



GFC Green
Finance
Centre

**EXTERNAL REVIEW
IN THE FORMAT OF
SECOND PARTY OPINION**

NOVEMBER · 11 · 2021

EXTERNAL REVIEW IN THE FORMAT OF SECOND PARTY OPINION

ON COMPLIANCE OF THE GREEN FINANCE FRAMEWORK OF THE SAMRUK-ENERGY JSC WITH THE GREEN BOND PRINCIPLES OF THE INTERNATIONAL CAPITAL MARKET ASSOCIATION

November 11, 2021

EXECUTIVE SUMMARY

Opinion on compliance / non-compliance of the Issuer's Green Finance Framework with the Green Bond Principles



We believe that the Green Finance Framework of the Samruk-Energy JSC complies with the Green Bond Principles of the International Capital Market Association.

Opinion on assigning a degree of alignment with the Green Bond Principles ranging from "Excellent" (High) to "Poor" (Low).



In accordance with the results of the assessment, as well as in accordance with the Grading Scale for the Level of Alignment with the Green Bond Principles, we assigned the degree of compliance "Excellent" meaning that Samruk-Energy JSC demonstrates an excellent level of proceeds management and allocation, eligible project selection, quality of proceeds administration, as well as reporting and disclosure on ongoing projects of environmental significance.

Samruk-Energy joint-stock company (hereinafter referred to as "the Samruk-Energy JSC", "the Company" or "the Issuer") is a holding company, which manages energy assets in the Republic of Kazakhstan, was established on May 10, 2007, to implement a long-term state policy on retrofit of existing and commissioning of new generating facilities. The sole shareholder of the Company as of August 2018 is the Sovereign Wealth Fund "Samruk-Kazyna" JSC.

The core businesses of the Samruk-Energy JSC group of companies are production of electricity, heat and hot water using coal, hydrocarbons and water resources and sale of electricity to the public and industrial enterprises, transportation and distribution of electricity in grid, construction and operation of hydropower plants and thermal power plants, renewable energy facilities, coal mining, as well as rental of property complexes of hydropower plants.

Samruk-Energy JSC group of companies include the largest generating companies, including plants of national importance, such as Ekibastuz SDPP-1 and SDPP-2, hydropower plants in the southern regions of the country – Shardarinsk and Moynak HPP, the largest coal mining enterprise in Kazakhstan Bogatyr Komir LLP, renewable energy generating facilities – wind and solar power plants, as well as regional distribution network and a sales company.

Its mission is to create shareholder value, meet the growing demand through reliable supplies of energy resources, high-tech development, while relying on the principles of sustainable development.

Vision is an efficient high-tech operating energy company – the leader of Kazakhstan power industry.

Achievement of the mission and vision of the company will be ensured through the implementation of three strategic goals, including:

1. Ensuring reliable competitive energy supply in the markets of presence;
2. Increase of cost of the share capital;
3. Sustainable development.

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1. METHODOLOGY OF THE AIFC GREEN FINANCE CENTRE LTD. ON PREPARATION OF AN EXTERNAL REVIEW

Methodology of the AIFC Green Finance Center Ltd. (hereinafter referred to as “the GFC”) shall be employed for the preparation of an External Review (Second Party Opinion) for compliance of Green Bonds, including the Issuer's Green Bond Framework, with the Green Bond Principles (hereinafter referred to as “the GBP”, or “the Principles”). The Principles are formulated by the International Capital Market Association (hereinafter referred to as “the ICMA”).

The preparation of the External Review includes the study of the Issuer's relevant documentation, regulatory documents, reports and presentations, if any, as well as other publicly available information that may provide a description, details on and confirmation of compliance of processes involved in the implementation of the Company's policies for Green Bonds and environmental, social and sustainability issues in general. The information used for these purposes is obtained through direct interaction with the Issuer and/or from any open sources that the GFC considers reliable.

