

CASPY COMMODITY EXCHANGE JSC



SUSTAINABILITY REPORT

2024



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ABOUT THE SUSTAINABILITY REPORT

GRI 2-1, 2-2, 2-3, 2-4, 2-5, 2-14, 3-1, 3-2

The 2024 Sustainability Report of Caspy Commodity Exchange JSC (hereinafter referred to as the Report) discloses detailed information and data on the activities of Caspy Commodity Exchange JSC from January 1 to December 31, 2024, in various areas related to sustainability and ESG. The Report also presents retrospective and forecast data, as well as certain corporate information for 2025 prior to the publication of the Report to ensure the completeness and continuity of information disclosure. The scope of sustainability reporting embraces Caspy Commodity Exchange JSC and excludes its subsidiaries.

In the Report, the terms «Exchange», «CaspY Commodity Exchange», «we», «Company» in various forms are equivalent to Caspy Commodity Exchange JSC, without covering its subsidiaries.

The Report is intended to familiarize various categories of stakeholders with activities of the Exchange with the aim of increasing the openness of our business and further strengthening trust in the corporate brand. We provide balanced, clear, complete, reliable and accurate information in the Report. The Exchange does not avoid disclosing information on negative impacts on stakeholders if such information is material to stakeholders.

The Report is prepared in accordance with the following standards and recommendations:

- Global Reporting Initiative (GRI) Standards.
- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
- Rules for disclosure of information by initiators of securities admission, approved by Kazakhstan Stock Exchange JSC on March 10, 2021.

The Report discloses information on sustainable development within the framework of achieving the UN Sustainable Development Goals. In addition, other information and data that are material to stakeholders and the business of the Exchange are disclosed.

Information on the financial results of the Exchange for the year ended December 31, 2024, is presented in the audited separate financial statements prepared in accordance with International Financial Reporting

Standards. The financial reporting period is annual, coinciding with the non-financial reporting cycle.

The financial indicators in this Report are disclosed based on the separate financial statements of the Exchange. The financial indicators in the Report are presented mainly in tenge (KZT). Some totals in tables and other places in the Report were rounded and may not correspond to the sum of individual indicators.

If the Report contains adjustments to data for previous years, including in comparison with non-financial reporting for 2023, explanatory comments are written in the relevant paragraphs of the Report.

Collection and consolidation of information was carried out by structural units of the Exchange under supervision of the President of the Exchange. To improve the quality of the Report, external consultants were involved in its preparation. The Report did not undergo external assurance, except for an independent external verification of assessment data on greenhouse gas emissions.

The Report was reviewed by the Board of Directors of the Exchange in June 2025. The Report is published on the official website of the Exchange in Kazakh, Russian and English.



ADDRESS OF THE PRESIDENT OF CASPY COMMODITY EXCHANGE JSC

GRI 2-22

Dear shareholders, partners and colleagues!

I present to you the second Sustainability Report of Caspy Commodity Exchange JSC, that is dedicated to our activities and results in various priority sustainability areas in 2024. For us, the disclosure of non-financial information in accordance with international standards is a recognized business practice demonstrating strong corporate governance and high responsibility of the Exchange to stakeholders.

As a participant in the UN Global Compact, Caspy Commodity Exchange continued to improve its sustainability management system in the reporting period.

As part of the corporate ESG transformation, a set of corporate documents on various sustainability issues was approved, the involvement of the Board of Directors was significantly expanded in ESG management and the climate agenda. An international ESG rating was received from S&P Global. For the first time among the commodity exchanges of Central Asia, we identified and conducted a preliminary assessment of physical and transition climate-related risks based on the TCFD recommendations. Improvement of human rights protection and labor relations practices continued, including the conclusion of a Collective Agreement between the Exchange and its employees.

We actively focus our planning and decision-making process on the UN Sustainable Development Goals and national sustainable development priorities. It allows us to create long-

term value for various stakeholders, rather than focusing solely on short-term financial results.

In 2024, Caspy Commodity Exchange consistently adhered to the principles of responsible and ethical business conduct, for instance in terms of compliance with competition law. During the reporting period, we did not allow any serious violations of industry regulatory requirements, responsibly approaching the fulfillment of corporate obligations. We strive to be the first-choice exchange for clients, traders and business partners.

Caspy Commodity Exchange aims to further develop the dialogue on sustainable development with the government, international and domestic partners, business associations, in particular in terms of implementing joint projects and expanding support for the green economy in the Republic of Kazakhstan. Sustainable development and the climate agenda open great long-term opportunities for our Exchange. I would like to thank shareholders, business partners, and employees for their trust and support of our brand. Caspy Commodity Exchange intends to maintain its leading sustainability position in the exchange sector.

Murat KADISOV,
President of Caspy Commodity Exchange JSC

ABOUT THE EXCHANGE

GRI 2-1, 2-6, 201-4

Caspy Commodity Exchange JSC was founded in November 2011 and operates in the Republic of Kazakhstan under State License No. 24016891. We are one of the leading commodity exchanges in the Republic of Kazakhstan and Central Asia in terms of trading volume and development dynamics, also in electronic exchange operations. We are headquartered in Astana, Republic of Kazakhstan. Ownership is private.

As of December 31, 2024, the subsidiaries included Caspy Tender LLP (49% ownership share), Kazenergy Consult LLP (100% ownership share) and FSD LLP (100% ownership share). Together with its subsidiaries, the Exchange provides legal entities with a full cycle of pre-trading, trading and post-trading services in the commodity market, ensuring reliable risk management and financial guarantees for the execution of transactions, using the reliable trading and clearing software and hardware platforms.

The business model is based on the B2B2B model, where suppliers and traders carry out transactions through accredited brokers, or directly as dealers. Trading is carried out remotely, on the basis of a specialized IT platform, through the personal accounts of traders. Traders are various large companies of the Republic of Kazakhstan.

In 2024, the total trading volume on our commodity market reached 350 billion tenge, or 15% more year-on-year. As of June 1, 2025, the total number of our clients was almost 90 brokers and dealers who are members of the Exchange.

A permanent arbitration is created by the Caspy Commodity Exchange, that, among other things, resolves disputes related to the conclusion of exchange transactions under the legislation of the Republic of Kazakhstan, the norms of international acts ratified by the Republic of Kazakhstan and business customs. There is also a clearing center that ensures compliance with the exchange terms of the contract at the stage of cash settlements and delivery of real commodities.

Being a customer-centric company, the Exchange focuses on high quality service provision for clients and interaction with stakeholders. In the reporting period the level of customer satisfaction according to the CSAT methodology was 87.5% with a target indicator of at least 80%. The

Exchange provides trading participants with non-discriminatory, equal and unimpeded access to services and products.

Caspy Commodity Exchange is an issuer of securities on the Kazakhstan Stock Exchange.

In 2024, the Exchange received its first international sustainability scoring from the S&P Global rating agency.



CASPY COMMODITY EXCHANGE KEY BUSINESS DIRECTIONS

1

Trading in exchange commodities, such as coal, cement, agricultural products.

2

Trading in petroleum products, such as bitumen, gasoline, diesel and aviation fuel.

3

Purchasing commodities for subsoil users, such as solid minerals, hydrocarbon raw materials and uranium.

4

Sale of illiquid property and fixed assets, except for buildings, structures, and land plots.









5

Purchasing commodities for the government, quasi-government sectors, natural monopoly entities, systemically important enterprises and commercial organizations.

KEY FINANCIAL AND ESG INDICATORS FOR 2024

GRI 201-1

as of December 31, 2024

1.41  billion tenge average daily trading volume	43.8%  share of women in the workforce	60%  share of independent directors in the Board of Directors	41.5  average hours of training per 1 employee in 2024
0  corruption violations in 2024	0  significant information security incidents in 2024	0  LTIFR in 2024	2.29  million tenge charity and sponsorship expenses in 2024

ECONOMIC VALUE FOR STAKEHOLDERS, THOUSAND TENGE

	2023	2024
Direct Economic Value Generated	439 754	965 846
Revenues	433 515	653 513
Interest earnings	6 239	150 333
Dividend earnings	-	162 000
Direct Economic Value Distributed	613 422	856 615
Cost of sales and administrative expenses	573 374	744 001
Income tax	26 062*	5 594
Impairment losses on financial instruments reserves	13 986	107 020
Dividends declared	0	0
Direct Economic Value Retained	0	109 231

* Deferred liabilities

Comment: Compared to the non-financial reporting for 2023, the table was supplemented with additional disclosures on direct economic value generated and economic value distributed.

PARTICIPATION IN ASSOCIATIONS AND UNIONS

GRI 2-28

Caspy Commodity Exchange participates in activities of associations and unions, that are aimed at developing industry cooperation and mutually beneficial sustainable development partnerships. The total amount of membership fees of the Exchange as part of participation in the activities of business and industry associations and unions in the reporting period amounted to 3.36 million tenge.



UN Global Compact



**Europex – Association
of European
Energy Exchanges**



**International Association
of CIS Exchanges**



CORPORATE GOVERNANCE

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-17, 2-18, 2-19, 2-20, 2-21, 2-23, 2-27, 202-2, 207-1, 207-2, 207-3, 405-1

Material Topics: Quality of corporate governance | Risk management | Tax management

The corporate governance system of the Caspy Commodity Exchange was created and operates in full compliance with the requirements of the legislation of the Republic of Kazakhstan using the best international practices and standards concerning corporate governance and disclosure of information that apply to public companies. Its current configuration and distribution of powers enables us to ensure effective management of our activities, manage sustainability risks and aspects, taking into account the interests of shareholders and other stakeholders. The Exchange is focused on continuous improvement of the corporate governance system.

The following management bodies operate in the structure of the Exchange:

- General Meeting of Shareholders.
- Board of Directors.
- President.

The main internal documents that regulate the corporate governance system are the Charter and the Corporate Governance Code.

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the supreme governing body that operates in accordance with the legislation of the Republic of Kazakhstan and the Charter of the Exchange.

