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INTRODUCTION

The Green Investment Group (GIG) methodology is intended to form an External Review on the compliance of the Issuer's Green Bond Framework with the Green Bond Principles (Second party opinion).

The External review is an independent assessment and expresses the opinion of GIG on the management, administration, distribution of bond proceeds, reporting and disclosure of information on green projects financed by the proceeds from the placement of green bonds.

Green bonds are bonds proceeds of which are directed exclusively to financing or refinancing (full or partial) of new and/or existing green projects of environmental importance, and which comply with the Green Bond Principles (GBP).

The GBP are the principles developed by the International Capital Market Association.

An external review expresses our assessment and our opinion regarding the Issuer's Green Bond Framework, but not regarding bond issuers. It is our independent opinion on the relative likelihood that the proceeds of the bonds will be invested in supporting environmentally worthwhile projects indicated by the Issuer, and the processes for managing and disclosing information on them are consistent with the GBP.

This methodology is intended to inform issuers, investors, financial intermediaries and other interested market participants about the process of preparing the External Review and the applicable GIG criteria for assessing and expressing opinions with respect to the Issuer's Green Bond Framework, sources of information, key criteria and indicators, as well as how they are evaluated and how an independent opinion is formed.

GENERAL PROVISIONS

This methodology is applied continuously until GIG approves its new version. A new version of the methodology can be adopted in relation with changes and additions to the GBP, as well as in connection with the appropriateness of such a decision, which can be based on research, technology development, and the green finance market as a whole.

The preparation of the External Review includes the study of relevant documentation, regulatory documents, reports and presentations of the Issuer, if any, as well as other publicly available

information, which may serve as a description, detail and confirmation of the conformity of processes with respect to the implementation of the Company's Green Bond Framework and in general to environmental issues. The information used for these purposes is obtained through direct interaction with the Issuer and/or from any open sources that GIG considers reliable.

The prepared External Review is submitted to the Issuer, after which it is subject to public distribution. Public distribution is carried out through the publication of the External Review on the Green Investment Group website - www.greeninvest.kz, and can also be distributed through a press release of news services and/or relevant web sources.

After the External Review has been published, the Green Investment Group may periodically update and revise it in order to monitor the use of proceeds, to report on the progress in achieving the initial plans for investments in the green project and their environmental impact, and to continue disclosing information by the Issuer if there is one.

EXTERNAL REVIEW PREPARATION PROCESS

Preparation of the External Review is carried out in several stages, which can be arbitrarily designated as follows:

1. Receiving incoming information from the Issuer:
 - Green Bond Framework;
 - Strategy, policy and reports in the field of environmental and sustainable development;
 - Other relevant documents which describe the Issuer's experience and approach in implementing green projects.
2. Criteria assessment and preparation of the draft External Review:
 - Use of Proceeds;
 - The Process of Evaluation and Selection of Projects;
 - Management of Proceeds;
 - Information Disclosure.
3. Clarifications with the Issuer on the draft External Review, if necessary.
4. Presentation of the External Review to the Issuer and publication on the website www.greeninvest.kz (Second party opinion).

CRITERIA FOR EVALUATION

In the External Review, GIG will express its opinion in the following order according to an assessment based on the criteria:

1. Opinion on compliance/non-compliance of the Issuer's Green Bond Framework with the GBP.

In this case, it is envisaged that threshold minimum indicators be met for all assessment criteria at the same time to confirm Issuer's Green Bond Framework, which complies with the GBP.

2. The opinion on assigning a degree (rating) of greenness from "Excellent (High)" to "Poor (Low)" according to the assessment criteria on our "Map for assigning a level of green" is possible from "Excellent" to "Poor".

In this case, an assessment is provided by calculating a "weighted estimate of the criteria" taking into account its significance. This opinion is additional information and is aimed at creating a GIG green rating. This rating should not be regarded as a credit rating, or any other that reflects the degree of creditworthiness or financial attractiveness and vice versa. So, according to this methodology, any degree of greenness, except "Poor (Low), should be considered consistent with the GBP.

An assessment of compliance with the following four criteria is made in preparing the External Review:

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

CRITERIA ASSESSMENT ALGORITHM

Each criterion is assessed on a scale from "1" to "5", except for the criterion "Use of Proceeds". Each indicator that is assessed as fulfilled gains "1" point, so if the overall assessment of the criterion is "5", then in this criterion all indicators are rated as positive, if "4" - 4 indicators are positively rated, and so on for this scheme.

The criterion "Use of Proceeds" is assessed according to the following algorithm: a rate of "5" corresponds to the performance of indicator 1, a rate of "4" corresponds to the performance of indicator 2 and so on.

For example, if >90% - 100% of the funds are allocated for the implementation of green projects (including related additional costs, such as research and development), which bring environmental benefits and are evaluated by the issuer in terms of qualitative and/or quantitative characteristics (Indicator 1) - then the assessment of the criterion «Use of Proceeds» will be equal to «5».

