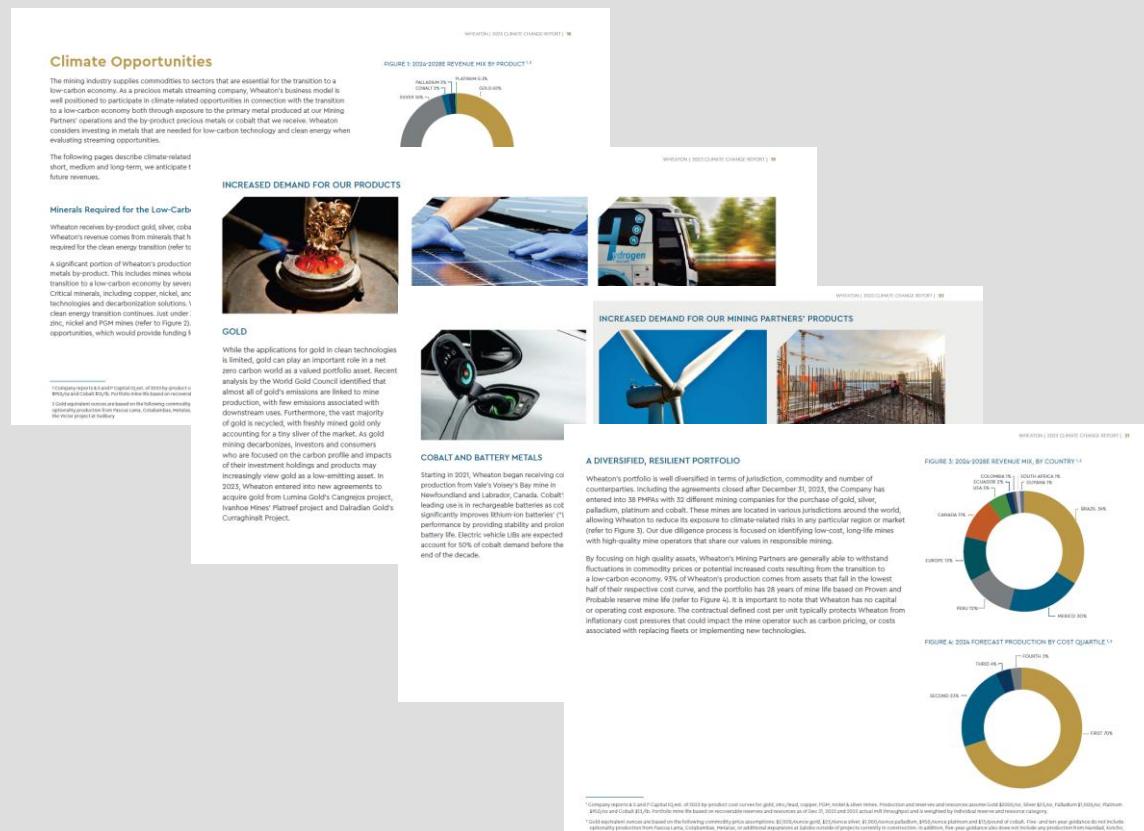


Sustainability Report of **Samruk-Kazyna**, environmental indicators are presented in the appendix as a separate data set, which gives stakeholders the opportunity to find the necessary information without overloading the text of the report itself.



Wheaton precious metals in [the Climate Change Report](#) reveals the opportunities that climate change opens up for them, as well as decarbonization processes for them and their partners.

Solidcore Resources plc's [Sustainability Report](#) provides information on climate risk management, assessment of the impact on the Group's financial performance, as well as adaptation measures.

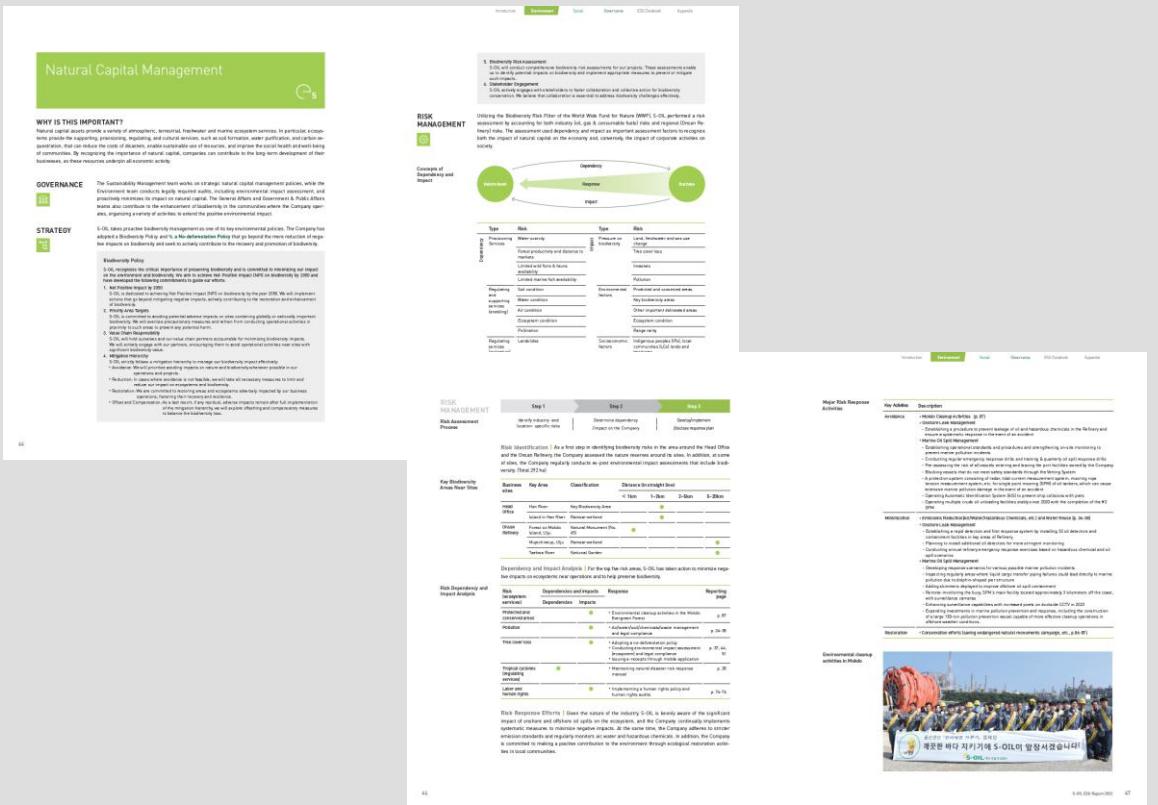


Examples of disclosures

Kazatomprom describes its approach to water resources management, the measures taken in the reporting year, plans for 2024, as well as measurable goals in this direction



In its sustainability report, S-Oil assesses biodiversity risks and provides measures to avoid identified risks and minimize consequences.



3

[S]ocial



Approach to disclosure

How are social risks disclosed in the company's reporting?



Global reporting standards require organizations not only to record and disclose the social impact of their activities on society, but also to assess the impact of **social risks and opportunities** on the company's financial results and long-term sustainability.

With increasing transparency requirements, companies are beginning to not only analyze these risks, but also develop **strategies** to minimize them. Accordingly, this requires more detailed, high-quality, and engaged disclosure of information on the social component of ESG.

Firstly, the disclosure of the social dimension begins with the risks associated with **human capital management** (working conditions, respect for human rights, inclusion and equality of opportunities). **Supply chain** issues are also an important aspect of reporting practices – compliance with labour standards, prevention of labour exploitation, ensuring the safety and health of workers, as well as supporting vulnerable populations and ethical standards when interacting with local communities.

In addition, it is important for companies to disclose information on measures to **prevent discrimination**, ensure **equality** for different gender, racial and ethnic groups, as well as on the implementation of social responsibility programs and support for sustainable consumer practices.

Social risk assessment and monitoring of social performance enable companies to identify and mitigate potential threats in a timely manner, which contributes to better **risk management** in the long term. Disclosure on these issues is also necessary to ensure the trust of investors, partners and other stakeholders.

Today's investors and stakeholders expect companies to provide not only quantitative indicators, but also deep qualitative analysis that demonstrates the real impact of business on society. In response to these challenges, more and more companies are **integrating social risks into their strategic reporting**, which contributes to their long-term sustainability and strengthens the confidence of investors, employees and consumers.

Current Practice

Results of the analysis of Kazakhstani Reports (TOP 50 Rating)

The culture of employee well-being is gaining an important role among Kazakhstani companies - 48 companies in our rating are working to **improve social conditions for their employees**. However, companies should pay more attention not only to ongoing improvements, but also to creating clear long-term goals and systems for evaluating HR performance. Only 9 companies have **set long-term, specific goals** for this aspect.

There is a high level of attention to the professional development of employees. 43 companies disclose their **approach to employee development and reward**, which is a positive factor that confirms the importance of having a system in place for professional skills growth and career development. It could also indicate a growing trend among companies focused on talent retention and development. Without clear goals and methods for evaluating performance, companies risk losing their bearings in the long run. Only half of companies disclose the number of employees who have passed the **performance appraisal**.

It is important to note that companies are actively involved in solving the needs of local communities – 32 companies from the TOP 50 **invest in infrastructure and services that are useful for local communities and the economy**, and 22 companies interact with representatives of the regions directly, taking into account their needs.

There is a growing awareness and commitment of financial institutions to social inclusion and support for the wider population – 80% of financial companies from our ranking **are promoting inclusive financial products**, and 30% have already developed a **strategy or plans to expand funding** for such products.

In order to further promote social practices in the supply chain, procurement monitoring is an important element. The development and diversification of the local content of procurement is prioritized – 77% of companies disclose **the share of local suppliers**. However, in our rating, only 40% of companies disclose **assessment methods and requirements for suppliers on social issues**, indicating the potential for development.

86% Companies described their approach to employee development and reward, including career advancement and financial remuneration

34% disclosed measures taken to ensure equal career opportunities and non-discrimination

36% of Reports include the ratio of the average salary of women to the average salary of men for each category of workers

How companies in the TOP 50 disclose personnel indicators?

Injury rates	88%
Average number of hours of training by gender groups	70%
Structure of newly hired employees	70%
Staff turnover, including by social groups	66%
Personnel structure for each category of employees	72%

Further development

What to focus on in the next report

Long-term verifiable goals

Disclosure of long-term goals in the reporting demonstrates the company's commitment to its stated priorities and emphasizes responsibility to stakeholders.

The feasibility and relevance of the social goals set can be assessed through the lens of long-term KPIs when companies include them in their reports.

In addition, **measurable social goals** (e.g., human rights, working conditions, community impact, and others) help companies maintain a long-term sustainability focus in their operations. It is important to remember that long-term goals are aimed at **solving problems systematically and minimizing risks**, not at mitigating them in the short term.

At the same time, long-term success largely depends on the setting and implementation of **medium-term goals**. Their disclosure in the reporting ensures timely course correction and serves as the basis for regulatory monitoring of progress, allowing the company to adapt its actions and effectively move towards long-term plans.

Requirements for suppliers

To fully disclose the social impact in their supply chain, companies can publish **the results of ESG assessments of suppliers**, especially social aspects. Clear requirements for compliance with fundamental social principles demonstrate efforts to minimize the risks associated with human rights violations and working conditions.

As part of their supplier policies, companies may disclose compliance with **minimum standards**, such as working hours, safe working conditions, and the prohibition of child and forced labor. An important element of disclosure is also the **regular monitoring and auditing** of key suppliers.

A more advanced approach would involve disclosing a **supplier assessment system based on KPIs**. For instance, tracking the share of purchases from suppliers with identified social risks. However, many companies have yet to implement best practices for supply chain management.

Equal opportunities

It is important for companies to pay special attention to disclosure on **diversity, equity and inclusion issues**

in the context of increasing regulatory requirements in this area and increasing business attractiveness.

First, it is important to provide data on the composition of the workforce according to key characteristics such as gender, ethnicity, and age. Second, companies must disclose pay equity, including wage gaps between different groups of employees.

To ensure transparency of social practices, the results of the work done should be openly showcased. For example, companies can disclose information on **measures to ensure equal opportunities for career advancement**, such as access to mentoring and professional development for underrepresented groups.

Reporting in this area demonstrates the company's commitment to developing **an inclusive** corporate culture, which contributes to improving the working atmosphere and results.

Examples of disclosures

Bank CenterCredit has implemented an ESG questionnaire for suppliers, including social issues such as working conditions, safety, human resources, human rights, discrimination and interaction with the local population.

Управление цепочкой поставок и политика закупочной деятельности

GR1-2; 6-2-24

АО «Банк Центргрупп» с внимательностью относится к управлению цепочкой поставок, подавая заявки на кредитование поставщиков. Банк Центргрупп, в частности, поддерживает стратегию S&P, в соответствии с которой поставщики должны стремиться к устойчивому развитию во всех звеньях цепочки. Банк Центргрупп также считает, что ответственность за качество и эффективность управления цепочкой поставок не только этической необходимости, но и ключем к долгосрочному успеху.