In the External Review the GFC expresses its opinion according to criteria-based assessments in the following order:

1. Opinion on compliance/non-compliance of the Issuer's Green Bond Framework with the GBP. *Minimum threshold levels for all assessment criteria need to be met all at once for us to confirm that the Issuer's Green Bond Framework is in line with the GBP.*
2. Opinion on assigning a degree of alignment with the GBP ranging from “Excellent” (High) to “Poor” (Low). *Here, the assessment is carried out by calculating a weighted criterial grade depending on the significance of criteria. This opinion serves as additional information and is aimed at establishing a degree of alignment with the GBP. According to this methodology, any degree of alignment other than “Poor” (Low) should be considered consistent with the GBP.*

In preparing the External Review, four criteria are assessed:

1. Use of Proceeds;
2. Process for Project Evaluation and Selection;
3. Management of Proceeds;
4. Reporting and Disclosure.

For a positive opinion to be provided regarding the compliance of the Issuer's Green Bond Framework with the GBP, this methodology establishes a grade threshold for each assessed criterion at “3” at the least. If these requirements are met, in our opinion, the Issuer's Green Bond Framework will comply with the GBP. If these conditions are not met, we shall conclude that the Issuer's Green Bond Framework does not comply with the GBP and issue a respective opinion.

The assessment of Green bonds in terms of their level of alignment with the GBP can vary from “Excellent” (High) to “Poor” (Low). If minimum grade conditions are not met for the criteria, the grade is set as “Poor” (Low).

Grading Scale for the Level of Alignment with the GBP

<i>Threshold Grade</i>	<i>Degree</i>	<i>Definition</i>
High > 4.5	Excellent	Proceeds from the issuance of Green Bonds are most likely to be used for the implementation of Green Projects. The Green Bonds Issuer demonstrates an excellent level of proceeds management and allocation, eligible project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental significance
Average 3,5 – 4,5	Good	Proceeds from the issuance of Green Bonds are very likely to be used for the implementation of Green Projects. The Green Bonds Issuer demonstrates a good level of proceeds management and allocation, eligible project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental significance
Satisfactory 3 – 3,5	Satisfactory	The likelihood that proceeds from the issuance of Green Bonds will be directed to the implementation of Green Projects, is at an average level. The Green Bonds Issuer demonstrates a satisfactory level of proceeds management and allocation, eligible project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental significance
Low < 3	Poor	The likelihood that proceeds from the issuance of Green Bonds will be directed to the implementation of Green Projects, is at a low level. The Green Bonds Issuer demonstrates a poor level of proceeds management and allocation, eligible project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental significance

The prepared External Review is submitted to the Issuer, after which it is to be publicly disclosed. Public disclosure is carried out through the publication of the External Review on the website of the AIFC Green Finance Center Ltd. - <https://gfc.aifc.kz/>, and can also be communicated through a press release via news services and/or relevant web sources.

2. BRIEF DESCRIPTION OF THE GREEN FINANCE FRAMEWORK AND OTHER STRATEGIC DOCUMENTS OF THE COMPANY

BUSINESS OVERVIEW

Samruk-Energy JSC is a holding company, which manages energy assets in the Republic of Kazakhstan, was established on May 10, 2007, to implement a long-term state policy on retrofit of existing and commissioning of new generating facilities. The sole shareholder of the Company as of August 2018 is the Sovereign Wealth Fund “Samruk-Kazyna” JSC.

The core businesses of the Samruk-Energy JSC group of companies are production of electricity, heat and hot water using coal, hydrocarbons and water resources and sale of electricity to the public and industrial enterprises, transportation and distribution of electricity in grid, construction and operation of hydropower plants and thermal power plants, renewable energy facilities, coal mining, as well as rental of property complexes of hydropower plants.

Samruk-Energy JSC group of companies include the largest generating companies, including plants of national importance, such as Ekibastuz SDPP-1 and SDPP-2, hydropower plants in the southern regions of the country – Shardarinsk and Moynak HPP, the largest coal mining enterprise in Kazakhstan Bogatyr Komir LLP, renewable energy generating facilities – wind and solar power plants, as well as regional distribution network and a sales company.

The Company's mission is to create value for shareholders, to meet the growing demand through reliable supplies of energy resources, high-tech development, guided by the principles of sustainable development, whereas a vision is to become an efficient high-tech operating energy company – the energy leader of Kazakhstan.