In particular, the General Meeting of Shareholders is responsible for:

- Approval of amendments and additions to the Charter of the Exchange or approval of a new version of the Charter.
- Determining the quantitative composition, term of office of the Board of Directors, election and re-election of its members and early termination of their powers, as well as determining the amount and conditions for payment of remuneration and compensation of expenses to members of the Board of Directors for the performance of their duties.

The Annual General Meeting of Shareholders is convened and held

KEY SHAREHOLDERS AS OF DECEMBER 31, 2024

Shareholder	Ordinary shares, pieces	% of ordinary shares issued
Azamat Ryskanovich Iskakov	1 645 000	40.0
Aigul Kolganatkyzy Matzhanova	822 500	20.0
Askhat Kublakhatovich Sarsenov	822 500	20.0
Elnar Temirgalievich Nadyrgaliev	822 500	20.0

annually to approve the annual financial statements and the procedure for distributing net income of the Exchange for the past financial year, making decisions on the payment of dividends on shares, approving the amount of dividend per share. In the reporting period, the Annual General Meeting of Shareholders was held on May 24, 2024.

As necessary, based on considerations of rationality, efficiency, and effectiveness, extraordinary General Meetings of Shareholders are convened and held. During the reporting period, two extraordinary General Meetings of Shareholders were organized on March 19, 2024 and October 3, 2024.

The Exchange ensures fair treatment of all shareholders and effective participation of shareholders in key corporate governance decisions, such as the appointment and election of members of the Board of Directors.

All shareholders of the Exchange have equal rights to participate in the General Meeting of Shareholders. Shareholders' votes cast by them when voting on the agenda items of the General Meeting of Shareholders have equal force.

Shareholders are provided with reliable information on the results of the financial and economic activities of the Exchange. The procedure for providing information is regulated by the legislation of the Republic of Kazakhstan and the Charter. The President of the Exchange is obliged to justify the planned change in activities of the Exchange and provide specific implementation prospects and mechanisms for protecting shareholders.

In the area of dividend policy, the conditions for the payment of dividends are the net profit for the reporting period or retained earnings, the absence of restrictions on the payment of dividends stipulated by the legislation of the Republic of Kazakhstan, as well as a decision of the General Meeting of Shareholders. No dividends were paid in the reporting period.

BOARD OF DIRECTORS

The Board of Directors carries out general governance of the activities and strategic management of the Caspy Commodity Exchange, including approval of its key internal documents. The activities of the Board of Directors are regulated by the legislation of the Republic of Kazakhstan, the Charter and the Regulation on the Board of Directors of the Exchange, that is approved by the General Meeting of Shareholders. The competencies of the Board of Directors are clearly delineated from the competencies of the executive body of the Exchange.

The Board of Directors pays special attention to strengthening the position of the Exchange in the market, ensuring the rights of shareholders, interacting with stakeholders, as well as controlling sustainability issues.

Election of members of the Board of Directors is carried out by the General Meeting of Shareholders by cumulative voting. Members of the Board of Directors are elected individually for a term of 3 years. The Chairman of the Board of Directors is elected from among its members by a majority of votes of the total number of members of the Board of Directors by open voting. The President of the Exchange cannot be elected as the Chairman of the Board of Directors.

As of June 1, 2025, the Board of Directors included 5 people, all of them are men in the age category from 30 to 50 years. The average term of

the members of the Board of Directors is 1 year and 8 months. There are no executive directors in the current Board of Directors. None of the members of the Board of Directors were members of the governance bodies of more than three other public joint-stock companies.

In accordance with the international classification Global Industry Classification Standard, two directors, Andrey Valerievich Perevertayev and Eric Maratovich Tanayev, have industry qualifications corresponding to the core activities of the Exchange.

At least 30% of the Board of Directors must be independent directors. As of June 1, 2025, 3 members of the Board of Directors were independent directors that is 60% of the total current number of directors.

The Exchange determines an independent director in accordance with the independence criteria established by the Law of the Republic of Kazakhstan on Joint-Stock Companies. An independent director:

- Is not an affiliate of the Exchange (including affiliation with a major shareholder, a close relative of a major shareholder or an executive of the Exchange) and has not been an affiliate for three years preceding the election to the Board of Directors, except for the case of holding the position of an independent director of the Exchange.
- Is not affiliated with the affiliates of the Exchange.
- Is not related by subordination to executives of the Exchange or organizations-affiliates of the Exchange and has not been related by subordination to these persons for three years preceding the election to the Board of Directors.
- Is not a civil servant.
- Is not a representative of a shareholder at meetings of the Exchange bodies and has not been one for three years preceding the election to the Board of Directors.

Share capital

As of December 31, 2024, the declared and paid share capital of the Caspy Commodity Exchange amounted to 2 495.6 million tenge.

The number of declared and issued ordinary shares is 4 112 500 (1 share = 1 vote). The number of declared preferred shares is 1 000 000, and the number of issued preferred shares is 532 311.

The government is not a shareholder of the Caspy Commodity Exchange. The government did not provide direct financial support to the Exchange, for instance in the form of subsidies and grants, during the reporting year.

COMPOSITION OF THE BOARD OF DIRECTORS AS OF JUNE 1, 2025

	Elnar Temirgalievich NADYRGALIEV	Sergey Klimentovich TSOY	Azamat Zhumabaevich AITUYEV	Andrey Valerievich PEREVERTAYEV	Erik Maratovich TANAYEV
Position	Chairman of the Board of Directors, Non-executive Director	Member of the Board of Directors, Independent Director	Member of the Board of Directors, Independent Director	Member of the Board of Directors, Independent Director	Member of the Board of Directors, Non-executive Director
Date of initial election	March 19, 2024	March 19, 2024	July 28, 2022	October 3, 2024	December 30, 2022
Date of birth	1981	1976	1981	1980	1982
Citizenship	Republic of Kazakhstan	Republic of Kazakhstan	Republic of Kazakhstan	Israel	Republic of Kazakhstan
Ownership of shares of the Exchange as of December 31, 2024	822 500 ordinary shares and 24 369 preferred shares	0	0	0	6 769 preferred shares

Comment: During the period from December 31, 2024 to June 1, 2025, the composition of the Board of Directors did not undergo changes.

- Does not participate currently in the audit of the Exchange as an auditor of an external audit organization, and has not participated in such an audit for three years preceding the election to the Board of Directors.

During the reporting year, 16 meetings of the Board of Directors were held, all of them were physical meetings. The average attendance of Board of Directors meetings by members of the Board of Directors in 2024 was 100%. In accordance with the requirements of the Exchange, members of the Board of Directors are required to participate in 100% of the meetings of the Board of Directors held during the calendar year.

Taking into account the requirements of the legislation, three committees of the Board of Directors operate on a permanent basis: the Risk Committee, the Audit Committee, the Social Affairs, Human Resources and Remuneration Committee. The committees of the Board of Directors perform an advisory function, including preliminary consideration and preparation of recommendations for the Board of Directors to make

decisions on the most important issues. The activities of the committees of the Board of Directors are regulated by the relevant provisions.

The performance of the Board of Directors and its individual members is assessed by the General Meeting of Shareholders, that has the right to use for these purposes the following levers of influence:

- The right to elect any person as a member of the Board of Directors an unlimited number of times.
- The right to early termination of the powers of all members or individual members of the Board of Directors.
- Determination of the amount and terms of payment of remuneration to members of the Board of Directors, if necessary.

The Exchange conducts an annual self-assessment of the Board of Directors, that covers an assessment of the effectiveness of the Board of Directors as the governance body and an assessment of the performance of each member of the Board of Directors (individual assessment,

questionnaires for members of the Board of Directors). That practice is regulated by the Regulation of Caspy Commodity Exchange JSC on Board of Directors Performance Evaluation.

PRESIDENT

The President is accountable to the Board of Directors and shareholders and is the executive governance body. The President manages the current activities of the Caspy Commodity Exchange, is responsible for the implementation of strategies, goals and objectives, as well as decisions taken by the Board of Directors and the General Meeting of Shareholders in compliance with the legislation of the Republic of Kazakhstan. The President may be elected to the Board of Directors but may not be the Chairman of the Board of Directors.

As of June 1, 2025, the President of the Exchange was Murat Maratovich Kadissov.

The assessment of the effectiveness of the performance of the President, as well as the determination of the terms and amount of his bonus, is carried out by the Board of Directors.

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE PRESIDENT

By decision of the General Meeting of Shareholders, members of the Board of Directors may be paid remuneration and/or compensation for expenses related to the performance of their functions during the period of their duties. The amounts of such remuneration and compensation are established by the decision of the General Meeting of Shareholders. Payment of remuneration to the President is established by decision of the Board of Directors. Non-fixed remuneration of members of the Board of Directors and the President may be paid in the form of bonuses based on the results of the financial year, depending on the achieved goals and the financial condition of the Company. If necessary, members of the Board of Directors are provided with reimbursement of travel, accommodation, and training expenses when performing their duties. External consultants are not involved in determining the amount of remuneration of members of the management bodies.

In the reporting year, no cash remuneration, bonuses, remuneration in the form of shares or other payments were paid to members of the Board of Directors. In 2024, the total annual remuneration of the President of the Exchange amounted to 71.02 million tenge. The ratio of the total annual remuneration of the President to the average annual remuneration of the employees of the Exchange (excluding the President) was 5.28.

EXTERNAL AUDIT

Based on the decision of the General Meeting of Shareholders, the Exchange engages an independent auditor on an annual basis, that is not associated with the Exchange, its shareholders and affiliates by property and financial interests, to audit the financial statements based on International Auditing Standards. The fee for the services of the audit company is determined by the Board of Directors.

In 2024, the external auditor was Auditing Company TrustFinAudit LLP that has a license to carry out audit activities. The audit organization did not provide the Exchange with consulting services not related to the audit of financial statements.

RISK MANAGEMENT

The Exchange implements a risk management system in accordance with the requirements of the legislation of the Republic of Kazakhstan. The continuous process of risk identification allows us to identify potential factors and events that may affect our operations and promptly develop measures to reduce the negative impact of their possible emergence.