Банк хочет быть уверен, что он работает с поставщиками, чьи гордостью является основой на принципах соблюдения национальных стандартов и международных стандартов. Банк Центргрупп требует, чтобы поставщики соответствовали стандартам, предъявляемым к производству, требованиям этической этики и честного ведения бизнеса, защищали права труда, заботились о своем рабочем окружении и соблюдали права человека.

Система управления цепочкой поставок

GR1-2; 6-2-24

Документ, в соответствии с которым выполняется процесс закупок:

- Регламент по приобретению основных средств, нематериальных активов, товарно-материальных ценностей, рабочей силы и услуг.

Банк Центргрупп с разнообразными поставщиками, среди которых выделяются собственники недвижимости, производители, поставщики сырья и компонентов, как производственные, так и дистрибуторские, строительные компании, строительные подрядчики, а также поставщики товаров и услуг.

- Запрос по Risk-List метод позволяет запросить предварительную информацию о кредитоспособности заемщика, способности выплатить долг и кредитоспособности Банка. Все запрошенные Банком кредиты открыты и просматриваются.

Регламент о подтверждении Запроса применяется по тщательному изучению всей традиционной документации на заемщика, а также предоставляемой заемщиком Банку. Все запрошенные Банком кредиты открыты и просматриваются.

До подачи коммерческого предложений для участия в том или ином закупке Банка, участник заполняет ESG-анкету, которая позволяет идентифицировать и минимизировать возможные негативные последствия для природы, человека.

В 2022 году Банк внедрил инновационную систему для оценки кредитоспособности поставщиков, которая включает в себя оценку кредитоспособности, а также оценку кредитоспособности каждого из нескольких поставщиков кредиторов. Банк Центргрупп продолжает процесс внедрения инновационных технологий для участия поставщиков в закупках. Тогда заключен договор с партнером по внедрению инновационных технологий для участия поставщиков в закупках. Регламент по приобретению основных средств, нематериальных активов, товарно-материальных ценностей, рабочей силы, что приводит прогрессию и соответствие законодательным требованиям.

ESG-анкетирование для поставщиков включает данные для дальнейшего анализа:

- Система экологического менеджмента;
- Воздоподъемная;
- Атмосферное загрязнение;
- Земельгосударство;
- Изменение климата;
- Условия труда и безопасность на производстве;
- Кадры;
- Социальная поддержка;
- Права человека и распределение;
- Взаимодействие с населением районов проката.

В 2023 году были некоторые случаи, когда участники тендеров не соответствовали требованиям поставщиков-издатчиков и выражали на них недовольство. В этом случае как коммерческий банк, Банк Центргрупп осуществляет свою право выставления предложений поставщикам для участия в тендерах, чтобы убедиться, что они соответствуют требованиям поставщиками. Банк Центргрупп направляет подробное и аргументированное письмо в соответствующую администрацию и извещает поставщиков о том, что они не соответствуют требованиям, которые были предъявлены в тендерном документе, и что поставщикам не рекомендуется участвовать в этом процессе. Этот материал будет распространен среди всех поставщиков, обеспечивая им понимание, важность и доступ к процессу анкетирования.

В цепочке поставок различаются три основных контрагента:

- Поставщик-издатель или издатель;
- Фактурный узел, который может привести кубофердера, для выполнения поставленных им задач;
- Поставщик товаров, который может быть прямым или косвенным поставщиком или же дистрибутором, занимающимся транспортировкой.

Взаимодействие Банка с различными поставщиками упомянуто, включая транспортные компании, автогрузчики и морские перевозчики, а также поставщики косметики и косметики для здоровья и красоты, а также производители услуг. Банк поддерживает стабильные, прозрачные и долгосрочные отношения с поставщиками, заключая 12-месячные договоры с контрагентами или на более длинные сроки с драконовскими согласиями.

Банк строго следит установленным правилам управления закупками, которые варьируются в зависимости от отрасли и вида поставки. Банк Центргрупп не превышает 100 месячных расчетных показателей (МРП), БИК (БОС) и разничивается требованием предоставления информации о поставщике. Банк Центргрупп также сортирует с поставщиками, что позволяет сравнивать цены и условия поставки с другими поставщиками. Банк Центргрупп не превышает 100 месячных расчетных показателей (МРП). Банк Центргрупп заключает контракт на основе стратегического анализа минимум трех коммерческих предложений от

Оценка улучшения эффективности деятельности в области управления закупками

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Плans по развитию

Управление рисковыми рисками

В 2024 году Банк сосредоточит свое внимание на управлении рисковыми рисками с целью улучшения операционной эффективности и обеспечения стабильности в банковском бизнесе. Планы развития в области управления рисковыми рисками предполагают внедрение инновационных подходов и технологий для улучшения производственных и финансовых рисков в розничном сегменте.

ESG-анкетирование поставщиков

В 2024 году Банк намерен полностью выровнять процесс анкетирования поставщиков по вопросам ESG и права человека. Этот шаг позволит Банку оценить и учитывать влияние своих поставщиков на окружающую среду и общество в рамках своей деятельности. Для этого Банк разработал стандартную инструкцию, которая поможет поставщикам получить доступ и заполнить соответствующие анкеты. Дополнительно планируется предоставить поставщикам обучающий материал, чтобы помочь им подготовиться к этому процессу. Этот материал будет распространен среди всех поставщиков, обеспечивая им понимание, важность и доступ к процессу анкетирования.

«Зеленые» проекты

Кроме того, Банк планирует продолжать активное финансирование зеленых проектов, включая дополнительную поддержку программы финансирования зеленых технологий GEFF. Планируется установление более амбициозных целей по финансированию проектов с положительным климатическим эффектом и запуск новых зеленых продуктов для продвижения декарбонизации.

Разработка SuperApp

Банк планирует создание SuperApp. Это приложение станет ключевым элементом в расширении и укреплении присутствия Банка. SuperApp будет объединять в себе самые широкий спектр финансовых услуг и сервисов. Для этого Банк получит поддержку от партнеров БИК (БОС), включая разнообразные продукты и сервисы. Это позволит клиентам получать комплексное обслуживание в одном приложении, что значительно упростит их взаимодействие с Банком и партнерами, а также облегчит их последующий опыт использования финансовых услуг.

The SLB describes its progress in the field of human rights and modern slavery, with a focus on training employees and contractors through the Ipieca platform and certification under the Truckers Against Human Trafficking training program.

2023 Sustainability Report

Contents Introduction Our approach Climate action People Nature Governance Data

pecting Human Rights continued

SPOTLIGHT
Internal Assessment
pecting Human Rights

- SLB has a strong governance foundation. We ensure consistent requirements across our business units through the promulgated policies with cross-functional implementation. This has been facilitated by the implementation of the SLB Charter and engagement of external advisors.
- SLB has made a significant investment in due diligence procedures, with a phased, risk-based approach to human rights and worker welfare in our operations and supply chain.
- SLB risk-informed mitigation, and performance methodology is aligned with UNGP and focused on rights holders impact likelihood and severity, prevention, mitigation, and monitoring.
- In order to address these and other human rights risks, we continued our dialogue with suppliers through supplier forums and performance reviews. We also created the Building Responsibility module delivery training modules to train our suppliers.
- Leveraging our human rights data platform and integrating findings to inform pro-active risk management, we have adopted a consistent approach to remediation to improve our effectiveness and risk management strategy in a rapidly changing landscape.
- Human rights have also been embedded into our risk management initiatives, including those in conflict-affected high-risk areas.



Supply Chain Assessment Impact
Building on the supplier self-assessments done in 2022, we expanded our due diligence in 2023 by completing 462 supplier assessments. Additionally, in-house suppliers in 52 SLB facilities around the world, underwent assessment of their human rights performance, resulting in actions to prevent, mitigate, and remediate human rights impacts. The primary opportunity for improvement identified was documentation regarding suppliers' policies, processes, and performance.

SLB 2023 Sustainability Report

Respecting Human Rights

Conducting business in a manner that preserves and respects human dignity is fundamental to the sustainable operation of our business.

By respecting human rights, we aim to avoid harm, and we have the potential to contribute to more inclusive societies embraced by the UN Sustainable Development Goals.

In 2023, we strengthened our internal assessment processes by scaling our human rights due diligence programs in our facilities and across our supply chain. We also conducted an external assessment, undertaking a comprehensive third-party assessment of our human rights performance and efforts where we can have the most significant impact.

52
SLB facilities underwent human rights due diligence, resulting in improvements to working conditions for employees and contractors.

2,400
SLB employees and contractors certified as part of the Tracxn Against Trafficking training program.

100%
Facilities in Nigeria and Italy scored 100% when benchmarked against a third-party standard and were found to be fully compliant.

11,500
Labor rights training modules completed by employees in our e-learning platform.

462
Suppliers underwent human rights due diligence via self-assessments or SLB audits.

25



SPOTLIGHT
Working Conditions

At a facility in Africa, our workers with a community entered to integrate checks and controls to document and confirm the ages of all their workforce. In addition to preventing working conditions risks, see



24

SPOTLIGHT
Petrobras

In 2023, SLB was recognized by Petrobras with a Best Supplier Award for human rights for the second consecutive year.

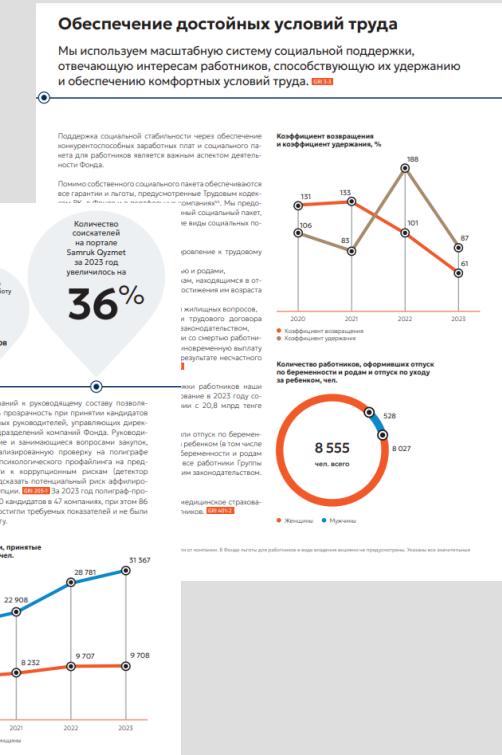
Examples of disclosures

In its [sustainability report](#), **E.SUN FHC** describes inclusive financial products and services aimed at supporting SMEs, people with disabilities and older people with dementia.

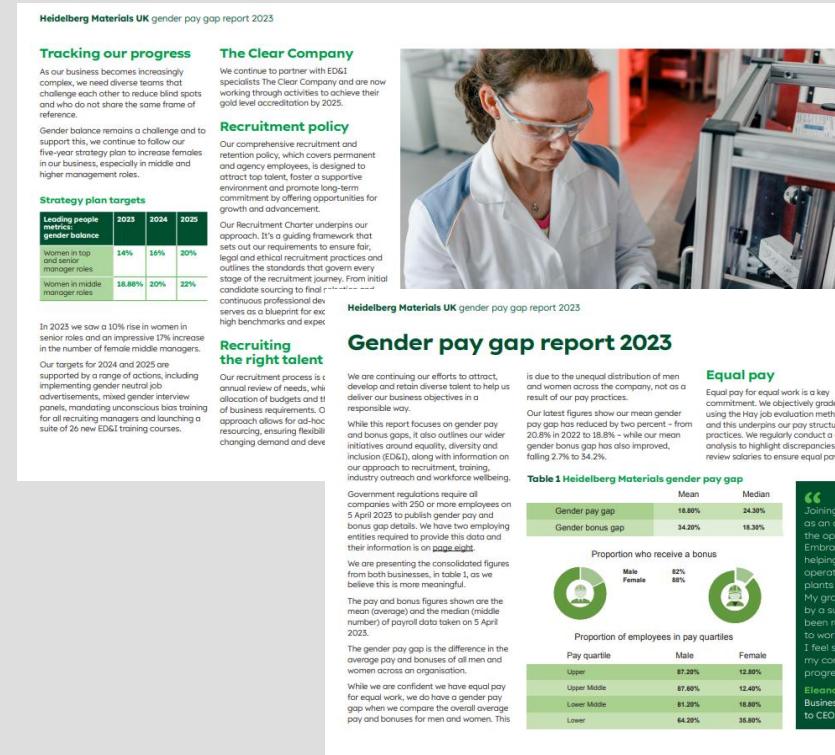
The [Meta Human Rights Report](#) includes a chapter on AI in the context of human rights, describing stakeholder consultations to obtain feedback on the use of AI and the prevention of the dangerous consequences of generative AI.

Examples of disclosures

Samruk-Kazyna focuses on inclusion and equal opportunities, [highlighting](#) progress towards gender equality, which is reflected in an increase in the proportion of women in senior management in the 2023 reporting year.

