

CENTRAL SECURITIES DEPOSITORY JSC

Approved by

Resolution of the Board of Directors
of Central Securities Depository JSC

(minutes of the meeting
No. 58 dated October 4, 2022)

Effective from

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Sustainable Development POLICY

Almaty

2022

TABLE OF CONTENTS

Chapter 1.	General Provisions	3
Article 1.	Main Terms and Abbreviations	3
Article 2.	Policy Purpose	5
Chapter 2.	Sustainable Development Management	5
Article 3.	Statement of Commitment	5
Article 4.	Sustainable Development Management Approaches	7
Article 5.	Roles and responsibilities	8
Chapter 3.	Responsible Business Practice	10
Article 6.	Commitment to the Highest Standards of Corporate Governance	10
Article 7.	Facilitating Sustainable Development of the Financial Ecosystem	10
Article 8.	Customer Focus	11
Article 9.	Risk Management and Internal Control	11
Article 10.	Financial Sustainability	12
Article 11.	Anti-Corruption and Anti-Money Laundering/Combating the Financing of Terrorism	12
Article 12.	Stakeholder Engagement	13
Article 13.	Expectations from the Central Securities Depository Contracting Parties	14
Chapter 4.	Environmental Impact Management	14
Article 14.	Environmental Impact Mitigation	14
Article 15.	Green Office Concept	15
Article 16.	Responsible Green Procurement	16
Chapter 5.	Responsible Labour and Social Policy	16
Article 17.	Sustainable Development and Stakeholder Exposure	16
Article 18.	Decent Working Conditions	17
Article 19.	Inclusion and Diversity	17
Article 20.	Human Capital Development	18
Chapter 6.	ESG Reporting	19
Article 21.	Commitment to ESG Reporting	19
Article 22.	Requirements to the ESG Report	19
Article 23.	Final Provisions	20

This Policy has been developed further to the Development Strategy of the Central Securities Depository JSC (hereinafter, the “Central Securities Depository”), in accordance with the laws of the Republic of Kazakhstan and the Central Securities Depository’s internal documents, as well as based on the international standards and agreements in the area of sustainable development and environmental protection, including the Paris Agreement 2015 on Sustainable Development Goals¹, the United Nations Global Compact² and the Global Reporting Initiative (GRI)³, and other international documents.

Chapter 1. GENERAL PROVISIONS

Article 1. Main Terms and Abbreviations

1. This Policy uses the terms and abbreviations defined by the laws of the Republic of Kazakhstan and the Central Securities Depository’s internal documents, as well as the terms specifically defined in this Policy.
2. Other terms and abbreviations used in this Policy have the following meaning:

AML/CFT is anti-money laundering and combating the financing of terrorism, prevention, discouraging and elimination of the proliferation of weapons of mass destruction and their financing.

Board of Directors is the Central Securities Depository’s Board of Directors.

Contracting Parties are individuals and legal entities having assumed certain responsibilities and/or having demands or other claims to the Central Securities Depository/its property under the agreements/contracts and for other reasons giving rise to the civil rights and duties (e.g., suppliers, partners).

Employee is an individual employed by the Central Securities Depository.

ESG (Environmental, Social, Governance) are the sustainable development factors considered in the course of the Central Securities Depository’s activities, specifically, environmental (including but not limited to climatic factors), social (including the society in general and local communities, employees of the Central Securities Depository and other stakeholders) and governance (factors driven by the Central Securities Depository’s corporate governance system and requirements thereof).

¹ The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 Parties at COP 21 of the United Nations Framework Convention on Climate Change in Paris, on December 12, 2015. The Agreement entered into force on November 4, 2016: <https://unfccc.int/ru/peregovornyy-process-i-vstrechi/parizhskoe-soglashenie/cto-takoe-parizhskoe-soglashenie>.

² The United Nations Global Compact is a global initiative for businesses in the area of corporate social responsibility and sustainable development: <http://globalcompact.ru/about/>.

³ The Global Reporting Initiative (GRI) is an international reporting standard for voluntary application by the entities reporting on sustainable development: <https://www.globalreporting.org/standards/>.

Green Office is a combination of technical and incentive measures aimed to establish the entity's environmental policy and saving the office resources.