Further, to express a positive opinion on the compliance of the Issuer's Green Bond Framework with the GBP, the methodology provides a threshold value for assessing the criterion, which must be at least "3" (fulfilment of 3 indicators), where "mandatory indicators" must be met. "Mandatory indicators" must be met by all criteria. Then, in our opinion, the Issuer's Green Bond Framework will comply with the GBP. If at least one "mandatory indicator" is not met, we conclude that the Issuer's Green Bond Framework does not comply with the GBP and we will express a corresponding opinion.

To express an opinion on the degree (rating) of greenness from "Excellent (High)" to "Poor (Low)", the following algorithm for calculating criteria estimates are used. The calculation of "weighted estimates of the criterion" is made by multiplying the assessment of the criterion and its weight (significance). We have accepted that the significance of each assessment criterion corresponds to the following weight in the total assessment:

Criterion	Weight (significance) in total assessment:
<i>Use of Proceeds</i>	45%
<i>The Process of Evaluation and Selection of Projects</i>	20%
<i>Management of Proceeds</i>	15%
<i>Reporting and Disclosure</i>	20%

Following the threshold score obtained on the «Map assignment of the level of greenness» the weighted scores for all criteria are summarised to determine the degree of greenness:

Threshold Score	Score	Definitions
High >4.5	Excellent	The green bond issuer shows an excellent level of management, allocation of monies raised, project selection, quality of monies raised management, reporting and disclosure of information on ongoing projects of environmental importance
Average 3,5-4,5	Good	The green bond issuer shows a good level of management, allocation of monies raised, project selection, quality of allocation of monies raised management, reporting and disclosure of ongoing projects of environmental importance
Satisfactory 3-3,5	Satisfactory	The green bond issuer shows a satisfactory level of management, allocation of monies raised, selection of projects, quality of monies raised management, reporting

		and disclosure of ongoing projects of environmental importance
Low <3	Poor	The green bond issuer shows an unsatisfactory level of management, allocation of monies raised, selection of projects, quality of monies raised, reporting and disclosure of information on ongoing projects of environmental importance

Evaluation of green bonds by determining the level of greenness on a scale can range from «Excellent» (High) to «Poor» (Low). In the case of non-fulfilment of the conditions by the minimum criteria, the rating is set to “Poor” (Low).

CRITERIA AND ASSESSMENT INDICATORS

1. The criterion - Use of Proceeds

The use of green bond proceeds will be assessed for compliance with the adopted Green Bond Framework of the Issuer with the GBP for categories of eligible projects that address problem areas such as climate change, depletion of natural resources, conservation of biodiversity and/or environmental pollution and others. Our assessment of these and any other categories may additionally rely on effective and widely used practices or taxonomy of green bonds, which meet criteria for eligible projects, aimed at solving environmental problems and/or adaptation to climate change. In addition, we take into account which part of the monies raised the issuer uses to implement and finance such projects.

In accordance with the GBP, the acceptable categories of projects include the following (but not limited to):

- **Renewable energy** (including production, transmission, equipment and products);
- **Energy efficiency** (for example, energy efficiency in new and renovated buildings, energy storage, district heating, smart grids, equipment and products);
- **Pollution prevention and control** (including projects in the field of wastewater treatment, reduction of emissions, control of greenhouse gases, soil restoration, pollution prevention, pollution reduction, waste treatment, efficient processing of waste into electricity, production of value-added products from waste and as a result of processing and environmental monitoring related to these areas of activity)
- **Environmentally sustainable management of living natural resources and land use** (including environmentally sustainable agriculture, environmentally sustainable livestock farming, climate-friendly agricultural technologies, such as crop protection or drip irrigation, environmentally sustainable fisheries and aquaculture, environmentally sustainable forestry, including afforestation or reforestation, conservation or restoration of natural landscapes);
- **Conservation of terrestrial and aquatic biodiversity** (including the protection of coastal, marine and watershed environments);

- **Environmentally friendly transport** (for example, electric, hybrid, public, railway, non-motorised, multimodal transport, infrastructure for environmentally friendly vehicles and reduction of harmful emissions);
- **Sustainable management of water resources and wastewater** (including a sustainable infrastructure for clean and/or drinking water, wastewater treatment, sustainable urban drainage systems and regulation of river channels and other flood protection methods);
- **Adaptation to climate change** (including information support systems such as climate monitoring systems and early warning systems);
- **Environmentally efficient and/or adapted products of a non-waste economy, production technologies and processes** (such as the development and implementation of environmentally friendly products, eco-labelling or environmental certification, economical packaging and distribution);
- **Green buildings** that meet regional, national, or internationally recognised standards or certifications.