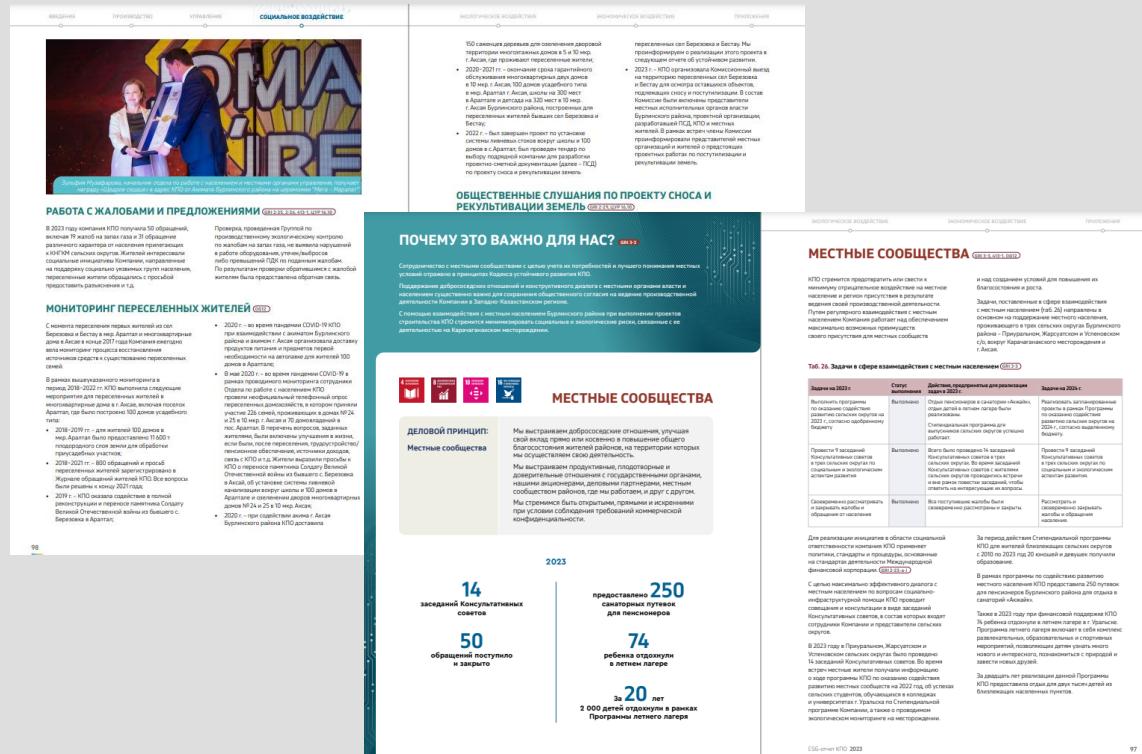


In the [Gender Pay Gap Report](#), **Heidelberg Materials UK**, in addition to the gender pay gap and bonuses, also outlines equality, diversity and inclusion (ED&I) initiatives to achieve the targets.



Examples of disclosures

KPO establishes measurable and verifiable goals for engaging with the local population. [The 2023 ESG report](#) includes the actions taken to implement these objectives during the reporting period and their status of implementation.



The [Unilever Annual report and Accounts 2023](#) highlights material social risks over the short, medium, and long term, including growing consumer preferences for social responsibility, talent management, and ethical practices.

Risk	Risk description	Management of risk	Level of risk
Consumer preference	<p>Our success depends on the value and relevance of our brands and products to consumers around the world and on our ability to innovate and remain competitive.</p> <p>Consumer tastes, preferences and behaviours are changing more rapidly than ever before. We see a growing trend for consumers preferring brands which both meet their functional needs and have an explicit social or environmental purpose.</p>	<p>We monitor external market trends and collate consumer, customer and shopper insights in order to develop brand strategies and build competitive advantage. We are focused on developing superior products with a particular focus on our Power Brands.</p> <p>Our Research and Development function actively searches for ways in which to translate the trends in consumer preference and taste into new technologies for</p>	<p>Increase</p> <p>↑</p>
Risk	Risk description	Management of risk	Level of risk
Talent	<p>A skilled workforce and agile ways of working are essential for the continued success of our business.</p> <p>With the rapidly changing nature of work and skills, there is a risk that our workforce is not equipped with the skills required for the new environment.</p>	<p>We have an integrated management development process which includes regular performance reviews underpinned by a common set of leadership behaviours, skills and competencies. We have development plans to upskill and reskill employees for future roles and will bring in flexible talent to access new skills</p>	<p>No change</p> <p>↔</p>
Our ab a diver if we a This is market of com	<p>Ethical</p> <p>Unilever's brands and reputation are valuable assets and the way in which we operate, contribute to society and engage with the world around us is always under scrutiny both internally and externally.</p> <p>Acting in an ethical manner, consistent with the expectations of customers, consumers and other stakeholders, is essential for the protection of the reputation of Unilever and its brands.</p> <p>A key element of our ethical approach to business is to reduce inequality and promote fairness. Our activities touch the lives of millions of people and it is our responsibility to protect their rights and help them live well.</p> <p>The safety of our employees and the people and communities we work with is critical. Failure to meet these high standards could result in damage to Unilever's corporate reputation and business results.</p>	<p>Our Code of Business Principles and our Code Policies govern the behaviour of our employees, suppliers, distributors and other third parties who work with us. Our processes for identifying and resolving breaches of our Code of Business Principles and our Code Policies are clearly defined and regularly communicated throughout Unilever. Data relating to such breaches is reviewed by the ULE and by relevant Board Committees and helps to determine the allocation of resources for future policy development, process improvement, training and awareness initiatives.</p> <p>Our Responsible Partner Policy helps us to improve the lives of the people in our supply chains by ensuring human rights are protected and makes a healthy and safe workplace a mandatory requirement for our business partners. We have detailed safety standards and monitor safety incidents at the highest level.</p> <p>Through our Brands with Purpose agenda, a number of our brands are taking action on societal issues such as fairness and equality.</p>	<p>No change</p> <p>↔</p>

4

[G]overnance



Approach to disclosure

How do corporate governance practices effect sustainable development?



Corporate governance practices play a key role in promoting the principles of sustainable development. They enable companies to take a holistic approach to ESG transformation, enhancing transparency and strengthening stakeholder trust.

Effective corporate governance provides **the foundation for implementing sustainability principles**, as governing bodies set the tone for the transition to sustainable development. In reporting, it is important to disclose how senior management is involved in developing and overseeing sustainability strategies and policies. Additionally, reports should clearly identify the governing body or individuals responsible for sustainability at the highest management level. Including non-financial KPIs that affect executive remuneration, along with their reported values for the year, is widely recognized as a best practice in ESG reporting.

Strong governance practices indicate the presence of advanced **internal control and oversight systems** to minimize risks, ensure transparency, and maintain accountability. This approach not only mitigates financial and compliance risks but also incorporates ESG considerations into risk management..

Effective corporate governance **fosters stakeholder engagement**. Dialogue with investors, employees, partners, and local communities supports the implementation of sustainability principles. In disclosures, it is important to demonstrate how the company and its governing bodies interact with stakeholders and what conclusions are drawn. Best practice also includes sections explaining how stakeholder interests are considered in decision-making and what measures the board of directors takes to address these interests.

Finally, corporate governance practices enhance companies' readiness to adapt to **evolving regulatory requirements and technological innovations**. These include stricter reporting obligations under CSRD and ARDFM, integration of IFRS S1 and S2 standards in the near future, and the adoption of ethical AI practices. Companies with strong governance frameworks are better positioned to respond to new requirements and strengthen their market standing.

Current Practice

Results of the analysis of Kazakhstani Reports (TOP 50 Rating)

Most companies provide reasonably good disclosure on corporate governance in their reports, outlining key policies and procedures. However, there is still significant potential for improvement, particularly in enhancing transparency and adopting best practices in specific areas.

A diverse composition of the highest governing body is a critical factor in ensuring a comprehensive and balanced approach to financial stability and sustainable development. This year, 70% of reports disclose the level of board independence, while 44% provide details on board composition by gender and age groups. Only one-third of companies report on the balance of competencies within the governing body.

Regarding board of directors' operations, most companies outline the procedures for selecting and appointing new directors. However, they do not disclose how board member evaluations are conducted, their results, or the implementation of training programs aimed at improving directors' qualifications.

Disclosure of executive remuneration is becoming a standard reporting practice among Kazakhstani companies. However, only about 18% mention the inclusion of non-financial KPIs in executive compensation and disclose the ratio of the highest-paid employee's remuneration to the median remuneration.

Ethical business and compliance issues are widely disclosed by companies this year. The next step in developing these aspects will be to include information on how anti-corruption policies and corporate ethics are communicated to employees.

This year, we assessed how companies disclose **information for shareholders** – ownership structure, dividend policy, and shareholder rights. The average score across these aspects was 84%

Two-thirds of companies already identify in their reports the individuals or bodies accountable for sustainability management. Furthermore, 62% disclose the roles of governing bodies in shaping and implementing sustainability strategies and policies.

Management remuneration:

80%

Disclosed the remuneration of the Board of Directors and executive bodies

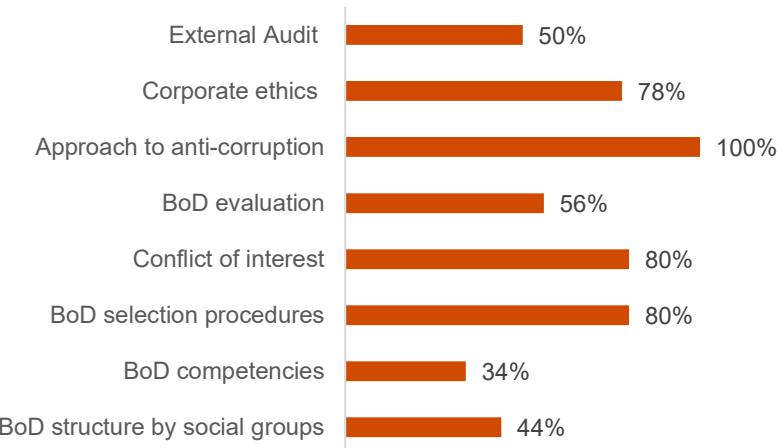
20%

Reported on the inclusion of non-financial KPIs in the calculation of management remuneration

22%

Disclosed the ratio of the highest-paid employee's compensation to the median employee remuneration

How companies in the TOP 50 disclose aspects of corporate governance?



Further development

What to focus on in the next report

Board of Directors' Activities

In addition to board diversity, one of the key indicators of quality corporate governance disclosure is the description of the Board of Directors' activities during the reporting year. Many companies publish information on meetings held and decisions made. However, from a sustainability perspective, it is important to demonstrate the **effectiveness of board members** work in the report. Companies should explain how directors are evaluated—whether internally or with external involvement—and provide a summary of the results.

In order to maintain a high awareness of the board of directors, companies can conduct **additional education and training** for its members, including ESG-related topics. These activities should be documented in the report.

Supporting **two-way dialogue** with stakeholders remains a relevant topic for sustainability disclosures. Companies should describe what engagement activities between the Board of Directors and stakeholders were carried out during the reporting year.

Ethics and Transparency

The companies evaluated generally provided thorough disclosure on corporate governance, including on their policies and procedures. The next step in improving reporting quality is to explain how the company **translates the principles** outlined in its policies into practical implementation.

For instance, while many companies disclose the presence of anti-corruption policies and report identified incidents, sharing the **outcomes of related training programs** would improve transparency and build greater trust with stakeholders. This approach should also be applied to disclosures regarding the code of ethical business conduct—companies ought to demonstrate how these principles are communicated to relevant stakeholders and whether training is provided.

As part of **external audit** disclosures, companies should not only report auditor remuneration but also specify the selection criteria and rotation period. Additionally, they should disclose the proportion of fees for non-audit services or confirm their absence.

Sustainability Management

The main priority in preparing a sustainability report is to include detailed information about the company's **internal practices** for managing sustainability issues. First, the report should clearly identify the body or individual at the highest level of management responsible for this area. It is important to describe the roles and responsibilities assigned to these individuals. At the board level, it is essential to understand whether ESG risks are considered in decision-making and how oversight of these risks is ensured. These aspects can also be highlighted in corporate policies and processes.

Oversight of the sustainability strategy by governing bodies will come under close scrutiny from investors next year, as 2025 will serve as a checkpoint for many companies to assess the feasibility of their stated goals.