Key Management Personnel is a group of employees designated by the Board of Directors as having the powers for planning and management of resources and/or supervision over the progress and performance of the Central Securities Depository.

Management Board is the Central Securities Depository's Management Board.

Stakeholders are individuals and legal entities or groups of entities involved, to various extent, in the Central Securities Depository's activities or otherwise affecting the Central Securities Depository's activities and/or performance, as well as affected by the Central Securities Depository in their living environment, business operations and other activities of social importance and decisions (shareholders, employees, existing and potential customers, contracting parties, state and society in general, local communities, and other).

Subdivision is the Central Securities Depository's subdivision.

Reputational Risk is the risk of incurring expenses (losses) due to a negative public opinion or decline of trust in the Central Securities Depository.

Article 2. Policy Purpose

This Policy has been developed to define the principles and long-term objectives of the Central Securities Depository in respect of such issues of sustainable development⁴ as environmental impact mitigation, contribution to harmonious development of the society, gender equality, protection of human rights, inclusion and diversity, responsible corporate culture, as well as other aspects arising out of the globally formulated sustainable development goals.

Chapter 2. SUSTAINABLE DEVELOPMENT MANAGEMENT

Article 3. Statement of Commitment

1. The Central Securities Depository realizes its role and responsibility in development of the financial market of the Republic of Kazakhstan and establishment of a reliable and sustainable financial infrastructure, as well as protection of the property rights of nationals and entities in relation to money and securities. The Central Securities Depository strives to ensure the provision of high-quality services, transparency of activities and access to reliable information, thereby contributing to the growth of the number of

⁴ Sustainable development is the global community development concept formulated by the UN where the present generation needs are satisfied without compromising the ability of future generations to meet their own needs: <https://www.un.org/ru/ga/president/65/issues/sustdev.shtml>.

investors and issuers, as well as introduction of new financial products and services in the domestic financial market.

2. The Central Securities Depository represents that it is unconditionally committed to the international and national sustainable development standards and principles, including but not limited to the following UN sustainable development goals ⁵:

Goal 3. Ensure healthy lives and promote well-being for all at all ages;

Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all;

Goal 5. Achieve gender equality and empower all women;

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation;

Goal 12. Ensure sustainable consumption and production patterns;

Goal 13. Take urgent action to combat climate change and its impacts;

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
3. The Central Securities Depository recognizes that sustainable development is one of the key issues on the agenda of both national and global development and shares the modern understanding of the need to create long-term value that is significant for a wider range of stakeholders.
4. The Central Securities Depository demonstrates true commitment to business conduct in compliance with the best international sustainable development practices and adherence to the following principles:
 - 1) to comply with applicable environmental protection and sustainable development requirements;
 - 2) to implement sustainable development principles in the Central Securities Depository's internal documents and business processes;
 - 3) to ensure supervision over compliance with this Policy.
5. Corporate governance in the Central Securities Depository is crucial for the implementation of this Policy, and is developed on the basis of sustainable development principles.
6. The Central Securities Depository respects and observes the globally recognized human rights, and does not tolerate the use of illegal child labour, forced labour, discrimination in labour relations, as well as human trafficking and any forms of exploitation.

⁵ The UN sustainable development goals include 17 goals and 169 objectives set in the framework of the 2030 Sustainable Development Agenda encompassing the environmental, social and governance (ESG) issues and economic development aspects: <https://www.un.org/sustainabledevelopment/ru/sustainable-development-goals/>.

7. The Central Securities Depository prohibits any forms of discrimination in hiring, promotion, distribution of responsibility, professional training, performance assessment and remuneration, and all decisions are based on the principles of justice and meritocracy.
8. The Central Securities Depository strives to create an open and inclusive working environment that promotes free exchange of opinions, in which feedback from all employees is taken into account.

In its commitment to inclusion at the work place, the Central Securities Depository follows the principles stated in the International Labour Organisation Discrimination (Employment and Occupation) Convention ⁶.