We adhere to the principle of independence of any decision to accept risks from risk assessment and control over them based on the three lines of defense model, including management of operational risks and compliance risks.

The Board of Directors and employees of the Exchange at all levels are constantly involved in risk management and perform the relevant duties. The regulatory document is the Rules for the Organization of the Risk Management System in Caspy Commodity Exchange JSC.

The assessment (reassessment) of the exposure of the Exchange to risks is carried out at least once a year. The impact of risks on the Exchange is assessed based on the likelihood of emergence of risks and the potential financial damage from their emergence. The category of significant risks

THE RISK MANAGEMENT SYSTEM IS BUILT BASED ON THE THREE LINES OF DEFENSE MODEL

- **First line.** Structural units performing business functions and employees of operational units acting as risk owners that identify and assess risks.

- **Second line.** Compliance and Risk Management Service is a structural unit that continuously monitors and manages risks, including compliance risks, assesses the significance of risks, and prepares specialized reports for governance bodies.

- **Third line.** Internal Audit Service is an organizationally independent structural unit that monitors the results of the financial and economic activities of the Exchange and the effectiveness of the risk management system. The Internal Audit Service reports directly to the Board of Directors.

- **Board of Directors.** Strategic governance and control over the risk management system, approval of the main principles and approaches to risk management are carried out by the Board of Directors, within whose structure the Risk Committee operates on a permanent basis. The Board of Directors bears ultimate responsibility for maintaining the smooth operation of the risk management and internal control system.

includes those with a high likelihood of occurrence and significant possible financial damage. In 2024, the significant risks for the Exchange were operational risk (including information security risk), political and legal risks, and commercial risk. Climate-related risks identified and assessed by the Exchange are not currently considered a significant risk in the short term.

Measures to minimize the impact of each significant risk on operations of the Exchange were developed and adopted. There is a constant exchange of information between structural units of the Exchange on issues related to detection, identification, assessment and control of risks.

The Company regularly monitors changes in the market situation and the regulatory framework to assess their potential impact on the achievement of the set operational and strategic corporate goals.

The Exchange carefully monitors its financial position and liquidity risk, and manages them, tracking projected results to ensure access to a sufficient amount of funds to meet projected needs.

An internal audit of the adequacy and effectiveness of the risk management system and procedures is conducted annually, and recommendations are developed to facilitate their continuous improvement. The results of the annual audits are submitted to the Board of Directors.

The execution of transactions within the framework of exchange operations is covered by the risk management system, that includes the clearing center of the Exchange, as well as insurance and guarantee funds. A truly functioning arbitration system allows for the application of sanctions to violators of exchange trading.

When developing and implementing new services and products, the Exchange adheres to a risk-oriented approach, conducting a mandatory assessment of possible risks associated with such services and products.

To improve the corporate risk culture, the Exchange annually conducts training for employees on risk management, implementation and application of a risk-oriented approach when making management and operational decisions, that enables them to strengthen their competencies.

In accordance with the requirements in force at the Exchange, employees are obliged to promptly inform the Compliance and Risk Management Service of all risk incidents, as well as to assist in the investigation of the causes and circumstances of such incidents.

EMERGING RISKS

To understand our potential exposure to new risks arising from changing economic, environmental, geopolitical, social and technological processes, the Exchange conducted a pilot analysis of them taking into account the categories of the World Economic Forum’s Global Risks Report.¹

TECHNOLOGICAL RISK ASSOCIATED WITH THE ACTIVE USE OF AI

In recent years, there has been an intensive implementation of AI in various sectors of the economy, including the financial and exchange sectors. Despite large-scale positive results, the process is also accompanied by the ongoing formation of a range of various risks that can potentially impact on the operations of the Exchange. At the same time, there is still increased uncertainty regarding the intensity of such impacts, especially given that AI technologies are at an early stage of their development.

Given that the Exchange is only assessing the possibility of practical use of AI in its operations, we identify information security and compliance as the main areas most exposed to such risks. In particular, in the course of further improvement, AI is capable of amplifying and scaling cyber threats and fraudulent operations aimed at both the Exchange and its clients. The lack of development of regulatory requirements for AI may further lead to dramatic changes in the regulatory landscape, that will, among other things, limit the use of certain AI technologies and may cause additional investment and cost requirements for the exchange sector in terms of ensuring security.

In that context, the Exchange continuously monitors AI-related threats to ensure the information security of the Exchange, confidential and personal data, with a focus on expanding the capabilities to counter new forms of cyberattacks and fraudulent activities. Our IT team implements regular technical and organizational measures in that direction. In addition, employee training programs include issues related to the impact of AI on information security. The Exchange also continuously monitors regulatory requirements and initiatives being developed in the sphere of national and international regulation of AI, including assessing their impact on the ability of the Exchange to use various AI solutions, as well as for an early understanding of emerging requirements for exchange organizations aimed at increasing their protection from AI-related risks.

ECONOMIC RISK ASSOCIATED WITH THE IMPACT OF DECARBONIZATION ON THE BUSINESS OF THE EXCHANGE

The Exchange is involved in trading and exchange operations with coal and other commodities that are critical for economic development but are positioned as carbon intensive.

In that context, the potential for further tightening of regulatory requirements in the medium and long term with respect to the Exchange to decarbonize its business and operations, may seriously affect our financial stability and lead to the need to revise the business model, taking into account the international commitments of the Republic of Kazakhstan to achieve carbon neutrality by 2060.

In addition, tightening of decarbonization requirements may apply to key business partners of the Exchange that use our trading infrastructure.

In view of this, we are implementing a number of measures that allow us to proactively minimize exposure to such negative impacts.

In particular, we constantly monitor legislative changes, initiatives and proposals to promptly analyze and study new regulatory trends in the sphere of national decarbonization regulation. The Exchange strives to diversify trading and exchange operations with commodities to prevent critical concentrations, and we are also exploring opportunities related to low-carbon development, for example, within the framework of long-term opportunities for exchange trading of carbon units.

¹ https://reports.weforum.org/docs/WEF_Global_Risks_Report_2025.pdf

TAX MANAGEMENT

The Exchange is committed to ensuring strict compliance with the tax legislation of the Republic of Kazakhstan (the jurisdiction where all our activities and operations are concentrated) and applicable international tax treaties to which the Republic of Kazakhstan is a party.

We maintain a reputation as a bona fide taxpayer and do not participate in illegal tax transactions. The Exchange does not use the practice of aggressive tax planning and tax evasion. We do not use for tax purposes:

- Offshore jurisdictions (tax havens) and low-tax jurisdictions for the purpose of avoiding or optimizing taxation, or a targeted reduction of corporate tax expenses.
- Tax jurisdictions that do not cooperate with the authorized tax authorities of the Republic of Kazakhstan.
- Transactions or structures without commercial substance for the purpose of tax optimization.

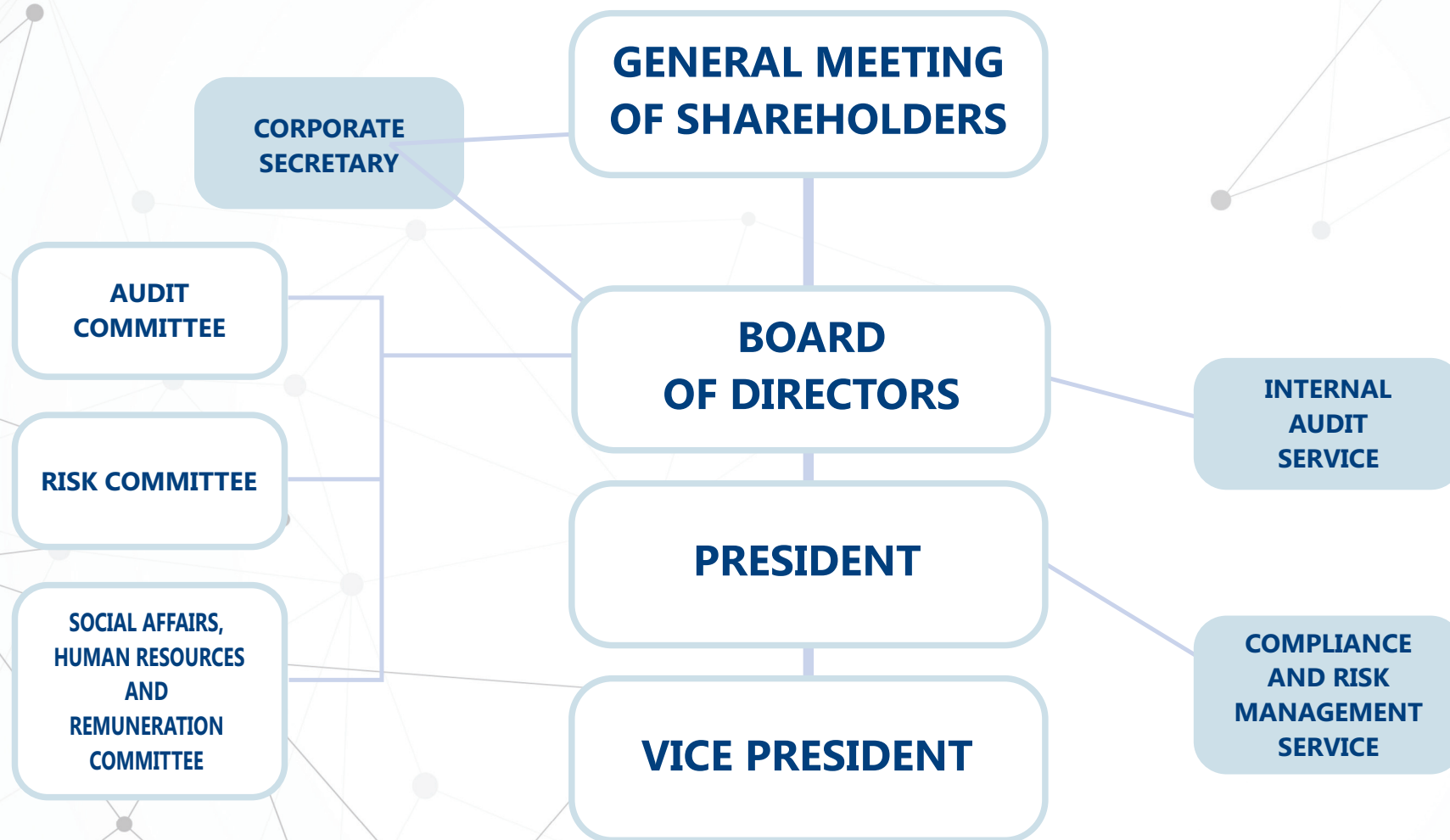
The corporate tax policy is approved by the Board of Directors. The fulfillment of tax obligations, in particular tax payments, is controlled by the Board of Directors as part of the periodic monitoring of the financial performance of the Exchange. There were no cases of non-compliance with the requirements of the tax legislation of the Republic of Kazakhstan by the Exchange in the reporting period.