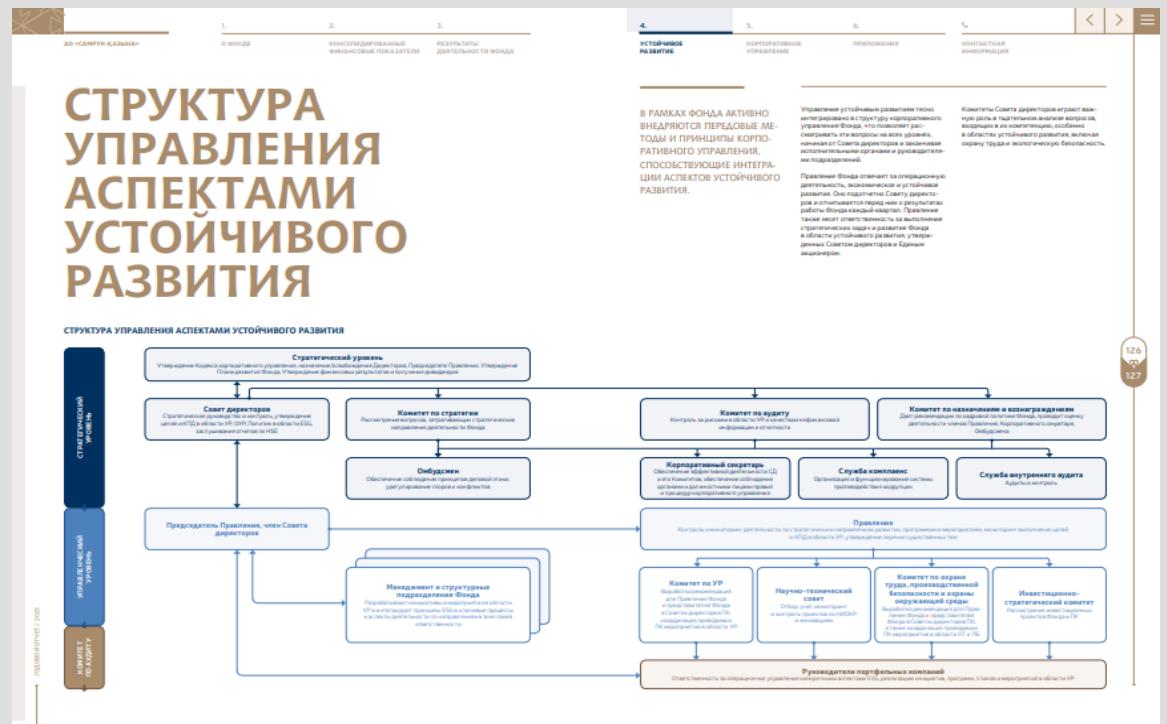
Another area for improvement in reporting on this topic is the disclosure of ESG-related KPIs linked to **executive remuneration**.

Examples of disclosures

In its [annual report](#) for 2023, **Kazakhstan Utilities** presents a table illustrating the competency balance of board members, with a specific emphasis on ESG expertise.

Члены наблюдательного совета	Идрисов Д. А.	Байжанов Д. О.	Кильбаев Д. А.	Усенко В. И.	Аппаз Ж. Д.	Бегимбетов Е. Н.
Стаж работы в отрасли/общий стаж, лет	19/34	5/14	7/27	16/42	4/7	5/29
Ключевые компетенции						
Знание отрасли						
Опыт работы в производстве в отрасли						⊕
Глубокие знания отрасли	⊕	⊕	⊕	⊕	⊕	⊕
Технические навыки/опыт	⊕	⊕	⊕	⊕	⊕	⊕
Специфические навыки и опыт						
Финансы	⊕	⊕	⊕	⊕	⊕	⊕
Глубокие знания маркетинга	⊕	⊕	⊕	⊕	⊕	⊕
Глубокие знания по социальным и экологическим вопросам	⊕	⊕	⊕	⊕	⊕	⊕
Опыт работы в управлении и юриспруденции						
Корпоративное управление	⊕	⊕	⊕	⊕	⊕	⊕
Разработка и реализация стратегии	⊕	⊕	⊕	⊕	⊕	⊕
Международный опыт	⊕		⊕		⊕	

Samruk-Kazyna provides a clear overview of the sustainability management structure, detailing all involved bodies and individuals along with their respective roles and responsibilities in its [annual report](#).



Examples of disclosures

In its [report](#), **Nostrum** provides detailed disclosure of board remuneration by individual names, along with KPIs for variable compensation, including non-financial metrics such as GHG emission reductions and health and safety targets.

Bank CenterCredit demonstrates its commitment to ESG risk management through the implementation of an ESG risk assessment system for credit analysis. In addition, data on the carbon intensity of the portfolio and plans for climate stress testing are [published](#).

<p>Оценка ESG-рисков клиентов</p> <p>Начиная с 2023 года Банк разработает подходы к оценке кредитного риска, учитывающие влияние факторов устойчивого развития на кредитный процесс. Эти методы станут основой для внутренних нормативных документов по оценке рисков. Предполагается, что с накоплением связанных критериями данных оценка рисков будет включена в рабочий процесс для корпоративных клиентов. Банк будет интегрировать в процесс оценки кредитного рейтинга. В настоящий момент осуществляется внедрение методов и инструментов оценки влияния факторов устойчивого развития на оценку кредитного рейтинга клиентов в процессе принятия кредитных решений.</p> <p>В 2023 году Банк разработает и начнет применение следующих дополнительных инструментов и процедур для оценки соответствия деятельности потенциальных и текущих заемщиков ESG-принципам:</p> <ul style="list-style-type: none"> • Список отказов (exclusion list): проверка корпоративных клиентов на предмет соответствия их деятельности и применяемым ими практикам списку неприменимых факторов деятельности. • Самооценка: заявление отрасли, адресованное преимущественно клиентам сегмента МСБ и нацеленное на определение уровня ESG-риска в зависимости от отрасли деятельности и применяемых практик. • Определение присущей ESG-оценки по отрасли: оценка подверженности клиентов климатическим рискам («нейтральный», «высокий», «высокий с риском») с привлечением квалифицированных экспертов. В 2023 году планируется разработать инструкции для отраслей операторов корпоративных клиентов I (на основе доступных количественных данных) с присоединением результатов в рамках прогона по ESG-скринингу. • ESG-скрининг: дифференцированная оценка по кредитам клиентов сегмента МСБ и корпоративных клиентов сегмента КБ и наиболее крупных клиентов мониторинга МБК климатическим рискам и значимостью деятельности/факторов устойчивого развития, с присоединением ими мер минимизации и адаптаций инициатив и на основе верификации данных и сведений. • Оценка на соответствие taxonomy: проверка ветвистости средних и крупных кредитов (с учетом л/материально/), на соответствие критериям «китай» и/или социальной taxonomy. • ESG-оценка проектов: проверка соответствия потенциальных социальных и экологических эффектов проекта, стоящего в т. ч. оказавшего положительное воздействие на результаты ESG-скрининга корпоративных клиентов. <p>На текущем этапе описанные процедуры и инструменты позволяют Банку гранулированно оценивать ESG-риски и клиентов и пологотипизировать экологические и социальные факторы для финансовых проектов. Используемые в Банке методы и инструменты позволяют оценить влияние поставленного внедрения более продвинутого механизма ответственного финансирования в будущем, включая:</p> <p>Network for Greening the Financial System – сообщество по повышению прозрачности финансовых институтов в области ESG-финансирования.</p> <p>International Energy Agency – Международное энергетическое агентство.</p>	<p>запуск «зеленых» продуктов, разработка климатической стратегии, выпуск «зеленых» облигаций и др.</p> <p>Планы Банка по развитию системы управления рисками в области устойчивого развития, включая подборы к эффективному управлению климатическими рисками, на 2024 год включают следующие инициативы:</p> <ul style="list-style-type: none"> • Формализация используемых методов и подходов: разработка и внедрение нормативных документов и процедур, направленных на выявление и управление рисками устойчивого развития. • Формирование базы ESG-данных: настройка и запуск процесса сбора и систематизации качественных и количественных сведений по текущим и потенциальным корпоративным клиентам Банка, связанных с факторами устойчивого развития. • Автоматизация применяемых инструментов и процедур: подготовка статистики и автоматизация инструментов и процедур для оценки соответствия деятельности потенциальных и текущих заемщиков ESG-принципам. • Проведение климатического стресс-тестирования: разработка и поэтапное совершенствование процедур климатического стресс-тестирования, целью которых является оценка потенциального воздействия климатических изменений на операционную и инвестиционную деятельность клиентов Банка. Гарантийные шаги по развитию процедуры климатического стресс-тестирования в Банке в т. ч. включают (II этап): 		
	<p>• В 2023 году финансируемые выбросы составили 5,8 млн тонн CO₂-экв, прирост по сравнению с прошлым отчетным периодом составил 36%, при этом средний коэффициент углеродоемкости портфеля с 6,55 тонн CO₂-экв/млн KZT до 7,13 тонн CO₂-экв/млн KZT Рост обусловлен увеличением объема инвестиционного портфеля.</p>		
Инициатива	Рекомендации / указания регулятора	Срок внедрения	Приоритет внедрения
Климатический стресс-тест	Дорожная карта по внедрению принципов ESG АБРРФ: Разработка сценария климатических стресс-тестов и оценка возможного влияния сценария на финансовые организации Пресс-релиз АБРРФ от 16 ноября 2023 года Внедрение процедур стресс-тестирования климатических рисков для банков в 2024 году	Конец 2024 года	Высокий
Маркировка зеленого портфеля	Потенциальные темпы изменений в постановлении Правления Национального Банка РК от 28.12.2019 № 313 (Переименование, срок сдачи в Правление отчетности по займам ББУ) – представление статистики по займам, кредитам и заемщикам, соответствующим Национальным стандартам маркировки зеленых кредитов Руководство по раскрытию информации ESG от АБРРФ: Раскрытие информации об объемах выданных зеленых кредитов	Конец 2024 года	Средний
Климатическая стратегия	Концепция развития финансового сектора РК до 2030 года: Стратегии и бизнес-модели финансовых организаций должны будущим учитывать цели устойчивого развития, ESG-факторы и социальные факторы включая климатические риски. Установление требований к системе управления рисками по соответствию принципам ESG Руководство по раскрытию информации ESG от АБРРФ: Раскрытие доходов включает информацию о процессе интеграции экологического, социального и корпоративного управления (ESG) для банков и других финансовых организаций	Конец 2024 года	Средний
Раскрытие информации в области ESG	Руководство по раскрытию информации в области экологического, социального и корпоративного управления (ESG) для банков и других финансовых организаций: Комплексные рекомендации по раскрытию нефинансовой информации для финансовых институтов по всем существенным темам/блокам, в том числе по: Установление требований по количественным и целям/показателям устойчивого развития Корпоративное управление: Риски и возможности, связанные с изменением климата и др.	Середина 2024 года	Высокий
ESG Сочетание, ESG-данные, Продукты и прочие требования к системам управления рисками и корпоративного управления	1. ESG Сочетание: оценка в форме ежегодной отчетности для финансовых организаций (Руководство по УЭСР АБРРФ): Обязанности Совета директоров (наша), разработка политики по УЭСР Ответственность высшего руководства за разработку механизмов и процедур разработки процедура и процессов управления экологическими и социальными рисками 2. Данные: Разработка системы сбора данных и формирования статистики (по объему и доле кредитов, проверенных на соответствие принятым принципам / принципам / стандартам) Задачи: Разработка продукта устойчивого финансирования	Бессрочная инициатива	Низкий

Examples of disclosures

In its [report](#), **Indra Company** provides details on board training programs covering sustainability and climate change topics. It also publishes data on the number of employees who completed training and the percentage of suppliers informed about corporate ethics.

<p>Board member training [GRI 2-17]</p> <p>Indra understands the need to offer board members training to help them stay up-to-date and improve their knowledge in their various areas of responsibility. This ensures a critical opinion and adds value to decision-making.</p> <p>The training offered to the members includes technical content and facilitates an in-depth understanding of Indra's business model, its strategy and management systems, and helps to complement members' skills in key areas such as risk management, cybersecurity, sustainability and climate change.</p> <p>An onboarding programme was organised for the new directors who were formally appointed at the Ordinary General Shareholders' Meeting mentioned above.</p> <p>At the request of the Chairman of the Board of Directors, during 2023 the Board also approved a training plan that is aimed at its members and that covers a broad range of themed categories, distributed over several sessions throughout the course of 2024. This plan includes training on issues such as risk management, cybersecurity and sustainability.</p> <p>Onboarding sessions held in 2023 Plan, which will cover</p> <p>With regard to risk, in its annual distribution of duties once again attended by the owners of the main (fin) can further enhance their understanding and over reported to the Board, which is ultimately responsible for the Global Risk Maps.</p> <p>The Board is regularly informed about the methods affect levels of risk and any other incident relating to Meanwhile, the company leaves the possibility open information they could need in order to fulfil their dut</p>	<p>Training in ethics, competition and anti-corruption</p> <p>Indra is continually working to raise awareness of the Models for the Prevention of Criminal and Competition Risks and the Code of Ethics and Moral Compliance, both among its own employees and among suppliers. All new company employees must complete compulsory ethics, competition and anti-corruption training.</p> <p>The Models for the prevention of criminal and competition risks envisage that training in ethics, competition and anti-corruption must be provided to all employees at sufficiently regular intervals to ensure that their knowledge is kept up to date. Since 2019, the company has made a concerted effort to provide as many employees as possible with training. At the end of 2023, 98% of the workforce had received training on ethics, competition and anti-corruption.</p> <p>The Compliance Unit also provided training sessions in Ethics and Competition for employees at the subsidiaries in the US (Indra Air Traffic), Norway (Normeka), Germany, Brazil, Chile, Colombia, Italy, Mexico, Peru, Portugal and Spain (employees of Paradigma, Deuser, Flat 101, ICA and Antexia). Sessions to raise awareness regarding ethics, competition and anti-corruption were also held for the Management teams of the Minsait, Defence, ATM and Mobility divisions.</p> <p>In 2023, more than 55,500 employees received training in ethics, competition and anti-corruption.</p> <p>Since 2021, a training document containing information related to ethics and compliance has been included in the terms and conditions to authorise suppliers and orders. This document makes reference to aspects related to the rejection of corruption and bribery, conflicts of interest, corporate hospitality and the Direct Channel, and must be accepted by Indra's suppliers.</p>	<p>Employees trained in ethics, competition and anti-corruption</p> <p>98%</p> <p>Suppliers informed about ethics, competition and anti-corruption (covers 90% of procurement)</p> <p>100%</p>
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As part of its commitment to corporate ethics, **Rio Tinto** conducts regular trainings on both compliance and anti-corruption. In addition, they publish a detailed data on business ethics complaints received and the outcomes of related investigations.