Achievement of the mission and vision of the company will be ensured through the implementation of three strategic goals, including:

1. Ensuring reliable competitive energy supply in the markets of presence;
2. Increase of cost of the share capital;
3. Sustainable development.

To fulfill Company's strategic goals, the Company will focus on the implementation of four strategic initiatives, such as:

1. Increase the profitability of sales;
2. Increasing the efficiency of activities;
3. Effective implementation of investment programs;
4. Corporate governance and sustainable development.

Moreover, the Guide in the field of sustainable development of Samruk-Energy JSC was developed as of June 26, 2019 and approved by the decision of the Board of Directors (Protocol №06/19) in order to implement a system of planned and continuous adherence to the principles of sustainable development, to develop an effective system of interaction with stakeholders, to confirm the Company's commitment to follow standards in the field of sustainable development, as well as to ensure a long-term sustainable trend of improving key indicators, observing the balance of interests of stakeholders.

According to this Guide, the principles of sustainable development should be implemented in the context of three levels:

- Strategic integration – the principles of sustainable development are implemented in Strategy (mission, values and strategic goals);
- Operation integration – all corporate decisions are made by the Company's management based on the criteria of compliance with the principles and goals in the field of sustainable development;

- Cultural integration is implemented within the framework of training, posting articles on the corporate portal of the Company, as well as within the framework of the Code of Conduct.

The Company will implement sustainable development initiatives in different areas, including environmental sustainability, which is described as:

- the search for and implementation of the best environmental and economic technologies, improvement of production processes, implementation of projects using RES, the identification and prevention of potential emergencies. The company will ensure adherence to the principles of the "green" economy and implement activities and indicators of the Concept for transition of the Republic of Kazakhstan to "green economy".

Moreover, to implement the long-term development strategy of the Company in the field of environmental protection as one of the three directions of sustainable development, the Company developed and approved by the decision of the Board of Directors (Protocol №13/19) as of December 25, 2019, the Environmental Policy of Samruk-Energy JSC. Mainly, the purpose of the Environmental Policy is to ensure environmental safety by minimizing the impact on biological and physical nature systems, the optimal use of limited resources, the use of eco-friendly, energy- and material-saving technologies, creating environmentally friendly goods, minimization, recycling and waste disposal.

The Company determines the main priorities of the Environmental Policy as follows:

1. priority of environmental safety as an integral part of the national security;
2. responsibility for ensuring the protection of the environment in the development of electricity in the regions of the Republic of Kazakhstan;
3. priority of preventive measures to eliminate the negative environmental impacts;
4. priority to the implementation of the best available technologies in comparison with efforts to minimize the environmental damage from existing equipment.

For the implementation of the priorities of the Environmental Policy, the Company intends to provide:

1. openness and accessibility of environmental information, immediate notification of all interested parties of accidents, their environmental consequences and measures to eliminate them;
2. an assessment of the environmental impact of any planned economic activity, considering the alternatives and selecting the best projects from the environmental and economic point of view;
3. creation of conditions for the progressive reduction of the negative impact of production processes and products on the climate, air, water and soil, improving the health of personnel and the population living in the zone of influence of the Company's S&As to preserve the economic potential, employment and social security of personnel;
4. reduction of the impact on the environment by finding and implementing the best from an environmental and economic point of view, technologies, optimization of production processes, identifying and preventing potential accidents;

5. implementation of investment projects to minimize the risk of negative impact on the environment at all stages, including natural objects and objects of increased vulnerability, protection and preservation of which is of particular importance;
6. reduction of energy consumption and emissions volume per unit of output;
7. insurance of high environmental risks;
8. conducting staff trainings under the programs, which contribute to the strengthening of the level of their environmental consciousness and awareness.
9. International cooperation in the use of clean and energy-efficient technologies and the promotion of research of influence of energy facilities on the environment and climate change.

ABOUT THE COMPANY'S GREEN FINANCE FRAMEWORK

With the aim to ensure transparency of investment attraction processes through green financing instruments, such as Green Bonds and Green Loans the Company developed the Green Finance Framework (hereinafter referred to as "the GFF") in accordance with the GBP of the ICMA and the Green Loan Principles (hereinafter referred to as "the GLP") of the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association.