Information and data on the fulfillment of tax obligations are annually audited and disclosed in the audited financial statements of the Exchange.

The bulk of our tax expenses are related to income tax. In 2024, income tax expenses amounted to 5.59 million tenge according to the audited separate financial statements of the Exchange. In accordance with the Cash Flow Statement, taxes and other payments to the budget amounted to 98.5 million tenge in the reporting year.



CORPORATE GOVERNANCE FRAMEWORK



SUSTAINABILITY MANAGEMENT SYSTEM

GRI 2-12, 2-13, 2-23

Material Topics: Quality of corporate governance | Risk management

The approach of the Exchange to sustainability implies consistent integration of ESG principles and the UN Sustainable Development Goals into all aspects of the business, including planning and decision-making, operations and corporate culture. We focus on creating value for all stakeholders, as well as proper management of sustainability-related risks to improve long-term predictability and overall business resilience, in particular against the backdrop of tightening regulatory requirements and increasing significance of climate-related risks.

The Board of Directors provides general sustainability governance of the Exchange, including the adoption of necessary corporate documents, monitoring the achievement of the strategic goals of the Exchange related to ESG and climate. Since 2024, the independent director provides strategic sustainability control at the level of the Board of Directors.

The Social Affairs, Human Resources and Remuneration Committee is a specialized committee of the Board of Directors responsible for ESG and sustainability. The Risk Committee of the Board of Directors is involved in monitoring risks related to sustainability and climate, including from the point of view of developing proposals for improving the risk management system in that context. The Audit Committee is responsible for improving the effectiveness of control over the financial and economic activities of the Exchange, ensuring effective communication with auditors.

At the operational level, sustainability management is assigned to the President, who organizes the implementation of decisions of the Board of Directors and is responsible for the implementation of corporate sustainability goals, ensures the distribution of responsibilities related to sustainability between structural units, controls the activities of structural units and responsible employees, including the annual preparation of non-financial reporting and the assessment of greenhouse gas emissions. The President is responsible for providing recommendations to the Board of Directors on the integration of ESG and climate change into the business processes and development strategy of the Exchange.

MAIN SUSTAINABILITY DOCUMENTS OF THE EXCHANGE

To integrate ESG principles into all aspects of its activities, the Exchange has internal documents in the sphere of sustainability, including:

- Corporate Governance Code.
- Code of Business Ethics.
- Code of Brokerage (Dealer) Ethics of Members of Caspy Commodity Exchange JSC.
- Policy on the Processing and Protection of Personal Data.
- Information Security Policy.
- Anti-Corruption Policy.
- Standards for the Prevention of Corruption (for Exchange Members).
- Internal Control Rules to Counter the Legalization (Laundering) of Proceeds from Crime, the Financing of Terrorism and the Financing of the Proliferation of Weapons of Mass Destruction.

The Code of Business Ethics, the Anti-Corruption Policy and the Policy on the Processing and Protection of Personal Data are recommended for implementation and compliance in the subsidiaries of the Exchange, taking into account the specifics of their business. We intend to continue improving the system of internal regulatory documents, including the development and updating of policies, regulations and standards on significant aspects of sustainability activities.

The Exchange has established a Sustainable Development Working Group under the President with the participation of key managers and employees, that coordinates the process of agreeing on and cross-functionally implementing sustainability measures and initiatives, including with the involvement of subsidiaries of the Exchange and external experts. The Working Group directly coordinates the preparation of the annual sustainability and climate reporting.

The Compliance and Risk Management Service coordinates the process of identification, assessment of sustainability and climate-related

risks, integration of ESG and climate-related risks into the risk management system of the Exchange (in case of materiality of risks), as well as coordination of activities of the Exchange to meet the requirements of the legislation of the Republic of Kazakhstan and regulators on the ESG risk management, also in interaction with the involved structural units of the Exchange (information security, etc.). It should be noted that the Board of Directors and the President are involved in the management of sustainability risks as participants in the risk management system, primarily with regard to monitoring and control procedures.

BUSINESS ETHICS

GRI 2-16, 2-23, 2-24, 2-25, 2-26, 2-27, 206-1, 415-1

Material Topics: Business ethics, countering corruption and illegal practices | Compliance with the legislation of Kazakhstan and regulatory requirements

The Exchange values its reputation and strives to adhere to high standards of business ethics. Focusing on responsible business conduct, we follow all applicable norms of the legislation of the Republic of Kazakhstan and our internal documents, build a compliance system and develop a corporate culture that prioritizes zero tolerance for violations. Interaction between participants in corporate relations is based on mutual trust and respect.

Ethical business conduct and stakeholder engagement are regulated, first of all, by these key internal documents:

- The Code of Business Ethics of Caspy Commodity Exchange JSC that applies to all employees, regardless of their position and the length of their employment in the performance of their official duties or representation of the interests of the Exchange. Each employee is obliged to familiarize themselves with the Code and confirm in writing the obligation to observe it in good faith. The principles and requirements of the Code also apply to counterparties of the Exchange, including suppliers, agents, consultants, representatives and other entities, in cases where the relevant obligations are set out in contracts with them or directly follow from applicable legislation or business interactions. The Code is recommended for adoption by subsidiaries of the Exchange, taking into account the specifics of their business.

STABILITY OF THE BUSINESS ETHICS SYSTEM OF THE EXCHANGE IN 2024

In 2024, there were no confirmed cases of violations of:

- The Code of Business Ethics of Caspy Commodity Exchange JSC by members of the governance bodies and employees of the Exchange.
- Anti-corruption legislation of the Republic of Kazakhstan by the Exchange, members of the governance bodies and employees of the Exchange.
- Competition and Antimonopoly legislation of the Republic of Kazakhstan by the Exchange.
- Legislation of the Republic of Kazakhstan regulating the disclosure of insider information and the prevention of insider trading by the Exchange.
- AML/CFT legislation of the Republic of Kazakhstan by the Exchange.

- The Code of Brokerage (Dealer) Ethics of the Members of Caspy Commodity Exchange JSC that is mandatory for all Exchange members, regardless of the trading section in which they operate.

The Board of Directors ensures strategic governance in the sphere of business ethics and anti-corruption, and approves the Code of Business Ethics of Caspy Commodity Exchange JSC and other internal documents regulating the area in question. The President is responsible for monitoring the implementation of requirements and provisions on business ethics and anti-corruption at the Exchange. The Compliance and Risk Management Service reviews various issues related to business ethics and conflicts of interest, identifies cases of violations in the area of business ethics, collects information on signs of corruption in the business processes of structural units, and conducts internal investigations if necessary. The Service also organizes training on compliance and business ethics.

We strictly adhere to the principle of compliance with contractual and other obligations arising from or caused by business relationships. Our priority is to ensure excellent customer experience and implement a customer-centric approach in all business processes. The Exchange strives to improve the quality of its services and digital solutions, complying with

the requirements of relevant standards, building trusting relationships with clients and trading participants, regularly training its employees and involving them in quality management processes. Trading participants are served 24/7 with a personal manager assigned from the brokerage company.

The Exchange supports free and fair competition, complies with the antimonopoly legislation of the Republic of Kazakhstan, avoiding unfair competition practices, including refusing to enter into any anticompetitive agreements with competitors, either verbally or in writing. The members of the Exchange are prohibited from conspiring to enter into transactions with other members of the Exchange or any third parties, with the aim of manipulating prices for commodities, as well as illegally influencing the pricing of commodities sold on electronic trading platform of the Exchange, as well as using affiliated or front brokerage companies to participate in exchange trades, as well as other methods of unfair competition.

At the same time, the Exchange team strives to understand business needs and resolve pressing issues much faster than our competitors, and also interacts with partners to increase long-term value for stakeholders and meet customer needs.

The Exchange respects the intellectual property rights of third parties by not using unlicensed or unauthorized trademarks in its activities, unregistered patents, unauthorized materials protected by copyright, unauthorized software, proprietary information and trade secrets of third parties.

The Exchange has functioning channels for reporting actual and potential violations related to various aspects of business ethics and responsible business conduct. The Compliance and Risk Management Service is the structural unit of the Exchange responsible for managing such reporting channels.

Employees are required to report any violations of the Code of Business Ethics, with information describing the relevant violations, to their immediate supervisor or any official of the Exchange they trust, or via the hotline.

Other Exchange stakeholders also have an opportunity to submit appeals and complaints and report various business ethics violations via existing communication channels, including the public hotline.

THE EXCHANGE AND POLITICAL ACTIVITIES

In accordance with the Code of Business Ethics, the Caspy Commodity Exchange does not participate in political activities.

The Exchange does not make financial payments, including sponsorship and charitable payments, in favor of political parties, related organizations and funds, public officials (politically significant persons).

As a result, in 2023 and 2024, we did not directly or indirectly (for example, through sponsorship) finance any political activities and related individuals and organizations. Also, in 2023 and 2024, we did not finance or provide other assistance to lobbying organizations.