5

Reporting Practices



Approach to disclosure

What defines a high-quality sustainability report today?

In recent years, there has been a rapid shift towards a **unified global reporting format and structure**, aimed at eliminating inconsistencies and confusion in existing approaches, terminology and methodologies of reporting standards.

The International Sustainability Standards Board (ISSB), as the founder of unified ESG reporting through IFRS S1, S2 standards, plays a key role in **increasing the consistency of reporting standards** at the global level. The greatest progress has been made in the standardization of corporate reporting related to climate change.

The high level of alignment between IFRS S1 and S2 standards with CDP, TCFD, SASB and GRI increases **the transparency of climate reporting** for companies and industries around the world. A unified reporting approach simplifies the process of communicating data to stakeholders, but it significantly increases the amount of information disclosed and the requirements for data quality and disclosure are tightened. Moreover, **further alignment of standards on other ESG aspects is expected.**

The ISSB plans to implement standards on **biodiversity, human capital and human rights**. In the context of the successful integration of the TCFD recommendations into IFRS, it is important to focus on the initial phase of the work of the Task Force on Inequality and Social-related Financial Disclosures ([TISFD](#)), which develops recommendations for businesses to understand and report on impacts, dependencies, risks, and opportunities related to people.

In addition, the approach to reporting has become more complex with the introduction of the concept of double materiality under the CSRD and ESRS standards. Regulatory requirements for the independent assurance of ESG information are also being introduced to ensure its reliability and eliminate the possibility of greenwashing.

A high-quality sustainability report today is a document that transparently, reliably and fully reflects the company's impact on all aspects of ESG, while taking into account the growing unification of standards and new regulatory requirements. In Kazakhstan, the use of ISSB standards is still **voluntary**. Their gradual implementation in global jurisdictions is likely to bring about a shift for our country as well.



Current Practice

Results of the analysis of Kazakhstani Reports (TOP 50 Rating)

The trend of implementing IFRS S1, S2 standards extends to Kazakhstan as well. From the 2024 reporting year, the ARDFM introduces mandatory ESG disclosure requirements for the financial sector, and has also recently published guidance on environmental and social risk management, taking into account IFRS S1, S2 standards.

Kazakh companies, including those outside the financial sector, have already begun to disclose information in accordance with the TCFD/ISSB recommendations. The number of companies that declared compliance with the TCFD/ISSB recommendations in 2023 almost tripled compared to 2022, and amounted to 28% of the total number of companies in the rating.

Reporting in accordance with GRI standards for Kazakh companies has ceased to be an innovation and has become an almost established practice. Of the TOP 50 companies according to the results of the rating, 41 submitted their reports in accordance with the requirements of GRI standards.

External assurance is becoming increasingly important: 15 reports have passed **external verification of non-financial information**. At the same time, 10 of these companies occupy leading positions in the ranking (top ten).

All companies in the TOP 50 of our rating provided **information in an accessible format**, which makes it easy for a wide audience to understand. Despite the general availability of information, some companies could improve the presentation of data by paying more attention to **the quality of design, navigation and usability**, which, in turn, would increase the effectiveness of the use of reports by stakeholders.

More than half of the companies (58%) publish versions of the **annual report and/or sustainability report in the Kazakh language**. Although the availability of the Kazakh version does not affect the valuation of companies this year, we nevertheless consider it an important trend to ensure the availability of information for all stakeholders.

41

Reports were prepared according to GRI Standards
(35 based on 2022 results)

15

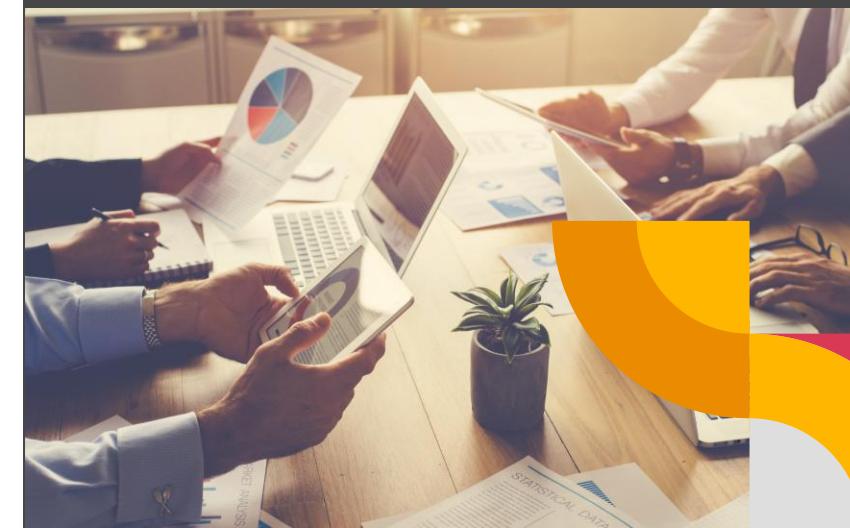
Reports have external assurance of non-financial information
(9 based on 2022 results)

14

Declared adherence to TCFD/ISSB recommendations
(5 based on 2022 results)

12

Companies have prepared separate Sustainability Reports
(9 based on 2022 results)



Further development

What to focus on in the next report

Effective communication

Despite the rapid pace of development of regulatory requirements and standards in the field of ESG, real changes in the company's activities take time, which makes it difficult for companies to reflect significant changes annually in their ESG reports.

It is important to develop reporting that takes into account **the measurability and comparability of ESG information**, disclosing the methodologies, standards and approaches used, which will help ensure the correct interpretation of data and understanding of the company's progress in the field of ESG.

Disclosure of the methodologies and approaches used contributes to the transparency and reliability of the report. As for the content of the text, it is important to take into account that **excessive details** can make it difficult to perceive key information. At the same time, **excessive brevity** can lead to insufficient disclosure of information and the loss of important context.

When designing a document, it is important to provide convenient navigation in electronic format: add hyperlinks to key sections and the ability to search for text.

Data collection and analysis

When preparing a report, it is important for companies to pay attention to the effective collection and analysis of ESG data to **accurately convey information**. The integration of technologies and innovative solutions plays a key role in this process.

In particular, **the introduction of digital tools** for ESG data management optimizes the reporting process and increases the reliability of information. In addition, the creation of interactive dashboards with ESG metrics provides stakeholders with access to data in real time to **make timely and informed decisions**.

The next step will be to implement artificial intelligence (AI) to identify hidden patterns that significantly affect corporate sustainability strategy. AI helps not only to improve the quality of analysis, but also **to speed up** data processing, making processes more efficient.

The use of advanced technologies will ensure the reliability of reporting, strengthen investor confidence and reputation, and support the growth of the company's financial results.

External Assurance

It is important to consider the need for ESG assurance when preparing the next report in order to **increase** investor and stakeholder confidence, as well as **strengthen** the company's reputation.

An ESG data audit ensures the reliability of information, minimizing the risks of errors and data distortion, which helps to avoid accusations of "greenwashing". The assurance confirms **the authenticity of** the company's efforts in the field of environment, social responsibility and corporate governance, thereby strengthening transparency and increasing the trust of the public and regulators.

In addition, the assurance process contributes to **the improvement of ESG practices** and helps the company build a long-term strategy for sustainable growth. It also ensures **compliance with international standards and requirements** for ESG reporting, helping to further minimize risks in terms of data quality.

Examples of disclosures

The annual report of **Samruk-Energy** includes the results of the independent assurance of selected information in the field of sustainable development in accordance with GRI indices.



In its [annual report](#), KTZ discloses detailed information about the company's financial risks arising from global climate change in accordance with the TCFD (ISSB) recommendations.



Examples of disclosures

Meridian Energy Limited collects key ESG information from the past five years in one table with hyperlinks to the company's documents and reports, providing easy access and navigation.

Environmental and Assurance		FY2018 FY2019 FY2020 FY2021 FY2022					Primary source						
Compliance	Independent assurance on the sustainability content of the integrated report	Y	Y	Y	Y	Y							
Significant fines paid related to environmental or ecological issues	N	N	N	N	N	N	Integrated Report for year ended 30 June 2023						
Serious environment breaches	N	N	N	N	N	N	Integrated Report for year ended 30 June 2023						
Greenhouse gas emissions	Total Group operational emissions (tCO2e)	42,447	40,757	39,506	30,944	47,758	Greenhouse Gas Emissions Inventory Report 2023						
Offsets and removals	Y	Y	Y	Y	Y	Y	Greenhouse Gas Emissions Inventory Report 2023						
Offset of Group operational emissions							page 4-8						
Reduction	Half by 2030 (ref F212 emissions (15,000 tCO2e) by PYR0)			30,591	32,859	33,463	Integrated Report for year ended 30 June 2023						
Direct SRE	Total Group operational emissions (Metric Tons)	0.0008	0	0.0085	0	0.0095	Greenhouse Gas Emissions Inventory Report 2023						
Other	Assurance	FY2019 FY2020 FY2021 FY2022 FY2023					Integrated Report for year ended 30 June 2023						
Management and Reporting	Social	FY2019 FY2020 FY2021 FY2022 FY2023											
Policy	Assurance	Independent assurance on the social reporting content of the integrated report					page 249 of 258						
People	Gender Equality Leadership Respect	People	Diversity and inclusion	Female share of total workforce	45%	46%	48%	48%	49%	Integrated Report for year ended 30 June 2023			
			Diversity policy	Y	Y	Y	Y	Y	Y	Belonging Policy (Diversity, Equity and Inclusion)			
			Ethnicity	Diversity by ethnicity	n/d	n/d	n/d	Y	Y	Integrated Report for year ended 30 June 2023			
			Pay equity	Management Level by ethnicity	n/d	n/d	n/d	n/d	Y	Integrated Report for year ended 30 June 2023			
			Engagement and Retention	Average ratio of female to male salary	97%	96%	97%	98%	99%	Integrated Report for year ended 30 June 2023			
				Staff engagement	78%	80%	78%	72%	73%	Integrated Report for year ended 30 June 2023			
				Total employee turnover rate	14%	16%	14%	16%	20%	Integrated Report for year ended 30 June 2023			
			Gender diversity	Gender diversity	Board	Structure and independence, non-executive Chair	Y	Y	Y	Y	Board Charter	pages 2-4	
						Diversity policy	Y	Y	Y	Y	Belonging Policy (Diversity, Equity and Inclusion)	pages 1-2	
						Percentage of female directors	29%	50%	50%	71%	57%	Corporate Governance Statement 2023	page 6 of 22
						Average tenure (years)	7.3	5.9	5.2	4.3	4.0	Corporate Governance Statement 2023	page 21 of 22
						Skill Mix with directors with industry experience	2	2	2	5	2	Corporate Governance Statement 2023	pages 7, 21 of 22
						Remuneration disclosure	Y	Y	Y	Y	Y	Integrated Report for year ended 30 June 2023	pages 141-142 of 258
						Employee mean compensation ratio (times)	19	22	23	21	16	Integrated Report for year ended 30 June 2023	page 144 of 258
			Risk	Risk management	Governance and approach to risk management	Y	Y	Y	Y	Y	Risk Management Approach	page 1	
						Policy	Y	Y	Y	Y	Y	Risk Management Policy	pages 3-4
						Reporting	Y	Y	Y	Y	Y	Corporate Governance Statement 2023	pages 15-18 of 22
						Disclosure of material risks	Y	Y	Y	Y	Y		
Health and safety	Policy		Code of Conduct	Code of Conduct		Y	Y	Y	Y	Y	Meridian Code of Conduct	pages 3-25	
	Lost time injury frequency		Reporting	Code of Conduct breaches	1	4	10	21	34		Corporate Governance Statement 2023	page 21 of 22	
				Political influence	none	none	none	none	none		Integrated Report for year ended 30 June 2023	page 180 of 258	
				Industry associations expenditure (\$M)	0.222	0.299	0.583	0.770	0.339		Integrated Report for year ended 30 June 2023	page 189 of 258	
				Largest contributions	0.122	0.141	0.140	0.479	0.058				
				Value to Electricity Customers	0.022	0.023	0.073	0.105	0.091				
				Clear Energy-Advocacy	0.046	0.040	0.278	0.064	0.097				
				Other Large Expenditures	0.032	0.096	0.062	0.121	0.093				
				Three Largest single contributions (\$)									
				Business New Zealand Inc								55000	
				The New Zealand Initiative								50000	
				Sustainable Business Network								41040	

Siemens publishes information on its sustainability activities by applying various international standards, including the World Economic Forum IBC Metric, GRI, TCFD, SASB, UN CEO Water Mandate, and other standards to track its progress.