The GFF is based on the four core components of the GBP and the GLP:

1. Use of Proceeds;
2. Process for Project Evaluation and Selection;
3. Management of Proceeds;
4. Reporting.

The GFF also describes how the Company supports and contributed to the achievement of the United Nations Sustainable Development Goals (SDGs).

USE OF PROCEEDS

The Company declares that the proceeds or an equivalent amount from Green Bonds or Green Loans will be exclusively applied to finance or re-finance, in part or in full, eligible Green Projects, and provide clear environmental benefits, which will be assessed, and where feasible quantified by the Company. All eligible Green Projects categories are described in the GFF. In case if Green Projects corresponds to eligible Green Projects categories, but not included in the GFF, additional Second Party Opinion for such Green Projects will be provided, if necessary. Additional categories of eligible Green Projects and eligibility criteria can be described in the legal documentation of the security as well as in finance documents.

The Company also stipulated in its GFF exclusionary criteria, according to which the proceeds from the issue of Green Bonds or from attracted Green Loan will not be directed for activities prohibited by the legislation of the Republic of Kazakhstan.

PROCESS FOR PROJECT EVALUATION AND SELECTION

With the aim of Green Projects evaluation and selection the Company created a Working Group on Green Finance (hereinafter referred to as “the Working Group”). The Working Group consist of representatives from the following structural units of the Company:

- Treasury and Corporate Finance Department;
- Corporate Governance and Sustainable Development Department;
- Project Portfolio Management Office (depending on the project);
- Capital Construction and Overhaul Management Department (depending on the project);
- Investment Analysis Department (depending on the project);
- RES and Distribution Department (depending on the project);
- Generation and Fuel Department (depending on the project);
- Production Efficiency Department (depending on the project);
- Strategic Planning and Economic Analysis Department;
- Labor Safety and Environmental Protection Department.

Other structural units and external experts may also be included in the Working Group, if necessary.

Thus, the Working Group is responsible for Green Projects evaluation and selection process, and recommendations prepared by the Working Group are subject to approval by the authorized body of the Company. Moreover, the Working Group will carry out quarterly control of the total volume of assets in the portfolio of Green Bonds and Green Loans of the Company, as well as overseeing the implementation of the GFF.

The Company may have a single portfolio of eligible Green Projects within the Green Bonds issues or attracted Green Loans.

MANAGEMENT OF PROCEEDS

The net proceeds from the issue of Green Bonds or from attracted Green Loans are reflected in the Company’s management reports for the purpose of separate accounting and control of the use of proceeds from green financing. All eligible Green Projects will be moved to a separate asset portfolio and labelled as Green Bonds and Green Loans of the Company. The Company’s portfolio of Green Bonds and Green Loans is dynamic with the repayment of eligible Green Projects and the addition of new ones.

The Working Group will quarterly monitor the total amount of assets in the Company’s Green Bonds and Green Loans asset portfolio to ensure that it is equal to or exceeds the total amount of proceeds received from the issuance of Green Bonds and attracted Green Loans.

If for any reason the total amount in the portfolio of assets of Green Bonds and Green Loans is less than the total amount of outstanding issued Green Bonds or attracted Green Loans of the Company, the Company will retain the undistributed amount in accordance with the Instructions for the Placement and Accounting of Temporarily Free Funds of Samruk-Energy JSC approved by the decision of the Management Board as of August 15, 2016 (Protocol

№15) until the amount is transferred to the portfolio of assets of Green Bonds and Green Loans.

The Company has the right to involve external auditors to confirm the reliability of revenue recognition and the reliability of cash flows within the proceeds management process at the stages of submitting annual financial statements.

REPORTING

The Company intends to provide and keep publicly available annual updated reports on issued Green Bonds and attracted Green Loans from the date of issue or attraction until full repayment and in case of any significant changes. These reports will be published on the official website of the Company: <https://samruk-energy.kz/ru/> and may include but not limited to:

- Use of Proceeds Report:
 - a. Net proceeds received from each Green Bond or from each attracted Green Loan;
 - b. Total amounts of funds allocated for each eligible Green Projects category;
 - c. Balance of retained earnings at the end of the reporting period.
- Impact Report.