Indicators of the criterion “Use of proceeds”:

Indicator	Characteristic of the indicator (permissible, mandatory indicator, not recommended)*
1. >90% of the funds are allocated for the implementation of financing/refinancing of green projects that bring environmental benefits and are evaluated by the Issuer in terms of compliance with the categories of eligible projects under the GBP for qualitative and/or quantitative characteristics	Permissible
2. 80% - <90% of the funds allocated for the implementation of financing/refinancing of green projects that bring environmental benefits and are evaluated by the Issuer in terms of compliance with the categories of eligible projects under the GBP for qualitative and/or quantitative characteristics	Permissible
3. <80% of the funds are allocated for financing/refinancing green projects that bring environmental benefits and are evaluated by the Issuer in terms of compliance with the categories of eligible projects under the GBP for qualitative and/or quantitative characteristics.	The minimum requirement for this criterion (mandatory indicator - or the performance of indicators 1 or 2)
4. 50% - <70% of the funds allocated for the implementation of financing/refinancing of green projects that bring environmental benefits and are evaluated by the issuer in terms of compliance with the categories of eligible projects under the GBP for qualitative and/or quantitative characteristics	Not recommended (for purposes green bonds)
5. <50% of the funds are allocated for the implementation of financing/refinancing of green projects that bring environmental benefits and are evaluated by the issuer in terms of compliance with the categories of eligible projects under the GBP for qualitative and/or quantitative characteristics	Not recommended (for green bonds)

* - fulfilment of the minimum requirement according to the Criterion The use of revenue is the fulfilment of the indicators mandatory or permissible.

2. The criterion - The Process of Evaluation and Selection of Projects

This section explains the assessment of the process of setting goals, developing broad strategic policies for using green bond proceeds, evaluating, selecting and approving individual eligible

projects. This includes the structure of the organisation and the decision-making process, the process of determining the acceptability of projects, as well as the process of measuring results in relation to specific goals at the project level and reporting on environmental impacts.

Along with this, it considers the organisation's interaction or access to it and/or consultations with internal or external experts on ecology and the environment or related specialists.

The indicators listed below reflect our assessment of the criterion "The Process of Evaluation and Selection of Projects".

Indicators of the criterion "The Process of Evaluation and Selection of Projects" are given below:

<i>Indicator</i>	<i>Characteristic of the indicator (mandatory/optional)</i>
The company's strategy, policy and goals comply with the GBP and allow for a thorough analysis of decision-making processes for the selection of projects that correspond to the categories of green projects	<i>Mandatory</i>
Disclosure of the main methodologies and assumptions used in determining the compliance of projects with categories of green projects	<i>Mandatory</i>
Availability and disclosure of descriptions of green projects, current and/or anticipated (planned) for implementation	<i>Mandatory</i>
Attracting an independent qualified party to decide on the selection of projects corresponding to the categories of green projects	<i>Optional</i>
The existence of procedures for the selection of suppliers/partners to take into account their attitude to the environment and the environment	<i>Optional</i>

3. The criterion - Management of Proceeds

The assessment focuses on the methods and procedures applied to account and tracking proceeds, the practices of temporary investments pending selection or investing in acceptable projects, as well as the reliability and clarity of the proposed methods for publicly disclosing information about these processes. We positively consider any methods of internal monitoring that are tested and supervised by management or verified by an independent party, or within units with a broader organisational structure.

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

Indicators for the criterion “Management of proceeds” are listed below:

<i>Indicator</i>	<i>Characteristic of the indicator (mandatory/optional)</i>
Proceeds from the placement of green bonds are reflected in a separate subaccount or transferred to a separate portfolio or otherwise separately accounted for by the Issuer	<i>Mandatory</i>
The Issuer has fixed the procedure for recording receipts from green bonds	<i>Mandatory</i>
During the period of circulation of green bonds, the Issuer continuously monitors the sub-account and fixes the procedure for excluding projects that have become inappropriate from the portfolio	<i>Mandatory</i>
Eligibility rules for investing unused funds	<i>Optional</i>
Audit by an external organization or an independent internal audit team	<i>Optional</i>

3. Criterion - Reporting and disclosure of information

The quality and transparency of the issuer's reporting, as well as the frequency of published information, are assessed. In addition, the level of disclosure by the issuer of information on the environmental impact of the project and information on the use of revenue is assessed.

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

Indicators for the criterion “Reporting and disclosure of information” are given below:

<i>Indicator</i>	<i>Characteristic of the indicator (mandatory/optional)</i>
Detailed (with a list of projects) reporting and disclosure of information after releasing in relation to the use of proceeds	<i>Mandatory</i>
Reporting provides for the disclosure of information on the nature of investments and the expected environmental impact	<i>Mandatory</i>
It is envisaged that the disclosed statements will be issued at least once a year, and there is also a procedure for monitoring the correctness of data	<i>Mandatory</i>
The Issuer provides for the involvement of independent qualified parties to evaluate its reporting on the implementation of the Green Bond Framework	<i>Optional</i>
The Issuer conducts internal monitoring of reporting and monitors the correctness of data in open reports at least once a quarter	<i>Optional</i>

ASSUMPTIONS AND LIMITATIONS

The External Review reflects our opinion on the expected results from the issuance of green bonds and the compliance of the Issuer's Green Bond Framework with the GBP. There is a likelihood of an inaccuracy in the final conclusion due to unforeseen changes in the economic environment and the financial market.

The External Review is an independent assessment based on the information provided by the issuer on the GIG methodology for assessing compliance of the Issuer's Green Bond Framework

with the GBP, does not disclose the issuer's confidential information and is not an indication for any investment decisions.

The External Review may be updated after publication, indicating the reasons for such an update.

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