At the same time, the Exchange does not impose any restrictions on the participation of our employees in political and religious activities as individuals.

WHISTLEBLOWER HOTLINE

The hotline ethics@ccx.kz allows all stakeholders to inform the Exchange, including anonymously, about suspicions on violations of business ethics, anti-corruption legislation, the presence of a conflict of interest and other illegal or unethical practices.

We focus on confidential registration and confidential consideration of all appeals and complaints on issues of business ethics, human rights, and illegal practices that are received through the specified hotline.

Caspy Commodity Exchange does not allow any measures of pressure or other negative impact on employees who have reported in good faith a potential violation of the Code of Business Ethics, and will not allow their dismissal, persecution, discrimination or other deterioration of their position. At the same time, we encourage employees to openly discuss the Code of Business Ethics and welcome any constructive suggestions for its improvement.

We take seriously all reports of possible business ethics violations, if an applicant provides sufficient information to conduct an internal investigation. The internal investigation is conducted in compliance with the requirements for the confidentiality of consideration of information on violations of business ethics and only in the manner determined by the current legislation of the Republic of Kazakhstan and the internal documents of the Exchange.

The Exchange also has the right to conduct internal investigations in relation to the members of the Exchange based on information from exchange trading participants and third parties, as well as on its own initiative if they are found to have grossly violated the requirements of the legislation of the Republic of Kazakhstan in the sphere of exchange trading, the Code of Brokerage (Dealer) Ethics and other internal regulatory documents of the Exchange and its clearing organization.

If there are legal grounds, disciplinary measures may be applied to employees who fail to fulfill their obligations to comply with the provisions of the Code of Business Ethics in the manner prescribed by labor legislation and internal documents of the Exchange. Failure to comply with the requirements of the law, in particular in the area of combating corruption, may result in liability up to criminal liability. In turn, violation of the provisions of the Code of Broker (Dealer) Ethics and corrupt actions, along with other types of possible violations committed by members of the Exchange, may lead to application of sanctions against them, including the imposition of fines, suspension of accreditation on the Exchange for a period of six months, or termination of accreditation as a member of the Exchange.

COUNTERING CORRUPTION AND ILLEGAL PRACTICES

GRI 2-15, 2-23, 2-25, 2-27, 205-2, 205-3

Material Topics: Business ethics, countering corruption and illegal practices |
Compliance with the legislation of Kazakhstan and regulatory requirements

We are guided by the principle of zero tolerance for corruption, that means the rejection of corruption in any form and manifestation, including commercial bribery or mediation in bribery, during activities of the Exchange.

The corporate anti-corruption management system complies with the requirements of the legislation of the Republic of Kazakhstan. In 2024, no confirmed cases of corruption violations involving employees of the Exchange were recorded.

The Exchange has internal documents regulating anti-corruption activities, that are updated on a regular basis. First of all, this is the Anti-Corruption Policy approved by the Board of Directors, that is mandatory for all employees of the Exchange, as well as the Corruption Prevention Standards, which apply to the members of the Exchange.

The Board of Directors approves the Anti-Corruption Policy and is also informed by the President about the results of measures taken to ensure that activities of the Exchange comply with the requirements of the anti-corruption legislation of the Republic of Kazakhstan, the principles and requirements of the current Anti-Corruption Policy. The President of the Exchange exercises general control over compliance with the provisions of internal documents in the area of countering corruption. The structural unit that ensures compliance with anti-corruption standards is the Compliance and Risk Management Service that is responsible for the organizational and methodological support for the creation and operation of the management system, control, monitoring and development of proposals for its improvement. The Compliance and Risk Management Service accepts appeals and complaints from employees and other stakeholders, and initiates internal investigations if necessary.

In accordance with the internal documents of the Exchange, the

following actions are recognized as corrupt actions:

- Provision or promise to provide any financial, property and/or other benefit/advantage, including the offer, promise or performance of a bribe, with the purpose of inducing a decision in favor of the person or entity providing such benefit/advantage or an associated person or entity.
- Receipt, agreement to receive, demand or request to provide a financial, property and/or other benefit/advantage with the purpose of inducing a decision in favor of a person or entity providing such benefit/advantage or an associated person or entity.
- Fraud, illegal use of official position contrary to the legitimate interests of the Exchange to obtain a financial, property or other benefit/advantage.
- Any other actions that violate the applicable legislation of the Republic of Kazakhstan in the area of combating corruption.

The Anti-Corruption Policy also sets forth requirements for business gifts and business hospitality. For instance, employees are required to refuse business gifts and other signs of special attention from clients and counterparties of the Exchange that may place employees in a dependent position.

Employees are required to identify corruption risks specific to their areas of activity and to interact with the Compliance and Risk Management Service on anti-corruption issues.

In that case, if there are any evidence or reasonable suspicion that a corruption offence, conflict of interest, or that services provided by the Exchange to its clients are used or are intended to be used for corrupt purposes, employees are required to report it no later than the next working day after the corruption offence or suspicion of it became known, with information describing the relevant violations attached. Employees are required to inform either the head of the Compliance and Risk Management Service or their immediate supervisor, except in cases when the corresponding suspicions arise in relation to that supervisor. Heads of structural units are responsible for preventing employees from transmitting information about evidence and reasonable suspicions of corruption in the Exchange, as well as for applying disciplinary and other measures to employees in connection with the information they submit.

We also provide other stakeholders with the opportunity to provide

information, including anonymously, through available communication channels and the existing hotline ethics@ccx.kz about corruption risks and suspicions regarding corruption offenses.

If a corruption violation or prerequisites for its commission are identified, objective official investigations are conducted in accordance with the procedure stipulated by the legislation of the Republic of Kazakhstan. If illegal actions are confirmed based on the results of the official investigation, the Exchange has the right to decide to apply disciplinary measures to employees involved in illegal actions, if there are legal grounds. We have undertaken the obligation to inform law enforcement and other government agencies about such cases, that may use administrative and criminal liability measures against violators in accordance with the legislation of the Republic of Kazakhstan.

We guarantee that those employees who refused to participate in corruption are not be held liable, even if, as a result of such refusal, the Exchange lose commercial or competitive advantages or suffers losses that could be avoided only by violating the anti-corruption legislation of the Republic of Kazakhstan or internal corporate documents related to combating corruption.

The Exchange ensures that members of the governance bodies and employees are familiar with the corporate policy and procedures of combating corruption. When hired, new employees should familiarize themselves with the Anti-Corruption Policy of Caspy Commodity Exchange JSC through the Compliance and Risk Management Service and sign a personal Commitment to comply with it. Members of the Board of Directors who are not employees of the Exchange are familiarized with internal documents regulating the process of combating corruption during the review and approval of such internal documents. Thematic training of employees on issues related to combating corruption is organized. As of the end of the reporting year, all employees of the Exchange received training on combating corruption.

We expect that members of the governance bodies and employees prioritize the interests of the Exchange and its shareholders over their personal interests in the performance of their official duties. At the same time, we position a conflict of interest as one of the factors in the manifestation of corrupt behavior.

Taking this into account, members of the Board of Directors and employees, when performing their official duties, are obliged:

- To avoid situations that lead to a conflict of interest, and when making decisions in good faith and reasonably, be guided exclusively by the interests of the Exchange.
- Not to use their official position, as well as information to which they have access, for personal interests or in the interests of related persons.
- To notify of a conflict of interest, promptly disclose information about personal circumstances that may lead to a real or potential conflict of interest, also when hiring or when assigning to a new position.

The Exchange strives to maintain a balance between corporate interests and interests of the employee, and approaches each case of conflict of interest individually, while protecting conscientious employees from persecution. The Board of Directors is involved in prevention, identification and resolution of corporate conflicts.

If employees fail to take measures to prevent or resolve a conflict of interest to which they or their immediate subordinate is a party or fail to fulfill the obligation to inform about the occurrence (possibility of occurrence) of a conflict of interest, disciplinary measures may be applied to such employees.

COUNTERING ILLEGAL FINANCIAL OPERATIONS

The Exchange strives to strictly comply with the current legislation of the Republic of Kazakhstan on combating the legalization of proceeds from crime and terrorism financing.

To effectively combat criminal financial activity, we ensure the functioning of the internal control system in relation to AML/CFT.

That system is regulated by the current Internal Control Rules to Counter the Legalization (Laundering) of Proceeds from Crime, the Financing of Terrorism and the Financing of the Proliferation of Weapons of Mass Destruction. Compliance with the requirements of these Rules is ensured by all structural units of the Exchange.

The employee responsible for AML/CFT is the Vice President of the Exchange. The functions of such a responsible employee are not combined with the functions of the internal audit, as well as with the functions of

the units carrying out the operational (current) activities of the Exchange. The Exchange and its members are prohibited from interacting with counterparties and their beneficial owners that are on the list of persons involved in terrorist activity, lists of organizations and entities associated with the financing of the proliferation of weapons of mass destruction, the financing of terrorism and extremism, as well as with counterparties and their beneficial owners who are subject to international sanctions in accordance with UN Security Council resolutions. Under any circumstances the Exchange does not engage in fraudulent activity or assist clients or other entities in committing fraudulent activities.

The Exchange ensures the record keeping for all documents and information, including on one-off transactions, as well as those obtained as a result of due diligence of clients and beneficial owners, such as clients and beneficial owners files and correspondence with them, for at least 5 years from the date of termination of business relations with clients and beneficial owners or after the date of the one-off transaction.

If, when interacting with a counterparty, employees of the Exchange have any suspicion related to money laundering or other AML/CFT risks, they are obliged to report it to their immediate supervisor. Such information is then provided by the Exchange to the authorized state body implementing financial monitoring and taking other AML/CFT measures.

The Exchange uses automated information systems and software for AML/CFT purposes, including for implementation of direct information exchange with the Financial Monitoring Agency.