Where possible, the Company will provide additional information and examples of eligible Green Projects financed or refinanced through Green Bonds and/or Green Loans, including quantitative performance indicators. Disclosure of information related to the use of proceed, impact reporting, as well as projects financed or refinanced, is subject to review in accordance with the Company's obligations regarding confidentiality and availability of such information.

The Company retains the right to provide any type of external review: Second Party Opinion, Verification, Certification and Rating.

The first annual report on use and management of proceeds will be reviewed and signed by an independent auditor to confirm the green status of the Green Bonds or Green Loans. This may be done in the form of a letter signed by an independent reviewer and may also include a statement from the independent auditor regarding the use of proceeds.

External reviews and annual reports on issued Green Bonds or attracted Green Loans will be published on the Company's website from the moment of issue / attraction until the maturity of Green Bonds or Green Loans.

3. EVALUATION OF THE COMPANY'S GREEN FINANCE FRAMEWORK AND OTHER DOCUMENTS

In this section, we describe the assessment of the GFF and other relevant documents of the Company for compliance with the GBP in accordance with the Methodology for preparing an external assessment of the AIFC Green Finance Centre Ltd. The information used for these purposes was obtained by means of direct interaction with the Issuer.

GENERAL ASSESSMENT AND DETERMINATION OF THE DEGREE OF COMPLIANCE

The Issuer confirmed that the funds raised from the placement of Green Bonds will be used for financing or refinancing, in part or in full, eligible Green Projects. The categories of eligible Green Projects correspond to the GBP and contribute to environmental objectives. The project evaluation and selection process and the management of proceeds also correspond to a core component of the GBP. Reporting and disclosure of information on the use of proceeds and on the expected impact of the implemented projects will be provided on an annual basis and are subject to publication on the official website of the Company for public access.

1. Opinion on compliance/non-compliance of the Issuer's Green Finance Framework with the GBP. Based on the evaluation for meeting the minimum threshold levels for all assessment criteria, we determined that the Issuer's GFF meets the mandatory and partially additional values of the criteria, and accordingly we believe that the Green Finance Framework of the Samruk-Energy JSC complies with the Green Bond Principles of the International Capital Market Association.
2. Opinion on assigning a degree of alignment with the GBP ranging from "Excellent" (High) to "Poor" (Low). In accordance with the results of the assessment, as well as in accordance with the Grading Scale for the Level of Alignment with the GBP we assigned the degree of compliance "Excellent" meaning that Samruk-Energy JSC demonstrates an excellent level of proceeds management and allocation, eligible project selection, of quality of proceeds administration, as well as of reporting and disclosure on ongoing projects of environmental significance.

Grading Scale for the Level of Alignment with the GBP

<i>Threshold Grade</i>	<i>Degree</i>	<i>Definition</i>
High > 4.5	Excellent	Proceeds from the issuance of Green Bonds are most likely to be used for the implementation of Green Projects. The Green Bond Issuer demonstrates an excellent level of proceeds management and allocation, eligible project selection, quality of proceeds administration, as well as reporting and disclosure on ongoing projects of environmental significance

EVALUATION OF THE CRITERION – USE OF PROCEEDS

In the Company's GFF and offer document is defined that proceeds from the placement of Green Bonds will be used for financing or refinancing, partially or fully, eligible Green Projects, which contribute to environmental objectives. Eligible Green Project categories are consistent with the GBP.

The indicators listed below reflect our assessment of the criterion "Use of Proceeds".

Indicators of the “Use of Proceeds” criterion:

<i>Indicator</i>	<i>Characteristic of the indicator (permissible, mandatory indicator, not recommended)*</i>	<i>Grade</i>
1. 100% of raised funds are allocated to implementing and financing/refinancing of Green Projects that bring environmental benefits and are evaluated by the Issuer for compliance with the eligible project categories in line with the GBP with regard to their qualitative and/or quantitative characteristics	Permissible	5

* - the fulfillment of the minimum requirement for the criterion "Use of Proceeds" is the fulfillment of the indicators "mandatory" or permissible.