7.7 SASB – Electrical Electronic Equipment Index

7.5 GRI Standards – key

Topic	Codified metric code	Sustainability topics	SDGs
Energy Management	RT-EE-130a.1	Climate action*	7 8 9 10 12 13
	RT-EE-130a.1	Innovation and business model	8 9 10 11 13 14
Hazardous Waste Management	RT-EE-150a.1	Cybersecurity and data management	5 6 10 13 14 15
	RT-EE-150a.2	Social and ecological standards in the supply chain	8 10 15 17
Product Safety	RT-EE-250a.1	Corporate governance and sustainability leadership	8 10 11 12 13
	RT-EE-250a.2	Partner management and collaboration	7 8 9 10 11 12 13
		ESG risk management	5 6 10 12 13 17
		Compliance management	5 6 8 10 12 13 17

* Top 2 material sustainability topics

7.8 United Nations CEO Water Mandate

7.6 WEF IBC Metric

Pillars	Theme	Core metrics	Reference	Omission
Principles of Governance	Setting purpose	The company's stated purpose, as the expression of the means by which it proposes to contribute to economic, environmental and social issues. Company purpose should create value for all stakeholders, including shareholders.	Sustainability Report 2023	
Quality of governance body	Progress report	Siemens became a signatory to the United Nations CEO Water Mandate in 2008. We are continuing to support the Mandate in two ways: by managing water efficiently at our own facilities and by providing solutions that help customers handle water and wastewater more efficiently.	Siemens at a glance p. 7 ff	
Stakeholder engagement	Our own activities	We are continuing to implement the approach to water management that we developed in 2012. This includes monitoring factors like water scarcity, water pollution, environmental fire risks, and consequences of climate change as well as performing site-specific risk analysis. Individual goals and measures are defined for locations with high water-related risks. This approach minimizes site-specific adverse impacts of our water consumption taking into account local risks like water scarcity, water pollution, and flooding in environmentally sensitive areas. You can find out more about conserving resources and water consumption at Siemens' locations in the Environment section of this report.	Annual Financial Report 2023	
Ethical behaviour	Anti-corruption	We use resources carefully. For example, Siemens India implemented sustainable water management by applying various measures, including utilizing water-efficient appliances, installing rainwater harvesting system at four major factory locations, and building water reclamation facility (zero liquid discharge facilities) that enable us to reduce freshwater consumption and use treated water for landscaping and toilet flushing.	Annual Financial Report 2023	
	Material issues impacting stakeholders	1. A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	Compliance and Ethics p. 32 ff	
	Protected ethics advice and reporting mechanisms	2. Discussion of initiatives and stakeholder engagement to implement and promote an ethical environment and culture, in order to combat corruption.	Our sustainability indicators p. 106 ff	
Risk and opportunity insights	Integrating risk and opportunity into business process	A description of internal and external mechanisms for: 1. Identifying, assessing and managing potential and lawful behaviour and organizational integrity.	Sustainability Report 2023	
		2. Reporting concerns about unethical or unlawful behaviour and lack of organizational integrity.	Compliance and Ethics p. 32 ff	
		3. Reporting on our sustainability indicators p. 104 ff	Our sustainability indicators p. 104 ff	
		4. Combining Management Report 8, Report on expected developments and associated material opportunities and risks p. 23 ff		

6

Appendix 1: IFRS S1, S2 Standards



Overview of IFRS Sustainability Standards

In 2023, the International Sustainability Standards Board (ISSB) released its first two standards, IFRS S1 and IFRS S2, which are intended to provide a global framework for sustainability disclosures. IFRS S1 and S2 focus on information about sustainability risks and opportunities that may affect a company's cash flows, availability of financing and cost of capital, in order to assist investors in making decisions.

Standard	Key features of the standards
<p>General requirements: IFRS S1 General Requirements for Sustainability-Related Financial Disclosures</p>	<p>A core framework for disclosing material* sustainability risks and opportunities across an organization's value chain.</p>
<p>Thematic requirements: IFRS S2 Climate-Related Disclosures</p>	<p>Disclosure requirements for material* risks and opportunities related to climate change, including physical and transition risks <i>Used in accordance with IFRS S1</i></p>

In addition to IFRS Standards, an entity shall **refer to SASB Standards** and consider the applicability of topics and disclose topics relevant to their industry.

*Significant sustainability/climate-related risks and opportunities are those that can reasonably be expected to have a material impact on an organization's cash flows, its access to finance and/or its cost of capital in the short, medium or long term.

Main provisions of the standards

The main purpose of IFRS standards is to show **the connection between financial information related to sustainability issues and financial information disclosed in financial statements**. Therefore, an entity should use the same financial data and assumptions for the sustainability report and the financial report as much as possible.

IFRS S1 General Requirements for Sustainability-Related Financial Disclosures

Contains general principles and reporting requirements that will guide the preparation of all future thematic reports in the field of sustainable development:

Conceptual framework

- Fair representation
- Materiality
- Reporting organization
- Related information

Main content

- Corporate Governance
- Strategy
- Risk management
- Indicators and targets

General requirements

- Sources of guidance
- Location of disclosure
- Reporting deadlines
- Comparative information
- Statement of Compliance

Judgments, Uncertainties and Errors

- Judgment
- Measurement uncertainty
- Bugs and Fixes

IFRS S2 Climate-Related Disclosures

Contains the main provisions of climate reporting governed by the principles and requirements of IFRS S1:

Corporate Governance

Review of governance, control processes and procedures for managing and monitoring climate-related risks and opportunities

Strategy

Review of the strategy for managing climate-related risks and opportunities, including financial effects

Risk management

Review of processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities (including integration into the overall RMS)

Indicators and targets

Review of goals and targets set by the company or required by law, including progress towards

Timing and scope of information disclosure

IFRS sustainability standards are voluntary and applicable to the reporting period from January 1, 2024, unless otherwise provided by the laws of the country.

For a gradual transition to information disclosure in accordance with IFRS S1, S2, deferrals of information disclosure are provided for the first year of the standards application.

	1st reporting period	2nd reporting period	Subsequent Reports
IFRS S1	<p><i>It is acceptable not to disclose information about risks and opportunities associated with sustainable development</i></p>	<p>Information about risks and opportunities, related to sustainable development <i>during the reporting period</i></p>	<p>Information about risks and opportunities, related to sustainable development, <i>for the reporting period and the period preceding it</i></p>
IFRS S2	<p>Information on climate change risks and opportunities for the reporting period</p> <p><i>Disclosure of Scope 3 emissions is optional</i></p>	<p>Information on risks and opportunities associated with climate change <i>for the reporting and prior periods</i></p> <p><i>Disclosure of Scope 3 emissions is required for at least the reporting period</i></p>	<p>Information on climate change risks and opportunities and GHG emissions for all Scopes <i>for the reporting and prior periods</i></p>
	<p>Publication no later than 9 months after the end of the reporting period</p>	<p>Publication at the same time as the annual financial statements</p>	<p>Publication at the same time as the annual financial statements</p>

Comparability with other reporting standards

TCFD

TCFD is the basis for IFRS sustainability standards. The TCFD was disbanded in November 2023. Since 2024, the ISSB has taken over the monitoring of climate-related disclosures.

IFRS S2 expands and complements the TCFD requirements for climate-related disclosures.

Organizations that apply IFRS S1 and IFRS S2 standards already comply with the TCFD recommendations, so they do not need to additionally prepare TCFD reports.

SASB

The main objective of SASB is to provide a minimum level of disclosure standardized across sectors/industries.

The ISSB recommends that SASB standards be used to disclose industry-specific topics, metrics and indicators.

Companies can continue to report in accordance with SASB if it meets the needs of their stakeholders.

GREY

The GRI Standards provide the most comprehensive framework for reflecting an organization's activities in the field of sustainable development, including managing the most significant impacts on the economy, environment, and society.

The ISSB and the Global Sustainability Standards Board (GSSB) have agreed to jointly define and align key disclosure requirements.

IFRS and GRI standards complement each other. It is recommended to disclose information in compliance with both standards if it meets the needs of the company's stakeholders.

Main Differences Between IFRS S2 and TCFD

Strategy

- Industry-specific disclosure topics should be used and their applicability should be taken into account when identifying risks and opportunities.
- the criteria in which quantitative and qualitative information is required are outlined;
- doesn't define a specific scenario for scenario analysis

Risk management

- climate-related opportunity management information (identification, assessment, prioritization and monitoring) is required

Indicators and targets

- taking into account climate-related sectoral indicators;
- disclosure of GHG emissions is mandatory only if they are material to the company;
- disclosure of plans for the use of carbon credits;
- disclosure of approaches to setting, monitoring and revision of goals;
- the presence of third-party validation of goals

7

Appendix 2: Integration of ESG Risks



ESG risks are closely interrelated with traditional types of risks and require integration into risk models

The first step toward integrating ESG risks into corporate governance is their identification and definition. It is important to indicate how these risks affect the company and the level of exposure. When describing potential consequences, the connection with traditional types of risks can be highlighted.

Categorization of ESG risks

Environmental risks	Social risks	Corporate governance risks
<ul style="list-style-type: none"> Climate change Biodiversity Waste management Effects on air, water and soil 	<ul style="list-style-type: none"> Interpersonal Workplace Conflict Unfair labor practices Human rights and inequality 	<ul style="list-style-type: none"> Failure to comply with corporate governance principles/codes Substandard management Data breaches

Climate risks		Physical risks	Transition risks
Sharp	Chronic	<ul style="list-style-type: none"> Forest fires Flood Heat waves Storms 	<ul style="list-style-type: none"> Water stress Sea level rise Landslides Pollution

Interconnection with Traditional Risk Factors

Strategic risk

Example

Regulatory changes and changing investor views due to the transition to a low-carbon economy may lead to increased costs, reduced revenues and limited operations, which will ultimately affect the company's business strategy and financial performance

Operational risk

Example

Exposure to health, safety and environmental risks can harm employees, society and the environment. This can lead to legal liability, business interruption, and increased costs

Reputational risk

Example

Marketing of purportedly sustainable products (commonly referred to as 'greenwashing') and false claims regarding their sustainability pose significant reputational risks.

Compliance risk

Example

Unethical practices or violations of applicable laws can lead to regulatory sanctions and fines, which may also negatively impact financial performance and share value.

ESG risk assessment and implementation of a risk matrix

The next step in implementing an ESG risk management system, following risk identification, is risk assessment. This can be achieved using a risk matrix to evaluate both the likelihood of occurrence and the potential impact on the company.