9. In its activities and relations with third parties, the Central Securities Depository does not tolerate such treatment methods as physical abuse, humiliation and other forms of unacceptable treatment/behaviour. The Central Securities Depository fosters a healthy working environment where the employees demonstrate to each other and to third parties:
 - 1) mutual respect – respect of dignity regardless of the role and position;
 - 2) ethical conduct – tactfulness and observance of the generally recognized rules of decency in all situations, particularly in conflict situations;
 - 3) positive criticism – impartiality in respect of other employees in assessment of their job, actions, ideas and approaches to execution of the tasks set;
 - 4) tolerance – respect of a different point of view.
10. Each member of the Board of Directors and employee, irrespective of their position and work performed, observes the principles and values declared in this Policy both at and outside the workplace.
11. The Central Securities Depository implements the relevant system of internal communications, training and internal control in order to guarantee that the key management personnel and employees understand and follow the principles and standards outlined in this Policy.

Article 4. Sustainable Development Management Approaches

1. Sustainable development management approaches of the Central Securities Depository rely upon the ESG concept that suggests to consider the following three groups of sustainable development factors and risks:
 - 1) Environmental (including climatic);
 - 2) Social;
 - 3) Governance.

⁶ International Labour Organisation Convention No. 111 Concerning Discrimination in Respect of Employment and Occupation was adopted on June 25, 1958, by the General Conference of the International Labour Organisation at its 42nd session: https://www.un.org/ru/documents/decl_conv/conventions/labour.shtml.

2. Sustainable development management approaches of the Central Securities Depository are based on the Central Securities Depository corporate culture and the approved corporate values, including but not limited to the following principles of business conduct:
 - 1) priority of the long-term economic value for all stakeholders – formation of a flexible stock market infrastructure based on the Central Securities Depository, serving a wide range of financial assets and providing investors with a diversified range of services;
 - 2) priority of the qualitative indicators over the quantitative (financial) indicators of the Central Securities Depository's activities;
 - 3) compliance with requirements of the applicable laws – operation of the Central Securities Depository in strict compliance with the laws of the Republic of Kazakhstan and international laws;
 - 4) inclusion, fair and equal treatment of all, regardless of gender, age, physical condition and other similar factors, – creation of equal opportunities and conditions for personal fulfillment of all employees based on the common values, gender equality, national and cultural diversity;
 - 5) openness and transparency – disclosure of high-quality, timely and reliable information about the Central Securities Depository's decisions and actions, their consequences that affect society, the economy and the environment, as well as annual ESG and sustainable development reports in accordance with the international standards.

Article 5. Role Distribution

1. Key roles in relation to the sustainable development of the Central Securities Depository are distributed among the following stakeholders:
 - 1) the Board of Directors;
 - 2) the Management Board;
 - 3) the subdivisions.
2. The roles of the Board of Directors:
 - 1) determination of approaches to the integration of the sustainable development principles into the activities of the Central Securities Depository;
 - 2) ensuring formation of the risk management and internal control system in accordance with requirements of the applicable law and corporate governance standards;
 - 3) determination of the strategy of Central Securities Depository, sustainable development strategies and policies, including approval of this Policy as well as ensuring their observance;
 - 4) determination of the risk appetite, ensuring its adequacy and compliance;

- 5) guiding and overseeing the activities of the Management Board.
3. The roles of the Management Board:
 - 1) ensuring proper management of sustainable development in the daily activities of the Central Securities Depository;
 - 2) approval of the sustainable development action plan in accordance with the internal documents as set out in subclause 3) of clause 2 of this article;
 - 3) monitoring key risks and ensuring that appropriate measures are taken for their mitigation;
 - 4) ensuring the rectification of violations identified by the Central Securities Depository's Internal Audit Department, and control over the implementation of its recommendations;
 - 5) ensuring complete and reliable information disclosure according to the requirements of this Policy and other internal documents of the Central Securities Depository;
 - 6) developing this Policy, amendments and supplements thereto as part of its regular updating;
 - 7) ensuring proper implementation of provisions of this Policy.
4. Responsibilities of subdivisions:
 - 1) conducting activities in strict compliance with this Policy;
 - 2) supporting the Management Board in implementation of the principles of this Policy into plans, procedures and business processes within their competencies and tasks;
 - 3) implementation of the approved sustainable development action plans;
 - 4) providing information to the subdivision responsible for the formation of the annual reporting of the Central Securities Depository on the results of the implementation of the activities provided for by the sustainable development action plan, as well as information to be included in the annual report of the Central Securities Depository.