Annual mandatory training of the Exchange employees on AML/CFT issues is implemented to provide employees with the knowledge and skills necessary for them to comply with the requirements of the AML/CFT legislation of the Republic of Kazakhstan, as well as internal AML/CFT documents of the Exchange. Mandatory initial instruction is conducted to familiarize new employees with such requirements.

KEY AML/CFT PROCEDURES

The Exchange introduced a set of mandatory procedures for conducting due diligence on clients and beneficial owners, and identifying transactions subject to financial monitoring.

For instance, the following procedures are implemented within the AML/CFT framework:

- Identification, verification and regular monitoring of clients (their representatives) and beneficial owners, including their identification and verification when establishing non-face-to-face business relations between the Exchange and them, for example through digital and electronic channels.
- Classification of clients taking into account the degree of AML/CFT risk.
- Checking clients (their representatives), counterparties and beneficial owners against the list of persons involved in terrorist activities, lists of organizations and entities associated with the financing of the proliferation of weapons of mass destruction, the financing of terrorism and extremism, as well as against sanctions lists.
- Identification and verification of clients and beneficial owners for their affiliation with politically exposed persons (PEPs), their spouses and close relatives.
- Continuous enhanced monitoring of financial transactions accepted for servicing by clients who are defined as PEPs, their spouses and close relatives, as well as those whose beneficial owners are such persons.
- Continuous monitoring and examination of client transactions, with an emphasis on examining complex, unusually large and other unusual transactions.

HUMAN RIGHTS

GRI 406-1

Material Topics: Human rights | Business ethics, countering corruption and illegal practices | Compliance with the legislation of Kazakhstan and regulatory requirements | Personnel management

Respect for human rights is a fundamental value for the Exchange in the process of ensuring its sustainable development and compliance with the principles of responsible business conduct. We adhere to the principles of respect for the rights of every person associated with our activities.

As a participant in the UN Global Compact, the Exchange is focused on respect for human rights in accordance with the legislation of the Republic of Kazakhstan, international norms and principles enshrined in the Universal Declaration of Human Rights of the United Nations of December 10, 1948, the United Nations Global Compact of July 26, 2000, the International Covenant on Economic, Social and Cultural Rights of December 16, 1966, the Declaration of the International Labor Organization on Fundamental Principles and Rights at Work of June 18, 1998, and the Guiding Principles on Business and Human Rights of June 16, 2011.

The Exchange has the Code of Business Ethics that sets out corporate requirements and obligations on human rights, equal opportunities, and combating any form of discrimination.

The Board of Directors ensures control over compliance with human rights. At the operational level, the responsible unit is the Compliance and Risk Management Service.

We believe that violation of human rights is unacceptable and can have a negative impact on the reputation of the Exchange, loss of trust of clients and employees, and lead to litigation and sanctions from government agencies.

In 2024, there were no confirmed cases of human rights violations or cases of discrimination against employees and clients by the Exchange.

Caspy Commodity Exchange prohibits any discrimination against employees, clients, contractors on any individual grounds, such as gender, nationality and religion, social status, age, disability and other distinctive characteristics, as well as any actions that may humiliate human dignity.

Regardless of their job position, employees should not be subjected

to any physical, verbal, sexual or psychological harassment, bullying, oppression or persecution, intimidation, abuse or threats from managers and colleagues. Employees are required to show respect for cultures, opinions and lifestyles that differ from their own, and take into account how others will perceive them and react to their behavior and manner of communication. Employees are prohibited from participating in any actions that can contribute to the creation of an atmosphere of intimidation, hostility, insult or humiliation of human dignity in the workplace, as well as tolerating such actions. Caspy Commodity Exchange complies with the requirements of the legislation of the Republic of Kazakhstan on the minimum working age, and does not use child labor, as well as any forms of modern slavery, forced or compulsory labor.

The Exchange supports the right of employees to form and join trade unions, participate in collective bargaining and in lawful labor activities, without fear of retaliation or discrimination. A Collective Agreement is concluded between the Exchange and its employees.

We expect the members of the Exchange, as well as our counterparties that provide or seek to provide any goods, works or services to the Exchange, to strictly respect human rights, in particular through promoting similar requirements in their own supply chains. The Exchange welcomes the members and counterparties of the Exchange to have a clearly formulated corporate position on human rights. At the same time, we reserve the right to request information from the members and counterparties of the Exchange regarding their compliance with human rights, prevention of discrimination against employees, use of forced and child labor, and other risks related to human rights.

Taking into account the recommendations of the UN Guiding Principles on Business and Human Rights the Exchange continued to improve its human rights due diligence procedures in 2024, including in terms of identifying and assessing risks, and continuously managing risks and impacts related to human rights.

In particular, for the first time we have carried out a human rights risk assessment for all of the own operations and units of the Exchange, that is to be carried out every three years in the future. Risk assessment as part of human rights due diligence is carried out based on the following stages:

- Identification of the most relevant human rights aspects for

operations of the Exchange by analyzing industry benchmarks, risks within the geography of operations, as well as human rights-related issues specific to the financial and exchange sectors.

- Assessing the significance and likelihood of risks inherent in operations of the Exchange, prioritizing risks and identifying significant risks, analyzing existing mitigation measures, especially in relation to salient risks.

Based on the results of the assessment conducted in 2024, it was determined that the Exchange is not exposed to salient human rights risks associated with child labor, forced labor and other modern forms of slavery, discrimination in labor relations, gender equality and women's rights, freedom of association and recognition of the right of employees to collective bargaining in the context of its own activities. At the same time, the Exchange proactively developed measures and procedures aimed at minimizing the impact of secondary human rights risks. Any stakeholders can report potential human rights violations and any forms of discrimination via the existing hotline ethics@ccx.kz. Upon receipt of such information, the Exchange conducts an objective and impartial internal investigation, while respecting the protection of the applicant's privacy, based on the results of which, if necessary, corrective measures are developed and implemented to prevent such violations in the future. Employees who violate the requirements of the Exchange in the area of human rights and non-discriminatory conduct may be subject to disciplinary measures if there are legal grounds.

INFORMATION SECURITY

GRI 2-23, 418-1

Material Topics: Information security

Due to the specific nature of our activities, information security is one of the key factors in ensuring the stable functioning of the Exchange, predictable, continuous and secure provision of services and products to our clients, especially in the context of active digitalization of business processes.

The key internal information security document is the Information Security Policy, that applies to all employees of the Exchange and to subsidiaries of the Exchange. The Rules for conducting an internal audit of information security, the Methodology for analyzing and assessing information security risks and a number of other internal documents related to information security management are also in effect.

The Information Security Policy provides for obligations to protect the integrity of information used and processed by the Exchange, maintain the confidentiality of critical information assets, and ensure the continuity of core business processes of the Exchange. The Policy also enshrines the principle of continuous improvement of the information security system based on the continuity of organizational and technological solutions, along with the principle of continuous and comprehensive analysis and monitoring of information assets to promptly and effectively identify vulnerabilities.

The Board of Directors is involved in strategic control over information security. The Risk Committee under the Board of Directors is delegated with functions on information security and risks associated with it, taking into account their significance for the activities of the Exchange.

The President of the Exchange exercises direct control over the information security system and the effectiveness of the measures implemented in that area. The Information Technology Unit is the structural unit responsible for information security, and its main functions include identifying and analyzing threats to information security, determining the data protection regime, implementing information protection tools and

systems and monitoring their operation, as well as monitoring compliance with the information confidentiality regime.

Taking into account the requirements of the current Information Security Policy, the Exchange clearly defined the functions and responsibilities of structural units and individual employees on information security to prevent both uncertainty in the organizational structure and decrease in the effectiveness of the protective measures taken. Each employee of the Exchange is personally responsible for ensuring information security.

The Exchange strives to ensure a prompt response to any information security threats or incidents, including leaks of confidential information, and the continuous improvement of its systems. In particular, the responsible unit regularly analyzes the vulnerabilities of the information security system, as well as the information systems, network infrastructure and software of the Exchange.

The Action Plan for ensuring continuous operation and restoration of asset performance, including disaster recovery of IT systems, was developed and approved and it is tested at least once a year. Scenarios for responding to cyber threats and information security incidents are implemented. For all violations identified, the Exchange conducts checks in accordance with the procedure for planning and implementing relevant measures, during which responsible employees carefully analyze the causes of the violations and then take technical and disciplinary measures to prevent such situations in the future.

To improve the efficiency and reliability of the information security system, an internal audit in the area of information security is conducted annually as part of the annual internal audit plan, the results of which are reported to the Board of Directors and the President of the Exchange. If necessary, an unscheduled internal audit is conducted.

In accordance with the regulatory requirements in force in the Republic of Kazakhstan, the information systems of our Company are included in the list of critically important informatization objects. That is why, an annual external audit in the area of information security is mandatory for the Exchange. In the reporting period, no critical problems and vulnerabilities in our systems and procedures were identified based on the results of the external audit in the area of information security.

Based on the provisions of the current internal documents, the

STABILITY OF THE INFORMATION SECURITY SYSTEM OF THE EXCHANGE IN 2024

In 2024, no significant confirmed information security breaches were recorded, such as data leaks, unauthorized access to internal networks, applications, devices, protected systems and data, bypass of security mechanisms by malicious applications to access restricted information.

Clients and employees of the Exchange were not affected by information security incidents, including no substantiated complaints from the stakeholders regarding a breach of data confidentiality.

In 2024, there were no confirmed cases leading to the suspension of trading as a result of implementation of information security risks. As a result, the Exchange did not incur any financial losses in the reporting period due to failures in the information security and cybersecurity systems.

Exchange ensures the protection of confidential and material non-public (insider) information, for example by restricting access to such information and on its distribution, disclosure or use, in employment contracts concluded with employees, civil and business contracts concluded with counterparties, confidentiality agreements and other means.

When hired, employees sign an employment contract, that, among other things, establishes their responsibility for compliance with information security requirements. Employees are required to familiarize themselves with the requirements of internal information security documents, rules and instructions for ensuring information security, with the mandatory signing of a familiarization sheet, to raise their awareness, inform about the procedures for responding to information security incidents and preventing them.