Likelihood	Impact				
	Negligible	Low	Moderate	Significant	Catastrophic
Highly likely	Moderate	Considerable	Considerable	High	High
Likely	Moderate	Moderate	Considerable	High	High
Possible	Low	Moderate	Considerable	Considerable	High
Unlikely	Low	Low	Moderate	Moderate	Considerable
Very unlikely	Low	Low	Low	Moderate	Moderate

Principles of building a risk matrix



The main purpose of developing a risk matrix is to ensure that significant risks are visible to various stakeholders and that risks are effectively prioritized for management actions



No single standardized approach to risk matrix development can be applied across all companies

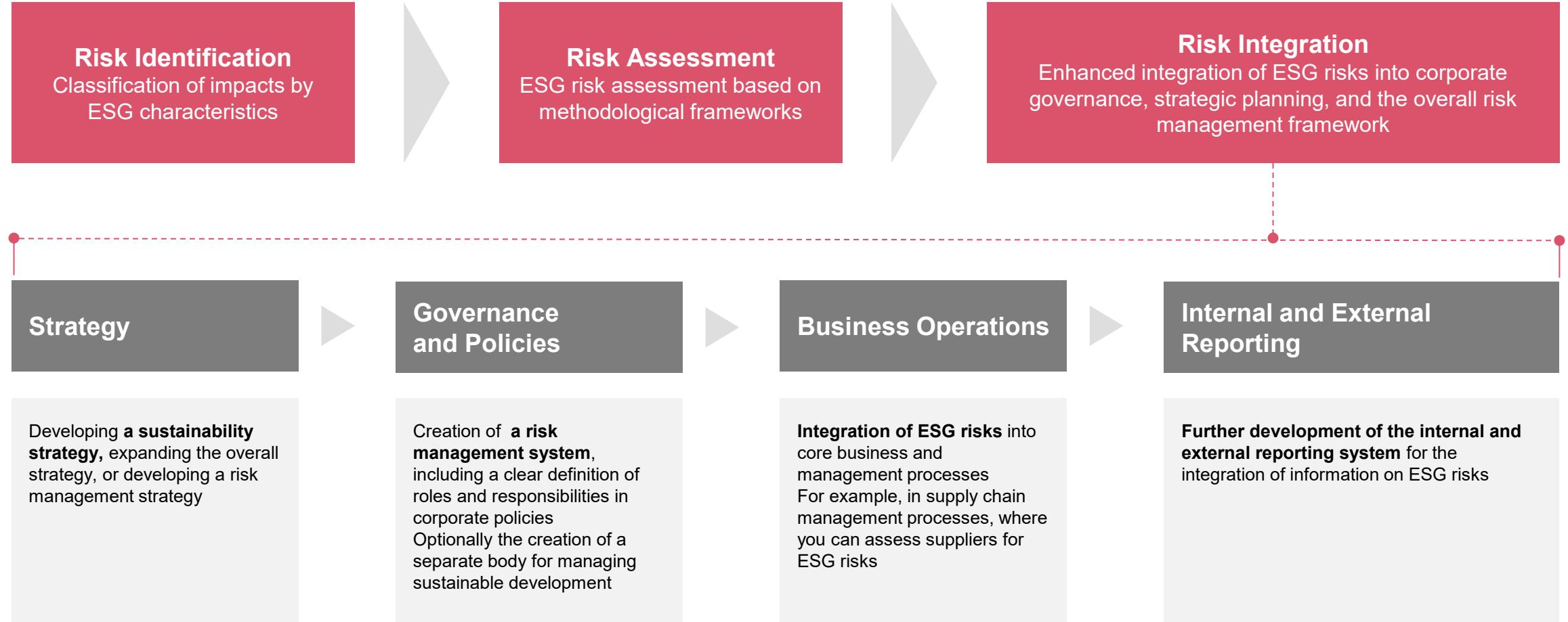


Risk levels (e.g., high, significant, moderate, low) should be intuitive and resonate with the company and its values

Tailoring the Risk Matrix

- When setting up a risk matrix according to your company profile, it is important to strike the right balance between simplicity and completeness of information
- A risk matrix that is too simple (e.g., 4x4) may not provide sufficient risk differentiation and reduce the organization's ability to prioritize
- An overly complex matrix (for example, 6x6) can make the differences between ratings insignificant and therefore difficult to interpret. It can also complicate reporting systems and risk escalation processes.
- Risk rating thresholds, from high to low, should be determined based on a combination of probability and impact, taking into account different levels of the risk management structure. For example, an escalation scheme may specify that high-rated risks should be reported to the Board of Directors, while any risks above 'significant' should be reported to the Executive Committee.

ESG Risk Integration Process



ESG Risk Management and Oversight

To strengthen the management and oversight of climate and environmental risks, the European Central Bank has issued guidance recommending the establishment of a structured risk management framework and the designation of a responsible governing body. These recommendations are intended to serve as best-practice examples for integrating ESG risks into organizational management systems

Organizational structure for ESG risk management

It is considered best practice to clearly define and allocate responsibilities for ESG risk management within the organizational structure, in alignment with the three lines of defense model.

The organizational structure is expected to:

- Clearly allocate ESG risk responsibilities within the institution; these can also be documented in relevant policies, procedures, and controls
- Define the tasks and responsibilities of the first line of defense
- Define the tasks and responsibilities of the compliance function.
- Allocate adequate human and financial resources to support effective ESG risk management
- Establish clear roles and responsibilities for identifying, assessing, measuring, monitoring, and reporting ESG risks.
- Incorporate evaluations of the institution's ESG risk management capabilities into internal audit reviews.

Responsible governing body

ESG risks should be taken into account when developing the institution's overall business strategy, business objectives, and risk management structure, as well as ensuring effective oversight of ESG risks.

The governing body is expected to:

- Clearly assign roles and responsibilities to your members
- Ensure that ESG risks are integrated into the overall business strategy and risk management framework
- Make informed decisions based on aggregated ESG risk data that reflect the company's exposure.
- Take into account the knowledge, skills and experience of its members in the field of ESG risk management when assessing collective competence
- Effectively oversee institutions' exposure to and response to ESG risks



TOP 50 of ESG
Information Disclosure
Rating



Top 50 ESG Disclosure Companies

Ranking 2023	Company
1	Samruk-Energy
2	NC Kazakhstan Temir Zholy
3	Solidcore Resources plc
4	NAC Kazatomprom
5	NC KazMunayGas
6	Bank CenterCredit
7	Karachaganak Petroleum Operating B.V
8	Kazakhtelecom
9	Development Bank of Kazakhstan
10	Samruk-Kazyna
11	KazTransOil
12	Air Astana
13	QazaqGas
14	Otbasy bank
15	KEGOC
16	Damu Fund
17	Halyk Bank of Kazakhstan
18	Freedom Holding Corp.
19	Kazpost
20	PAVLODARENTERGO
21	Nostrum Oil & Gas
22	Zhaikmunai
23	NMC Tau-Ken Samruk
24	First Heartland Jusan Bank
25	Microfinance Organization OnlineKazFinance

Ranking 2023	Company
26	CAEP (Central-Asian Electric Power Corporation)
27	NMH Baiterek
28	Kazakhstan Housing Company
29	Kcell
30	Eurasian Bank
31	KazAgroFinance
32	Altynalmas JSC
33	Kazakhstan Utility Systems
34	Joint Venture Inkai
35	SevKazEnergo
36	Qazaqstan Investment Corporation
37	SK Ondeu
38	KazAzot
39	Kazakhmys Copper
40	Industrial Development Fund
41	Samruk-Kazyna Construction
42	Batys Transit
43	Almaty power plants
44	Agrarian Credit Corporation
45	Kaspi.kz
46	Export Insurance Company "KazakhExport"
47	Microfinance Organization KMF
48	Toyota Financial Services Kazakhstan MFO
49	Atameken-Agro
50	KMK Munai

Best by sector (1/2)

The tables below show top companies by level of ESG disclosure in each sector

Top financial companies by ESG disclosure level

Position	In overall ranking	Company	Rating
1	6	Bank CenterCredit	A
2	9	Development Bank of Kazakhstan	B+
3	14	Otbasy bank	B

Top oil and gas companies by ESG disclosure level

Position	In overall ranking	Company	Rating
1	5	NC KazMunayGas	A
2	7	Karachaganak Petroleum Operating B.V	B+
3	11	KazTransOil	B+

Top mining companies by ESG disclosure level

Position	In overall ranking	Company	Rating
1	3	Solidcore Resources plc	A
2	4	NAC Kazatomprom	A
3	23	NMC Tau-Ken Samruk	C

Top energy companies by ESG disclosure level

Position	In overall ranking	Company	Rating
1	1	Samruk-Energy	A+
2	15	KEGOC	B
3	20	PAVLODARENTERGO	B

Best by sector (2/2)

The tables below show top companies by level of ESG disclosure in each sector

Top transport and logistics companies by ESG disclosure level

Position	In overall ranking	Company	Rating
1	2	NC Kazakhstan Temir Zholy	A
2	12	Air Astana	B+
3	19	Kazpost	B

Top telecommunications companies by ESG disclosure level

Position	In overall ranking	Company	Rating
1	8	Kazakhtelecom	B+
2	29	Kcell	C

Top companies from the agricultural and food industry by ESG disclosure level

Position	In overall ranking	Company	Rating
1	49	Atameken-Agro	D

Top companies from other sectors by ESG disclosure level

Position	In overall ranking	Company	Rating
1	10	Samruk-Kazyna	B+
2	37	SK Ondeu	D
3	38	KazAzot	D

Key Takeaways



ESG strategy

Prioritize understanding stakeholder interests and meeting their needs

Set effective sustainability goals with specific timelines and expected results

Implement ESG risks into the overall management system, assess financial risks



[E]nvironment

Consider industry specifics when disclosing a company's environmental impact

Identify the risks and opportunities associated with climate change and assess their impact on the company's financial performance

Describe the processes in place to ensure the supply chain complies with environmental standards



[S]ocial

Set long-term, measurable goals and track them regularly

Describe a strategy for managing social impact in the supply chain and evaluating suppliers

Focus on improving the disclosure of indicators concerning equal opportunities

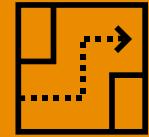


[G]overnance

Share the activities of the highest governing body, highlighting effectiveness, competency development, and stakeholder engagement

Explain how your corporate policies are being implemented, describe the approach to external audit

Prioritize disclosure by role and responsible authority as part of sustainability strategy oversight



Reporting Practices

Focus on key ESG metrics and ensure that information is easy to understand

Incorporate ESG data analysis and gradually adopt technologies and digital tools

Consider the need for ESG assurance to increase trust and transparency



Report Evaluation Methodology and Criteria

Methodological basis (1/4)

What did we evaluate?

As part of this study, we assess the quality and availability of ESG information in the public reporting of Kazakhstani companies.

The analysis is based on annual and sustainability reports (and their equivalents, including integrated reports, ESG Reports, social reports), hereinafter collectively referred to as the "Reports". When compiling the current Rating, **the Reports prepared by companies based on their performance for 2023 are evaluated.**

The evaluation criteria include five main disclosure pieces (collectively referred to as the **"Analysis of Five"**):

- ESG strategy,
- corporate governance,
- social policy,
- environmental impacts,
- reporting practices.

For each main ESG topic, there are indicators that characterize the approach of management and strategy on this topic. As part of these indicators, we assess the company's overall approach to managing potential or actual negative economic, environmental and societal impacts on each material aspect of sustainable development.

Additional points are awarded for the clarity and quality of the presentation of information.

Any Kazakhstani company that has a suitable report for evaluation can apply for participation in the project. We also include publicly available reports in the project's long list, which we consider important for the completeness of the analysis.



Our approach includes an analysis of the availability of quantitative and qualitative indicators that reflect the impact of the organization's activities on society and ecosystems, and an approach to managing these impacts. In addition, we pay attention to the disclosure of strategy, policies and the integration of sustainability issues into the corporate governance system.

Methodological basis (2/4)

Rating Calculation

- The methodology includes 147 criteria; a score is given for each criterion (from 1 to 10).
- The final rating functional is calculated as a weighted average of ratings by criteria.
- Depending on the score, the company is assigned an appropriate ESG disclosure level rating.
- It is worth remembering that if the documents had low readability and/or poor navigation the assessment could not accurately reveal its disclosure.
- The assessment takes into account the specifics of a particular industry. The weight of industry topics is on average 40-56%.



Disclosure Rating	Rating functional	Characteristics
A+	>9–10	Level of leading international practices (the level of information disclosure in the company meets the main criteria accepted in international practice)
A	>8–9	High level (the company demonstrates a high level of information disclosure, which requires only partial improvements to comply with international practices)
B+	>7–8	Good level (the company presents a good level of content/detail and disclosure of information on ESG aspects, demonstrating regional leadership, has the least number of requirements for transition to best practice)
B	>6–7	Developing level (the company demonstrates good progress in disclosing ESG information, has a high potential for transition to best practices)
C	>5–6	Basic level (despite the beginning of the practice of ESG disclosure, the level of disclosure is insufficient and requires significant development)
D	below 5	Low level (minimal disclosure of key ESG indicators, requires a new approach to reporting)

Methodological basis (3/4)

Rating Restrictions

- The rating assumes only an assessment of information disclosure, and cannot show the level of implementation of sustainable development practices in the evaluated companies.
- This rating contains information obtained from public sources. PwC has not attempted to establish the reliability of these sources and has not verified the information provided. Accordingly, PwC makes no representations or guarantees of any kind (whether explicit or implied) as to the accuracy or completeness of the information provided in the annual and sustainability reports.
- If we have reason to believe that the company's report is misleading to readers and the information presented in the report does not correlate with facts and public statements, we reserve the right to downgrade the company's report by assigning it a penalty point(s) from -1 to -3, or completely exclude the report from the list.
- The evaluation sample is prepared based on information in open sources, as well as based on submitted applications for participation in the study. At the same time, we assume that this research did not include all existing reports worthy of being included on the list. Therefore, we recommend that companies apply for participation in the Rating themselves to prevent the risk that their report not be included in the final list.



Methodological basis (4/4)

Quality Management

- To evaluate the Reports as part of the Rating, we engaged a group of experts who have the necessary qualifications in the field of ESG disclosure and who have been properly instructed in the assessment regulations.
- The PwC Kazakhstan team of experts that evaluates the Reports is guided by a regulated evaluation process and established criteria of the methodology developed by PwC methodologists in order to avoid personal judgments and maintain impartiality. Members of the expert group do not have access to the consolidated Rating with the results of their assessment, and transfer the assessments to a dedicated specialist, who prepares a sorted list without making changes to the ratings of individual companies. Thus, no member of the Group of Experts controls the final position of companies in the Rating.
- The results of the assessment of experts are re-checked by an independent specialist for compliance with the methodology. Thus, objectivity in the assessment and adherence to the methodology are preserved.