Chapter 3. RESPONSIBLE BUSINESS PRACTICE

Article 6. Commitment to the Highest Standards of Corporate Governance

1. The Central Securities Depository assumes commitment, to the fullest extent, to conduct business responsibly and adhere to the best practice of corporate governance and principles of business ethics.
2. The Board of Directors and the Management Board focus on improvement of corporate governance with account of the best practices and standards supported by the reliable operating model and facilitate implementation of sustainable development and corporate social responsibility principles in

the daily activities and strategic development of the Central Securities Depository, specifically, through:

- 1) ensuring availability of the relevant systems and processes for the management of significant risks and opportunities in the area of sustainable development;
- 2) ensuring effective and properly formalized oversight over sustainable development issues with account of ESG factors;
- 3) adoption and proper implementation of policies and practices facilitating the development of corporate governance with account of ESG factors.

Article 7. Facilitating Sustainable Development of the Financial Ecosystem

1. The Central Securities Depository solves the following key challenges:
 - 1) ensures sustainability of the financial market infrastructure;
 - 2) develops and ensures security of the post-trading infrastructure;
 - 3) supports implementation of effective monetary policy;
 - 4) generates the common database of securities owners;
 - 5) expands the range of financial services and products provided to securities holders and potential investors;
 - 6) simplifies the procedures of registering transactions with securities;
 - 7) reduces the costs of customers by reducing tariffs for the services for registration of the rights to securities and transactions with them;
 - 8) reduces the time of registration of transactions in the over-the-counter stock market;
 - 9) performs other tasks in compliance with the laws of the Republic of Kazakhstan.
2. The Central Securities Depository carries out activities aimed at strengthening of ties with foreign depositories and global custodians and is a fully entitled and/or associate member of such international organizations as the European Central Securities Depositories Association, Asia-Pacific Central Securities Depositories Association, Association of Eurasian Central Securities Depositories, International Organization of Securities Commissions.
3. The Central Securities Depository's mission is to support further development of the stock market in the Republic of Kazakhstan. In the framework of this mission, the Central Securities Depository will focus on the transformation from a local central depository into a regional record-keeping and settlement hub offering a wide range of services and platforms for investors and issuers which will bring the Kazakhstan stock market to a whole new level of development.

Article 8. Customer Focus

1. The Central Securities Depository follows the principles of integrity, transparency and justice in relation to its customers, because the customer relations are the backbone of the Central Securities Depository's business.
2. The Central Securities Depository provides services in a professional and timely manner in accordance with high quality standards, promptly responding to all customer inquiries and making the services more accessible.
3. The Central Securities Depository guarantees protection and confidentiality of information about its customers, providing access to it for the employees with relevant powers.

Article 9. Risk Management and Internal Control

1. The Central Securities Depository takes measures to manage not only the strategic and financial risks, but also the sustainable development risks, including reputational risks.
2. The risk management and internal control system of the Central Securities Depository provides for reliable policies, standards and management systems, as well as functioning of the committees under the Board of Directors that ensure ongoing identification, assessment, management, analysis and reporting of the risks and opportunities.
3. The Board of Directors' Committee for Strategy, Risks, Human Resources, Remuneration and Social Issues supports the Board of Directors and the Management Board in the qualitative identification of risks and threats, and prompt adoption of mitigation measures.
4. The Board of Directors' Audit Committee assists the Board of Directors in the assessment of the Central Securities Depository's risk management system efficiency, supports the Management Board in the identification of breaches and violations, and their prompt rectification.
5. One of the main areas of the Central Securities Depository's development strategy is further improvement of the risk management and internal control system aimed at bringing it in compliance with the world's best practices.

Article 10. Financial Sustainability

1. The Central Securities Depository attaches great importance to ensuring its financial stability and business continuity. In this respect, the Central Securities Depository implements, on a continuous basis, the procedures for monitoring and control of financial stability indicators, plans and procedures for ensuring business continuity in accordance with the best international practice.
2. The Central Securities Depository has approved and updates the Central Securities Depository's internal documents that govern financial sustainability issues.