EVALUATION OF THE CRITERION – PROCESS FOR PROJECT EVALUATION AND SELECTION

The strategy, policies and objectives of the Issuer corresponds to the GBP and allow assessing the decision-making process in the Company.

The Company created a Working Group on Green Finance responsible for Green Projects evaluation and selection process, which consists of permanent and non-permanent members of corresponding structural units depending on the project needs. Moreover, the Working group will prepare recommendations, which are subject to approval by the authorized body of the Company.

Additionally, the Green Projects planned for financing will also undergo other internal evaluation and selection procedures established in the Company.

Within the Investment Policy of the Samruk-Energy JSC approved by the decision of the Board of Directors as of June 26, 2019 (Protocol №06/19) the Issuer implements risk management procedures, in particular, the Company uses such instruments as Risk Appetite Statement, benchmarking, KPI system, risk coefficients, scenario analysis, target portfolio of investment projects, investment criteria, modelling by the Monte Carlo, PESTEL, SWOT methods and others.

The indicators listed below reflect our assessment of the criterion “Process for Project Evaluation and Selection”.

Indicators of the “Process for Project Evaluation and Selection” criterion are listed below:

<i>Indicator (Subfactor)</i>	<i>Score</i>
1. Disclosure by the issuer of information in the context of its goals, policies, strategies and processes related to sustainable development in environmental aspects, including goals to achieve improvements in the ecological environment, as well as the issuer’s participation in various activities and initiatives that indicate commitment to the principles of sustainable development and improvements in the ecological environment	1

2. Disclosure by the issuer of the goals of issuing green bonds/projects with directions, terms, indicators of environmental effect	1
3. The issuer has an internal document defining criteria for the selection of projects of environmental orientation and the procedure of their assessment, selection and coordination with the issuer's governing bodies	1
4. Disclosure of the main methodologies and assumptions used in determining the compliance of projects with the categories of environmental projects, clear qualification criteria for selection, exclusion criteria or other procedures for identifying and managing significant environmental and social risks	0
5. The issuer has quality certificates for ongoing environmental projects or conclusions from leading international or independent Kazakhstani verifiers confirming the compliance of projects with the required environmental standards, including conclusions on compliance with the current regulatory requirements for infrastructure facilities prepared within the framework of the project documentation. The leading verifiers are those who have certificates and licenses to conduct expertise or proven experience in assessing environmental projects and / or compliance with investment requirements in the field of sustainable development	0
6. The Issuer has created a special subdivision, which, among other things, controls the selection and implementation of projects. The division's employees generally understand the tasks assigned to them, while some of them have experience in supporting green projects	0,5
7. Engaging an independent qualified party to make a decision on the selection of projects corresponding to the categories of environmental projects	0
8. The issuer has a policy for determining environmental risks either in the project documentation or in the policy for determining environmental risks, which discloses qualification criteria for determining environmental risks associated with the implementation of projects	0,5
Sum of scores	4
Final score	4

EVALUATION OF THE CRITERION – MANAGEMENT OF PROCEEDS

The Issuer's GFF provides that the management of proceeds raised from the Green Bonds issuance will be carried out following the GBP.

This implies that the net proceeds from the issue of Green Bonds will be moved to a separate asset portfolio and labelled as Green Bonds. So long as the Green Bond is outstanding, the balance of tracked net proceeds will be periodically adjusted to match allocations to eligible Green Projects.

In addition, the placement of unallocated net proceeds of Green Bonds will be carried out in accordance with the Instructions for the Placement and Accounting of Temporarily Free Funds of the Samruk-Energy JSC.

The indicators listed below reflect our assessment of the “Management of Proceeds” criterion.