Employees and representatives of suppliers, contractors and other third-party organizations using the information processing tools of the Exchange or having access to the information systems of the Exchange are required to sign an agreement on compliance with the information

security requirements of the Exchange. Clauses on compliance with the information security requirements of the Exchange are included in contracts with them.

Employees, primarily the personnel of the structural unit of the Exchange responsible for information security, undergo regular training on issues related to information security. All employees also participate in specialized briefings and periodically familiarize themselves with various information materials on priority aspects of information security, that are distributed through the internal communication channels of the Exchange.

Internal documents of the Caspy Commodity Exchange establish the obligation of employees to inform the responsible unit of the Exchange of all violations, incidents and suspicious activities related to information security that they identify. In that context, employees adhere to a clearly established escalation process to prevent the aggravation of problems and ensure a timely response to potential threats to data security. In particular, the Exchange approved the Instruction on the procedure for users to respond to information security incidents and in emergency situations. It also provides for the use of incentive measures for employees who discover and conscientiously report vulnerabilities in the system for protecting confidential information from unauthorized access that they identified. Through available communication channels, including through the existing hotline, any stakeholder may inform the Exchange of the fact of violations in the operation of the information security system, for example the illegal distribution, disclosure or use of confidential or material non-public (insider) information. Violators represented by employees of the Exchange may be subject to disciplinary, administrative, criminal liability in the manner established by the legislation of the Republic of Kazakhstan and the internal documents of the Exchange, depending on the specific case.

Employees of the Exchange and its subsidiaries regularly participate in various forums, seminars and conferences dedicated to IT transformation and information security, and provide training to specialists on changing trends and requirements in this area.

EXTERNAL CERTIFICATION OF THE INFORMATION SECURITY SYSTEM OF THE EXCHANGE

The information security management system of the Exchange is classified as a critical information and communication infrastructure facility and complies with the requirements of the Order of the Minister of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan dated June 30, 2023.

As a result, the Exchange passed external certification for compliance with the requirements established by the following information security standards:

- ISO/IEC 27001 – the standard establishes requirements for the creation, implementation, maintenance and continuous improvement of an information security management system, taking into account the organization's environment.
- ISO/IEC 27002 – the standard applies to information security management tools, including guidance on their implementation.

PERSONAL DATA PROTECTION

GRI 2-23, 418-1

Material Topics: Personal data protection | Information security | Human rights

Caspy Commodity Exchange ensures protection of personal data and confidentiality of information on personal data subjects, including our clients and employees.

For the proper regulation of activities in the area under consideration, the Board of Directors approved the Policy on the Processing and Protection of Personal Data, in addition to the Code of Business Ethics. The Policy is publicly available on the official website of the Exchange for familiarization with it by personal data subjects and other stakeholders.

The said Policy applies to all employees of the Exchange, including employees under employment contracts and persons working under civil contract, and all structural units of the Exchange. The provisions of the Policy are also mandatory for the members of the Exchange, suppliers and other persons if their participation in the process of processing personal data by the Exchange is necessary, as well as in cases of transfer of personal data to them in the established manner based on agreements, contracts, and processing orders.

The Information Technology Unit is the unit the Exchange responsible for personal data management and their protection. Its main functions include ensuring continuous monitoring of compliance at the corporate level with the requirements of the Policy on the Processing and Protection of Personal Data and ensuring a level of security of personal data, implementing measures to prevent unauthorized access to personal data or their transfer to entities who do not have the right to access such information, timely detection of unauthorized access to personal data.

In 2024, there were no confirmed cases of violation of the personal data legislation of the Republic of Kazakhstan by the Exchange, including the cases related to violation of the confidentiality of personal data and their illegal transfer to third parties by the Exchange. Regular internal audit of the personal data management system is envisaged.

RIGHTS OF THE PERSONAL DATA SUBJECT ESTABLISHED BY THE POLICY ON THE PROCESSING AND PROTECTION OF PERSONAL DATA

The subject of personal data has clearly formulated rights in relation to personal data, including the right to access full information about his/her personal data processed by the Exchange, in particular:

- Confirmation of the fact of processing of personal data by the Exchange.
- Legal grounds and purposes of processing personal data.
- Methods of processing of personal data applied by the Exchange.
- A name and location of the Exchange, information about persons (except for the operator's employees) who have access to personal data or to whom personal data may be disclosed based on an agreement with the Exchange or based on the legislation of the Republic of Kazakhstan.
- Processed personal data related to the relevant personal data subject, a source of their receipt, unless another procedure for submitting such data is provided for by the legislation of the Republic of Kazakhstan.
- Times (period) of processing personal data, including times of their storage.
- Information on the completed or proposed cross-border transfer of personal data.
- A name of an entity or first name, surname, patronymic and address of a person processing personal data on behalf of the Exchange, if the processing is or will be entrusted to such entity or person.

The Exchange collects, uses and stores personal data for legal purposes and within reasonable limits necessary for its activities. To ensure the confidentiality of data, actions performed with personal data in corporate information systems are recorded.

Processing of personal data is carried out only with the consent of the personal data subject to the processing of his/her personal data, unless otherwise provided by the personal data legislation of the Republic of Kazakhstan.

At the same time, personal data subjects, including clients of the Exchange, have the right to revoke consent to the collection and processing of personal data, except in cases where it contradicts the legislation of the Republic of Kazakhstan, or in the presence of an unfulfilled obligation to the Exchange. Personal data subjects have the right to demand changes and additions to their personal data if there are grounds confirmed by relevant documents. The Exchange does not disclose to third parties or distribute personal data without the consent of the personal data subject, unless otherwise provided by the personal data legislation of the Republic of Kazakhstan.

Personal data subjects also have the right to demand that the Exchange clarify their personal data, block or destroy them if the personal data is incomplete, outdated, inaccurate, illegally obtained or is not necessary for the stated purpose of processing. Employees who have access to personal data of colleagues, clients, counterparties, and other persons are obliged to maintain their confidentiality, observing the relevant legislation of the Republic of Kazakhstan and the requirements of the Exchange regarding the collection, use and disclosure of such data.

Employees of the Exchange and other persons guilty of violating the requirements governing the processing and protection of personal data bear material, disciplinary, administrative or other liability in the manner established by the legislation of the Republic of Kazakhstan, internal documents and agreements of the Exchange as an personal data operator.

DIGITALIZATION

Material Topics: Digitalization

Innovation and digital transformation are the focus of our strategy, as the Exchange views innovation and digitalization as a key competitive advantage, integral elements of sustainable development and drivers of corporate economic performance. The electronic trading system is constantly being modernized and optimized, with information security and customer focus at the forefront. General control of corporate activities in the area of innovation and digitalization is carried out by the President of the Exchange.

The Company implements projects related to automation and digitalization in various areas. We offer the members of the Exchange as our main clients, as well as trading participants, safe and reliable information and digital services and technology services, that, among other things, include the provision of market data in real time. To optimize and automate servicing of trading participants, we offer a possibility of using an application processing system that integrates with their ERP systems and enables to simplify and systematize the process of submitting applications for the purchase and sale of commodities, as well as the exchange of documents and exchange reports.

Since 2020, the Exchange has transferred almost all internal and external document flow with counterparties to electronic format. For example, contracts, acts, letters and other documentation are maintained and exchanged only in electronic format to reduce the use of paper resources.

Since one of the main types of trade is trading in petroleum products, the Exchange trading system is synchronized with the state unified system for managing subsoil use in terms of hydrocarbon raw materials, where all information on the conducted trades in petroleum products is uploaded after each trading day. Synchronization is carried out through a single e-government gateway, that once again confirms the reliability of IT systems of the Exchange.

The ongoing priority of the Exchange is to ensure smooth operations of trading and information systems, as well as prompt response

to possible negative situations if necessary. We take into account that the digitalization of procedures and business processes allows us to make an additional contribution to the low-carbon development of the Exchange, its clients and counterparties.

Among the digital solutions implemented by the Exchange, it is worth noting the unique electronic trading platform that enables efficient procurement of goods, works and services. This trading platform provides information interaction (synchronization) with the NADLoC state register. To support trading participants and provide prompt technical assistance to clients, the Exchange operates its own call center.

To effectively manage innovations and digitalization, the Exchange attracts its subsidiaries that develop and support digital trading and other systems, including individual systems for different business entities.

In particular, one of our subsidiaries, FSD LLC, is a developer of electronic trading systems and their software that support all types of trading, including auctions with open and closed forms of submitting price offers to increase or decrease the price, competitions, public offers, requests for quotations and exchange trading. These electronic trading platforms allow integration with a number of corporate systems, such as SharePoint, 1C, SAP.

To automate and manage the procurement activities of commercial companies, the Smart Procurement cloud service has been launched on the market. In addition, there is a testing laboratory accredited by the National Accreditation Center LLC to check the compliance of information technology facilities with information security requirements.

LABOR TEAM

GRI 2-7, 2-19, 2-20, 2-30, 401-1, 401-3, 403-6, 404-1, 404-2, 405-1, 405-2, 406-1

Material Topics: Personnel management | Human rights

Employees are a key asset of the Exchange. A motivated and united team allows the Exchange to effectively achieve strategic and operational goals.

We strictly comply with the requirements of the labor and social legislation of the Republic of Kazakhstan. The labor relations management system implemented by the Exchange fully complies with the said legislation.

While implementing the HR policy, we focus both on creating conditions for attracting and retaining highly qualified employees and on providing a favorable environment for their development.

HR issues are regularly considered at meetings of the Board of Directors and the Social Affairs, Human Resources and Remuneration Committee. At the executive management level, the President of the Exchange is responsible for HR management and internal social policy.

Demonstrating intolerance to discrimination in any form and manifestation, the Exchange provides equal working conditions to all employees regardless of their gender, origin, nationality, religion and other characteristics. In terms of maintaining gender equality, the Exchange takes into account only the professional skills of candidates when hiring them and ensures equal working conditions and professional development for men and women. There were no cases of gender discrimination in our Company during the reporting period.