Article 11. Anti-Corruption and Anti-Money Laundering/Combating the Financing of Terrorism

1. Within its commitment to the UN Global Compact principles, the Central Securities Depository is governed, specifically, by the anti-corruption principle. The Central Securities Depository does not tolerate any forms of corruption and bribery.
2. Each employee of the Central Securities Depository bears personal liability for compliance with requirements of the Central Securities Depository's internal documents that govern anti-corruption issues. For each case of corruption and bribery committed by employees of the Central Securities Depository or other related persons, consistent and immediate measures (including dismissal and prosecution) can be taken on proven facts of involvement in corruption and bribery, regardless of the position held or length of service.
3. The Central Securities Depository fulfills its AML/CFT obligations in accordance with the procedure provided for by the laws of the Republic of Kazakhstan and the Central Securities Depository's internal documents that govern anti-corruption issues, and expects the same from its contracting parties.
4. One of the main areas of the Central Securities Depository's development strategy is further improvement of the compliance control procedures.

Article 12. Stakeholder Engagement

1. This Policy is built upon the Central Securities Depository's engagement with the following stakeholders:
 - 1) shareholders;
 - 2) employees;
 - 3) existing and potential customers;
 - 4) contracting parties;
 - 5) the government;
 - 6) the society;
 - 7) other categories/groups of stakeholders.
2. The Central Securities Depository places emphasis on the open, constructive and consistent dialogue with the stakeholders built upon the following principles:
 - 1) transparent and honest interaction with the stakeholders, consideration of their opinions and interests in the process of making business decisions;
 - 2) incorporation of the stakeholder feedback in the long-term plans and development strategies of the Central Securities Depository;

- 3) regular provision of reliable, high-quality and unbiased information to the stakeholders, and reporting on the Central Securities Depository's performance;
 - 4) recognition of new risks that may arise in the time of dynamic environmental and social changes;
 - 5) identification of new opportunities for creation of the shared value in a more sustainable future.
3. To ensure higher transparency of the Central Securities Depository's activities and improve the stakeholder engagement, the Central Securities Depository's development strategy provides for further improvement of the information disclosure system in accordance with the world's best practices.
 4. The guiding principles of the Central Securities Depository's engagement with the stakeholders are described in the Central Securities Depository's internal documents that govern stakeholder engagement issues.

Article 13. Expectations from the Contracting Parties of the Central Securities Depository

1. The Central Securities Depository strives to promote the generally recognized sustainable development principles shared by the Central Securities Depository among its contracting parties, and supports such cooperation principles as fair competition, commitment to responsible and fair business practices, respect of the laws and rules of conduct, commitment to the highest standards of corporate governance.
2. The Central Securities Depository encourages environmental friendliness by its contracting parties and expects from them implementation of measures and initiatives that contribute to raising the environmental responsibility and awareness.
3. The Central Securities Depository expects from its contracting parties that they will carry out their activities, including when interacting with government bodies and public officials, in strict compliance with the anti-corruption laws of the Republic of Kazakhstan and business ethics and compliance requirements.
4. The Central Securities Depository sets strict requirements to the integrity of potential and existing contracting parties and expects them to assist in due diligence, and providing accurate information, as necessary, in response to requests at any stage of business relations.
5. The Central Securities Depository expects that the above principles will contribute to the creation, development and support of partnerships that ensure mutually beneficial cooperation.

Chapter 4. ENVIRONMENTAL IMPACT MANAGEMENT

Article 14. Environmental Impact Mitigation

1. The Central Securities Depository hereby declares its commitment to contribute to mitigation of adverse environmental impact through optimization of electric power, thermal energy and water consumption in the process of its activities.
2. In order to raise the environmental awareness of its employees, the Central Securities Depository trains and encourages employees for careful treatment of environment, encourages minimization of transport needs and, if possible, using the transport with the least carbon emissions, including public or corporate vehicles, using bikes for daily commuting and shared use of cars.

Article 15. Green Office Concept

1. The Central Securities Depository strives to rational use of resources and mitigation of adverse environmental impact. For this purpose, the Central Securities Depository considers the possibility of greening of its offices based on the modern concept of green office.
2. The Central Securities Depository declares its intent to implement the green office concept stage by stage, and commits to take its best and reasonable efforts to reduce the need in resources, energy, heat and water, e.g.:
 - 1) to implement highly efficient energy saving technologies and office equipment;
 - 2) to reduce consumption of office paper through the use of the electronic document flow system and double-sided printing;
 - 3) to reduce consumption of other materials used in the Central Securities Depository's activities, as well as waste generation;
 - 4) to implement automatic lighting control (motion and presence sensors, daylight sensors);
 - 5) to reduce the use of household detergents containing chlorine and organochlorine compounds, phosphates and phosphonates;
 - 6) to refuse the use of plastic and other disposable tableware;
 - 7) to organize separate collection of waste and its removal for processing and disposal;
 - 8) to install ecoboxes to collect clothing and batteries.
3. The Central Securities Depository takes its best and reasonable efforts aimed at increasing the level of greening of its offices and adjacent territory, including:
 - 1) conducting explanatory conversations among employees about the need to save office resources and reduce energy, heat and water consumption;