Indicators of the “Management of Proceeds” criterion are listed below:

<i>Indicator (subfactor)</i>	<i>Score</i>
1. The net proceeds from the issuance of Green Bonds are credited to a sub-account or moved to a different portfolio or otherwise tracked by the issuer in an appropriate manner	1
2. The separate accounting method for the Green Bonds proceeds is clearly defined in the issuer’s documentation	1
3. The issuer, while the Green Bonds are outstanding, monitors the sub-account on an ongoing basis, and there is a procedure in place for excluding projects that become unfit from the portfolio	1
4. The issuer informs investors about the suggested instruments for temporary placement of unused Green Bonds proceeds	0,5
5. Clear rules in place for investing temporarily unused Green Bonds proceeds	0,5
6. Engaging an auditor or another third party to check the method for internal tracking of the intended use of Green Bonds proceeds	0,5
Sum of scores	4,5
Final score	5

EVALUATION OF THE CRITERION – REPORTING

The Information Policy of Samruk-Energy JSC was approved by the decision of the Board of Directors dated March 15, 2019, with the aim to increase the efficiency of the Company’s activities, strengthen trust between the Company and stakeholders, to create and increase the investment attractiveness of the Company by increasing its information openness and transparency. Thus, the Company confirms its continued readiness to follow the best standards of corporate governance in the field of information disclosure, adheres to such principles as reliability, openness, completeness, materiality, efficiency, responsiveness, regularity, confidentiality of information, accessibility and equality.

Adhering to its information policy, as well as in accordance with the GBP, the Issuer intends to provide and keep publicly available annual updated reports on use of proceeds and expected impact of projects until full allocation and in the case of any material developments. These reports will be published on the official website of the Company <https://www.samruk-energy.kz/ru/>.

Where feasible, the Company will provide information on list of the projects to which Green Bond proceeds will be allocated, as well as a brief description of the projects, the amounts allocated, and their expected impact.

The indicators listed below reflect our assessment of the “Reporting” criterion.

Indicators of the “Reporting” criterion are listed below:

<i>Indicator (subfactor)</i>	<i>Score</i>
1. The issuer provides a detailed report (with a list of projects) and disclosures after issuance in relation to the use of proceeds from the placement of Green Bonds*	1
2. Reporting includes the disclosure of information on the nature of investments and the expected environmental impact	1
3. The disclosed reports are to be issued at least once a year, and there is also a procedure for monitoring data accuracy	1
4. The issuer discloses information on the projects to which funds have been allocated, with a detailed breakdown by area (category), as well as on the environmental effect and implementation progress of individual projects	0,5
5. Methodologies in effect (or their drafts) and assumptions used to calculate environmental performance indicators are available	0
6. The issuer undertakes to engage independent qualified parties to evaluate its reporting on the implementation of the Green Bond Framework	0,5
Sum of scores	4
Final score	5

* Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the information may be presented by the Issuer in generic terms or on an aggregated portfolio basis

OPINION OF THE AIFC GREEN FINANCE CENTRE LTD.

1. We believe that the Green Finance Framework of Samruk-Energy JSC corresponds to the Green Bond Principles of the International Capital Market Association.
2. In accordance with the results of the assessment (the final weighted grade at the level of “4,8”), as well as the Grading Scale for the Level of Alignment with the GBP we assigned the degree of compliance “Excellent” meaning that Samruk-Energy JSC demonstrates an excellent level of proceeds management and allocation, eligible project selection, quality of proceeds administration, as well as reporting and disclosure on ongoing projects of environmental significance.

Grading Scale for the Level of Alignment with the GBP

<i>Threshold Grade</i>	<i>Degree</i>	<i>Definition</i>
High > 4.5	Excellent	Proceeds from the issuance of Green Bonds are most likely to be used for the implementation of Green Projects. The Green Bond Issuer demonstrates an excellent level of proceeds management and allocation, eligible project selection, quality of proceeds administration, as well as reporting and disclosure on ongoing projects of environmental significance

DISCLOSURE AND LIMITATIONS

An External Review (Second Party Opinion) reflects our opinion on the expected results from the issuance of Green Bonds and on the compliance of the Issuer's Green Bond Framework with the GPB. There is a likelihood of an inaccuracy in the final conclusion due to unforeseen changes in the economic environment and the financial market.

An External Review is an independent assessment carried out based on the information provided by the Issuer in line with the GFC's methodology, it does not disclose the Issuer's confidential information and is not an indication for any investment decisions.

An External Review may be updated after publication, with the reasons for such an update disclosed.

Aidar Kazybayev
CEO
AIFC Green Finance Centre Ltd.



11.11.2021