Changes in methodology in 2024

Our ESG/Sustainability Disclosure Rating methodology takes into account the **latest trends in ESG reporting standards** (including ISSB, CSRD (EFRAG) and ARDFM), as well as our previous assessment experience and feedback.

In order to continuously improve reporting practices in the market, we annually strengthen and supplement our assessment methodology. This year, we **updated the methodology for compiling the** ESG/Sustainability disclosure rating and made some changes.

The changes made cover:



ARDFM recommendations

- This year, we updated the methodology for evaluating financial sector reports in line with the ARDFM guidelines – "Guidelines for Environmental, Social and Corporate Governance (ESG)" and "Methodological Guidelines for Environmental and Social Risk Management".



Sectoral coverage

- We have expanded the sectoral coverage of our methodology to include additional criteria specific to the oil and gas, agricultural and food industries.
- The new criteria include SASB's recommendations on sectoral disclosures, as well as other sectoral standards and best practices for these industries.



Environmental Disclosure

- The methodology for evaluating reports now covers all components of the environment – climate, water, air, waste, as well as soil.
- Soil pollution affects soil fertility, biodiversity and groundwater pollution.
- Land-use disclosures are an integral part of industry standards, regulations, and best practices.



List of evaluation
criteria

ESG Strategy

The availability of information on the items below was evaluated



Key elements of a sustainability strategy

- Mission/Goal
- Business model
- Description of sustainable development issues
- Sustainable development material topics for the company
- Process for identifying material topics
- Qualitative/quantitative sustainable development goals
- Map of key stakeholders (or list)
- Stakeholder engagement process
- Measures taken in response to issues raised by the stakeholders during the engagement process
- UN Sustainable Development Goals (SDGs) commitment statement
- List of SDGs relevant for the company
- List of specific initiatives for each SDG



Corporate Governance (1/2)

The availability of information on the items below is assessed



Key elements of the management system and controls (1/2)

- Management structure
- Number and share of independent directors on the board of directors
- Structure of the Board of Directors by Social Groups
- Balance of competencies of members of the Board of Directors
- Composition by terms of tenure of members of the board of directors in its composition
- Description of selection and appointment procedures
- Approach and Measures to Improve the Qualifications of Board Members
- Description of the Conflict of Interest Management Policy
- Board Assessment Approach and Measures
- Governance Bodies Responsible for Sustainability Decision-Making
- Process of interaction of supreme management bodies with stakeholders
- Description of the role of the board of directors and the executive body in the development, monitoring and approval of strategy and policies in key areas in the field of sustainable development
- Remuneration of the Board of Directors and the Executive Body
- Integration of sustainability-related indicators into the remuneration scheme of the Board of Directors
- Ratio of the annual remuneration of the highest paid employee of the organization to the median remuneration of all employees
- Anti-Corruption Policy
- Anti-corruption communications and trainings
- Confirmed cases of corruption in the reporting year
- Description of Procedures for Filing Complaints of Illegal and Unethical Conduct
- Basic Provisions of Corporate Ethics
- Training in the principles (code) of ethical business conduct of employees, business partners and other relevant parties
- The system of internal/compliance control, internal audit is described
- External Auditor Identification and Engagement Process
- Approach to non-audit services, and share of remuneration for non-audit services
- Ultimate beneficial owners of the organization, list of major shareholders (owning more than 10% of the shares)
- Information about any parent and subsidiary structures
- Rights of minority shareholders
- Dividend policy

Corporate Governance (2/2)

The availability of information on the items below is assessed



Key elements of the management system and controls (2/2)

- Fines and non-financial sanctions for violation of the law
- Sustainability risks
- Sustainability risk and opportunity management processes

Only for financial companies:

- Portfolio vulnerability analysis, assessment of the portfolio's breakdown by business area and sector, and analysis of the overall vulnerability of the portfolio to environmental and social risks
- Information about high-risk transactions, significant incidents, incidents, non-compliance related to transactions
- An approach to incorporating environmental, social, and governance (ESG) factors into credit analysis or investment activities
- A list of exclusions for financial transactions is specified



Society (1/2)

The availability of information on the items below is evaluated

The relevance of an indicator is considered based on the company's activity profile.



Human Resources Management

Management approaches

- Description of the personnel policy, the company's approaches to personnel management
- Employee engagement processes for feedback
- Channels for filing complaints and appeals for employees
- Measures to improve the situation, reduce negative impacts, and improve conditions for employees
- Monitoring the effectiveness of the work done on this aspect of sustainable development
- Description of the Equal Opportunities Policy and Specific Measures to Prevent Discrimination
- Description of the approach to employee development and remuneration

Indicators

- Headcount
- Personnel structure
- Staff turnover
- Number of employees hired in the reporting year
- Proportion of temporary workers
- Number of employees who received a performance assessment in the reporting year
- Average number of training hours per employee in the reporting year
- Number of people who took maternity/paternity leave in the reporting year
- Ratio of the average salary of women to the average salary of men

Society (2/2)

The availability of information on the items below is assessed

The relevance of an indicator is considered based on the company's activity profile.



Other aspects

- Approaches to Occupational Health and Safety
- Injury rates
- Percentage of employees covered by collective bargaining agreements
- Approach to human rights and description of the reflection of this issue in the policies of the organization
- Investing in infrastructure and services that benefit society
- An approach to managing risks and opportunities related to the rights and interests of communities in the regions of business
- Description of tax policy and strategy
- Local supplier costs
- Sustainability Assessment and Requirements for Suppliers
- Approaches (or policies) to ensuring the protection of personal data



Sustainable Products (Financial Companies Only)

- The volume and number of financial products (loans, insurance products, etc.) provided to small businesses to support society and socially vulnerable groups
- Strategy or plans to expand funding for inclusive products
- The amount of green financing for products that support climate change and environmental protection according to the Taxonomy of the Republic of Kazakhstan (or mention of any other taxonomy of sustainable financing (EU, LMA, GBP, etc.))
- Financial literacy programs for clients at social risk
- Measures to combat predatory financing practices

Environment (1/5)

The availability of information on the items below is assessed

The relevance of an indicator is considered based on the company's activity profile.



Climate change

Management approaches

- Policy/approach to managing climate change/ greenhouse gas emissions and energy consumption
- Actual and potential, negative and positive impacts on the economy, the environment and people in the field of climate change
- Actions aimed at reducing the negative impacts associated with this aspect of sustainable development
- Monitoring the effectiveness of the work done on this aspect of sustainable development, KPIs

Risk management

- The role of supreme authorities in overseeing the risks and opportunities associated with climate change
- Risks and opportunities related to climate change identified by the organization
- Climate Change Risk and Opportunity Management Processes
- Climate-related scenario analysis

Indicators

- Volume of direct greenhouse gas emissions over three years in CO2 equivalent (Scope 1)
- Volume of indirect energy emissions of greenhouse gases over three years in CO2 equivalent (Scope 2)
- Volume of other indirect greenhouse gas emissions over three years in CO2 equivalent (Scope 3)
- Approach to the application of domestic prices for CO2 emissions
- Consumption of fuel and energy resources for three years (including electricity and heat, as well as fuel, etc.)
- Work to reduce the consumption of fuel and energy resources

Financed Issues (Only for Financial Companies)

- Volume of financed issues
- Portfolio exposure to high-emission industries

Environment (2/5)

The availability of information on the items below is assessed

The relevance of an indicator is considered based on the company's activity profile.



Air pollution

Management approaches

- Policy/Statement on Approaches to Air Pollution Management and Prevention of Harmful Effects and Incidents
- Approach to Identification and Assessment of Impacts on Ecosystems and Society for this Component
- Actions aimed at reducing the negative impacts associated with this aspect of sustainable development
- Monitoring the effectiveness of the work done on this aspect of sustainable development, KPIs

Indicators

- Emissions of pollutants into the atmosphere in dynamics over three years



Soil pollution

Management approaches

- Policy/Statement on Approaches to Soil Pollution Management and Prevention of Harmful Impacts and Incidents
- Approach to Identification and Assessment of Impacts on Ecosystems and Society for this Component, and Main Impacts
- Actions aimed at reducing the negative impacts associated with this aspect of sustainable development
- Monitoring the effectiveness of the work done on this aspect of sustainable development, KPIs

Indicators

- Soil and land pollution in the reporting year

Environment (3/5)

The availability of information on the items below is assessed

The relevance of an indicator is considered based on the company's activity profile.



Environmental Management System

- Information on certified environmental management systems such as ISO



Water Resources Management

Management approaches

- Policy/statement on approaches to managing impacts related to the use of water resources
- Approach to the identification and assessment of impacts on ecosystems and society on this aspect, and the main impacts
- Actions to reduce water consumption and negative impacts on ecosystems
- Monitoring the effectiveness of the work done on this aspect of sustainable development, KPIs

Indicators

- Volume of water withdrawal (consumption from external sources) in dynamics over three years
- Water discharges in dynamics over three years



Waste management

Management approaches

- Policy/Statement of Approaches to Waste Adverse Impacts Management
- Actual and potential, negative and positive effects on the economy, the environment and people
- Actions aimed at reducing the negative impacts associated with this aspect of sustainable development
- Monitoring the effectiveness of the work done on this aspect of sustainable development, KPIs

Indicators

- Volume of waste generation in dynamics over three years
- Separation of waste volume by methods of treatment (with allocation of disposal volumes)

Environment (4/5)

The availability of information on the items below is assessed

The relevance of an indicator is considered based on the company's activity profile.



Biodiversity

Management approaches

- Policy/statement on approaches to managing biodiversity impacts
- Approach to identifying and assessing impacts on biodiversity
- Actions to reduce negative impacts on biodiversity and ecosystems
- Monitoring the effectiveness of the work done on this aspect of sustainable development, KPIs

Indicators

- Nature of significant direct and indirect impacts on biodiversity
- Operational sites owned, leased, or managed in or near protected areas and areas of high biodiversity value outside protected areas
- Total number of species listed on the IUCN Red List and national conservation lists, along with their habitats in areas affected by the organization's activities



Tailings management (specific to mining companies)

- Total volume of tailings generated
- Data on tailings storage facilities, including location, operational status, fill volume, etc
- Description of tailings management systems and the governance structure used to monitor and maintain tailings facility stability.
- Approach to asset decommissioning.



Energy Indicators (specific to the electric power sector)

- Management approach for ensuring short-term and long-term electricity availability and reliability.
- Average number of outages per consumer in a calendar year (SAIFI)
- Average electricity tariffs for retail and corporate customers
- Percentage of load served by smart grid technology
- Percentage of electricity losses

Environment (5/5)

The availability of information on the items below is assessed

The relevance of an indicator is considered based on the company's activity profile.



Telecommunication indicators (specific to the telecommunications sector)

- Materials collected through return programs
- Average actual sustained download speed, including the measurement methodology.
- Average system-wide downtime duration and average connection failure frequency
- Efforts to expand access to telecommunications services



Agricultural and Food Sector Indicators (specific to the agricultural and food sectors)

- Description of the approach to the use of fertilizers, pesticides and their runoff, and/or to soil degradation/overgrazing
- Food Safety Approaches



Oil & Gas sector indicators (specific to the oil and gas sector)

- Volume of gross Scope 1 emissions broken down by flaring of hydrocarbons, other combustion, process emissions, and fugitive emissions
- Estimated emissions of carbon dioxide contained in proven hydrocarbon reserves
- Spill data, including volume and type of materials, effectiveness of measures taken
- Description of the decommissioning approach

Reporting practices



Availability of information on the below items was evaluated.



Reporting practices

- Statement of compliance with the GRI Standards, SASB (including the Information Disclosure Index) or ARDFM (for financial institutions)
- Statement of compliance with the TCFD (with the relevant table showing compliance with the TCFD Recommendations) or ISSB Standards (IFRS S1, S2)
- Is ESG information published by July 31 of the following reporting year?
- Is ESG information separate from other information and easily accessible for review?
- Presentation of information: quality of design, navigation, ease of obtaining and reading data



External assurance

- External assurance of non-financial information and its scope

Glossary

- ARDFM – Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market
- RES – Renewable Energy Sources
- MMC – Mining and Metallurgical Complex
- EB – executive body
- KPIs – key performance indicators
- IFRS – International Financial Reporting Standards
- R&D – research and development
- BoD – Board of Directors
- SD – sustainable development
- SDGs – Sustainable Development Goals
- CDP – Carbon Disclosure Project
- CSRD – The Corporate Sustainability Reporting Directive
- ESG – Environmental, Social and Governance
- GRI – Global Reporting Initiative
- ISSB - International Sustainability Standards Board
- SASB – Sustainability Accounting Standards Board
- TCFD – The Task Force on Climate-related Financial Disclosures
- TISFD – The Taskforce on Inequality and Social-related Financial Disclosures
- TNFD – The Taskforce on Nature-related Financial Disclosures

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