- 2) holding regular community clean-up days with employees and key management personnel;
- 3) holding annual/quarterly events for planting greenery in the offices and the adjacent territory;
- 4) arranging other activities aimed at implementing the green office concept.

Article 16. Responsible (Green) Procurement

1. The Central Securities Depository carries out procurement in accordance with the laws of the Republic of Kazakhstan.
2. The Central Securities Depository strives to follow the green procurement principles and increase the use of environmentally friendly products and services, e.g.:
 - 1) to switch to recycled paper for office use;
 - 2) to refuse the purchase of goods, items and equipment made of polyvinyl chloride (PVC);
 - 3) to purchase goods and products with environmental certification.

Chapter 5. RESPONSIBLE LABOUR AND SOCIAL POLICY

Article 17. Sustainable Development and Stakeholder Exposure

1. Facilitating the development of a financial market of the Republic of Kazakhstan characterized by transparency, security and integrity is a mission of the Central Securities Depository and its most important contribution to the development of Kazakhstan's society.

The Central Securities Depository strives to contribute to sustainable development of the financial market in the Republic of Kazakhstan, and assumes liability for the conduct of its employees in the course of performance of their job duties in accordance with the laws of the Republic of Kazakhstan.
2. The Central Securities Depository encourages voluntary participation of employees in charitable events and providing of reasonable aid and support to socially vulnerable population groups.
3. The Central Securities Depository provides financial aid to charity institutions that help severely ill children, and strives to provide aid to other socially vulnerable population groups.

Article 18. Decent Working Conditions

1. The Central Securities Depository treats its employees as its key value by creating the favourable working conditions and ensuring occupational health and safety, which is reflected in the Central Securities Depository's

internal documents that govern staff policy and safety issues. To this effect, the Central Securities Depository implements advanced and high-tech solutions in equipment selection and furnishing of the offices to facilitate performance of tasks by the employees.

2. In accordance with the Central Securities Depository's internal documents that govern staff policy and remuneration issues, the Central Securities Depository recognizes the employees' right to fair remuneration, social security and proper working conditions, observes them and promotes the exercise of these rights.
3. The Central Securities Depository complies with the labour laws of the Republic of Kazakhstan, specifically, with regard to the working hours, and encourages employees to maintain the work-life balance.

Article 19. Inclusion and Diversity

1. This Policy is based on the generally recognized non-discrimination laws and principles, and is meant to place an emphasis on the Central Securities Depository's commitment to inclusion, gender, ethnic and cultural diversity.
2. The Central Securities Depository hires competent professionals and focuses on maintaining their high motivation and working capacity. The Central Securities Depository's internal documents that govern staff policy issues formulate the Central Securities Depository's commitment to guarantee fair and inclusive conditions, decent remuneration, equal employment and promotion opportunities, bonus payment and other employment conditions.
3. The Central Securities Depository guarantees enabling the employees to participate in all work processes, projects and initiatives of the Central Securities Depository.

Article 20. Human Capital Development

1. The Central Securities Depository follows the principle of continuous development of its employees, and actively supports their professional and personal growth. To this effect, the Central Securities Depository has implemented and successfully applies the employee training and development system. In accordance with the Central Securities Depository's internal documents that govern staff policy issues, a special emphasis is given to formation of a talent pool and development of the key management personnel.
2. The Central Securities Depository continuously analyzes and improves the human resources management processes, and engages the resources necessary to launch new products and innovations in the Central Securities Depository's activities, with due consideration for the needs of all stakeholders.

3. The Central Securities Depository provides opportunities for training, professional development and re-training for its employees in order to improve their competitive advantages, productivity and efficiency.
4. The Central Securities Depository provides promotion and rotation opportunities for its employees, encouraging initiation, implementation and launch of new products and ideas, and enabling them to work in different product teams for efficient achievement of the business results.
5. The Central Securities Depository develops the mentorship and sharing of expertise by the experienced employees with newcomers in order to retain and enrich the institutional knowledge of the Central Securities Depository.
6. The Central Securities Depository organizes exchange of experience with other central depositories and global custodians with the purpose to update the knowledge, and raise employee awareness of the best practices and advanced achievements in their profession.
7. For the purpose of implementation and communication of this Policy to the employees, the Central Securities Depository supports education and involvement of the employees in the activities aimed at sustainable development of the Central Securities Depository.

Chapter 6. ESG REPORTING

Article 21. Commitment to ESG Reporting

1. The Central Securities Depository recognizes importance of monitoring and preparation of reporting on sustainable development performance.
2. Following the principles of operation transparency, and considering the interests of all stakeholders, the Central Securities Depository conducts regular monitoring and assessment of its performance for compliance with the sustainable development requirements, and commits to disclose such information reliably and in a timely manner in the ESG Report which shall be prepared, approved and disclosed in accordance with the established procedures.

Article 22. Requirements to the ESG Report

1. The ESG Report is prepared in accordance with the applicable laws and, in the absence of the effective legal instruments, based on the national and international standards and requirements to disclosure of sustainable development information.
2. The ESG Report contains information on the Central Securities Depository's activities and initiatives in three areas: environmental, social and governance.
3. The part of the ESG Report relating to environmental protection initiatives contains responses to the following questions:
 - 1) the way the Central Securities Depository deals with climate change;

- 2) efforts taken by the Central Securities Depository to save the resources, and use them rationally in its activities.
4. The part of the ESG Report relating to social protection initiatives contains responses to the following questions:
 - 1) efforts taken by the Central Securities Depository to improve the working conditions of employees;
 - 2) efforts taken by the Central Securities Depository to motivate employees and encourage their engagement in the working process;
 - 3) involvement of the Central Securities Depository in public life;
 - 4) the way the Central Securities Depository supports inclusion and diversity.
5. The part of the ESG Report relating to the governance standards contains responses, specifically, to the following questions:
 - 1) the way the Central Securities Depository supports sustainable development of the economy and financial system of the Republic of Kazakhstan;
 - 2) the way the Central Securities Depository manages stakeholder engagement;
 - 3) measures and internal controls in place at the Central Securities Depository for corruption prevention;
 - 4) the way the Central Securities Depository manages non-financial risks;
 - 5) the Central Securities Depository's internal documents that ensure compliance with the corporate governance requirements and standards;
 - 6) whistleblowing procedures applied by the Central Securities Depository.
6. The ESG Report approved by the Board of Directors is subject to annual publication on the Central Securities Depository's website as a part of the Central Securities Depository's annual report in Kazakh, Russian and English.

Article 23. Final Provisions

1. The provisions of this Policy apply to the Board of Directors members, key management personnel and other employees of the Central Securities Depository, also in respect of stakeholder engagement, in the process of planning and performance of activities, adoption and implementation of decisions, development of the Central Securities Depository's internal documents, information disclosure and other communications.
2. This Policy does not contain information that constitutes a trade secret, and is published on the Central Securities Depository's official website.
3. For the purpose of implementation of this Policy, the Central Securities Depository develops a sustainable development action plan for three years

(with a yearly breakdown) containing information on sustainable development activities, metrics, implementation deadlines and responsible persons, as well as other internal documents that govern individual issues in the main areas of sustainable development not contradicting this Policy.

4. This Policy is to be revised by the responsible employees to determine if it needs to be updated at least once every three years. Following the above revision, the Management Board develops amendments to this Policy necessary for its updating or prepares a statement that there is no need to update this Policy.

Irrespective of the revision results in accordance with the first paragraph of this clause, information on the results shall be brought to consideration by the Board of Directors' committee in charge of the task and competent in the issues covered by this Policy. Upon consideration of the above issue, the Board of Directors' committee recommends to the Board of Directors to approve the amendments to this Policy necessary for its updating or agrees with the statement of the Central Securities Depository's Management Board that there is no need to update this Policy.

Chairman of the Management Board

Adil Mukhamejanov