We focus on the principle of normed labor, that allows employees to combine professional and personal life.

The normal working hours for employees are set by the Exchange at no more than 8 hours a day and no more than 40 hours a week. With the written consent of employees, they may be involved in overtime work, that is subject to increased payment in accordance with the Labor Code of the Republic of Kazakhstan.

In agreement with the management of the Exchange, employees have the right to work remotely, as well as use a flexible work schedule.

We support the desire of employees for a healthy and active lifestyle.

In particular, the Exchange provides opportunities for sports activities by renting sports grounds on a regular basis for its employees.

Employees are notified by the Exchange of any significant changes that affect their legitimate interests and labor rights. For instance, when terminating employment contracts with them at the initiative of the Exchange, employees must be notified at least 1 month in advance.

Employees of the Exchange are guaranteed all types of leave stipulated by the legislation of the Republic of Kazakhstan, including annual paid leave and parental leave. Annual paid leave of 24 calendar days is granted to all employees without exception. In the reporting year, 1 employee exercised the right to parental leave.

The average annual remuneration of employees in the reporting period, including bonuses and premiums, was 13.46 million tenge (excluding the President of the Exchange). The gender gap in the average salary of male employees and the salary of female employees is 64%. However, that significant gap is mainly because male employees are significantly more represented in management and highly paid positions. The Exchange adheres to the principle of equal pay for equal work within the framework of similar job responsibilities of employees.

In 2024, 50% of employees noted an increase in remuneration, by an average of 14%. The variable remuneration in the form of shares of the Exchange for employees, including the President, is not provided.

To maintain a high level of qualifications and professionalism of the workforce, we strive to improve the training opportunities for employees, aimed at developing their business, professional and universal competencies. In the reporting period, total expenses of the Exchange on employee training amounted to 455 thousand tenge, or an average of 28.4 thousand tenge per employee.

When filling vacancies, the Exchange gives preference to internal candidates, thereby expanding opportunities for career and professional growth of its employees.

SUPPORT OF EMPLOYEES

We recognize the right of employees to collective bargaining, freedom of assembly and association, and the right to create organizations representing their interests.

Since 2024, the Collective Agreement has been in effect between the Exchange as an employer and employees. As of December 31, 2024, 100% of our employees participated in it.

Caspy Commodity Exchange provides employees with a package of social support measures, that embrace, for example, financial support in various life situations (in the event of a death of a close relative, a birth of a child, retirement, etc.), payment for mobile communications, payment for taxi services, provision of refundable financial assistance for a purchase of real estate, and other measures.

EDUCATION OF EMPLOYEES

In 2024, the total number of hours of employee training organized by the Exchange was 664, including 454 hours for managers and 210 hours for specialists.

The average number of training hours per employee was 41.5, including 45.4 hours for managers and 42 hours for specialists.

EMPLOYEE ENGAGEMENT

Since 2023, the Exchange conducts an annual measurement of employee engagement to more effectively manage HR issues and motivate staff.

In 2024, the employee engagement level was 86.1% with a planned figure of at least 70%. The survey covered 100% of the employees of the Exchange.

During the survey, the respondent employees are divided into age groups and gender.

EMPLOYEES OF THE EXCHANGE AS OF DECEMBER 31*		
	2023	2024
TOTAL NUMBER OF EMPLOYEES	12	16
Senior, middle and junior managers	6	10
Specialists	5	5
Administrative personnel	1	1
BREAKDOWN OF EMPLOYEES BY GENDER		
Women	4	7
Men	8	9
BREAKDOWN OF WORKERS BY AGE		
Under 30 years	2	4
including women	1	2
including men	1	2
30–50 years	8	8
including women	3	3
including men	5	5
Over 50 years	2	4
including women	2	2
including men	-	2
AGE OF THE YOUNGEST EMPLOYEE	25	23
BREAKDOWN OF EMPLOYEES BY EMPLOYMENT CONTRACT		
Fixed-term employment contract	12	16
including women	4	7
including men	8	9
Full-time employees	12	16
including women	4	7
including men	8	9
BREAKDOWN OF EMPLOYEES BY NATIONALITY		
Kazakhs	83%	87%
Russians	17%	13%
ABSENTEE RATE	0.2%	0.3%

* Not including members of the Board of Directors who are not employees of the Exchange

EMPLOYEES BY JOB POSITION AND GENDER AS OF DECEMBER 31		
	2023	2024
SENIOR, MIDDLE AND JUNIOR MANAGERS		
Women	2	3
Men	4	7
SPECIALISTS		
Women	1	3
Men	4	2
ADMINISTRATIVE PERSONNEL		
Women	1	1
Share of women in all management positions, including junior, middle and senior management positions, as % of total management positions	33%	30%
Share of women in management positions in the revenue-generating areas of activity of the Exchange, as % of all management positions in the revenue-generating areas of activity of the Exchange	50%	70%
Share of women in senior management positions that at most two levels below the President of the Exchange, as % of the total number of senior management positions	33%	30%
Share of women in STEM positions, as % of total STEM positions	0%	0%

EMPLOYEES BY JOB POSITION AND AGE AS OF DECEMBER 31

	2023	2024
SENIOR, MIDDLE AND JUNIOR MANAGERS		
Under 30 years	-	1
30–50 years	5	6
Over 50 years	1	3
SPECIALISTS		
Under 30 years	2	3
30–50 years	2	1
Over 50 years	1	1
ADMINISTRATIVE PERSONNEL		
30–50 years	1	1

EMPLOYEE TURNOVER

	2023	2024
Overall turnover rate	33%	25%
Voluntary turnover rate	33%	25%
Employee turnover because of discrimination and human rights violations, including labor rights violations	0	0
New employees hired	4	8

OCCUPATIONAL HEALTH AND SAFETY

GRI 403-1, 403-2, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

Material Topics: Personnel management

As a responsible employer, the Company strives to ensure safe working conditions by implementing measures to prevent accidents, injuries and occupational diseases.

The labor protection system covers all employees of the Exchange. The Exchange has an approved Labor Protection Instruction that sets out the labor safety and professional health requirements, mandatory for employees. For violation of the labor safety and professional health requirements, employees of the Exchange may be subject to disciplinary liability if there are legal grounds. Contracting organizations and their employees that are involved in the performance of work or the provision of services at facilities of the Exchange are also required to comply with our occupational health and safety requirements.

During the reporting period, there were no incidents recorded during activities of the Exchange that resulted in injuries and occupational diseases of employees. The LTIFR indicator was 0 in 2024. The Exchange conducts internal inspections and internal audits annually to identify occupational safety and health risks and hazards.

In the event of a situation that poses a danger to health and safety, employees must immediately report it to their immediate supervisor. At the same time, employees have the right to refuse work if their life and health are threatened by a reasonable danger due to a violation of occupational health and safety requirements.

On the territory and facilities of the Exchange or when carrying out activities on behalf of the Exchange, employees are prohibited from consuming alcohol and drugs, as well as being in the workplace while intoxicated or under the influence of drugs.

Caspy Commodity Exchange consults with employees and supports the involvement of employees in the process of preventive identification of risks and hazards associated with the performance of work duties. Employees can make reasonable proposals for the development, implementation and

evaluation of the occupational safety management system.

The Exchange ensures a thorough investigation of accidents related to work activities including the registration, recording and analysis of accidents and occupational diseases related to work activities. Investigation of accidents related to work activities is carried out by a commission headed by the President of the Exchange.

All new employees of the Exchange undergo mandatory introductory briefings on labor safety and fire safety.

CLIMATE IMPACT MANAGEMENT

GRI 2-25, 201-2, 305-1, 305-2, 305-3, 305-4

Material Topics: Climate agenda | Risk management

The Code of Business Ethics of the Exchange defines that minimizing the impact on the environment and improving the quality of the environment are corporate sustainability priorities. We recognize that climate change is a serious long-term problem that has a large-scale impact on the state of the global economy, the environment and human well-being.

In this context, we position assistance in fulfilling the international obligations of the Republic of Kazakhstan in the area of decarbonization and implementation of the Strategy for achieving carbon neutrality of the Republic of Kazakhstan until 2060, managing our own climate-related risks and opportunities related to the climate, reducing the negative impact of the Exchange and its activities on the climate as an important task that is implemented through measures and initiatives in the following areas:

- Organization of a system for monitoring and managing greenhouse gas emissions in accordance with international and national standards.
- Implementation of annual reporting practices in accordance with international standards and recommendations in climate information disclosure, such as IFRS Standard S2 "Climate-related Disclosures" and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
- Reforming the corporate governance system to properly manage significant climate-related risks and opportunities.
- Increasing awareness and competencies of employees on issues related to the climate agenda.
- Realization of opportunities to reduce greenhouse gas emissions.

The Exchange plans to achieve net zero emissions by 2030, with 2023 chosen as the base year. We are developing a Climate Strategy that is expected to define main areas of corporate climate policy for the medium term.

The climate impact management system covers all levels of our organizational structure.

The Board of Directors is responsible for approving and monitoring the implementation of strategic climate-related objectives including the approval of strategic documents. With the support of the Sustainable Development Working Group, the President assesses the effectiveness of environmental management in the Exchange and monitors compliance with legislation, ensures achievement of goals and implementation of measures to manage the climate agenda, climate-related risks in particular. Compliance and Risk Management Service is responsible for coordinating the risk management process, assessing climate-related risks, and submitting risk reports to the Board of Directors and the President. The heads of structural units are responsible for the implementation of environmental protection and climate-related risk management measures.

To prepare for tighter carbon regulations, develop corporate carbon neutrality targets and enhance our understanding of potential corporate financial costs of greenhouse gas emissions, we have initiated the practice of a "shadow carbon price". The shadow carbon price is a theoretical price for carbon and is voluntarily used by us to assess the sensitivity of the Exchange to possible future regulatory carbon prices and the impact of such prices on the stability of operations of the Exchange and its financial performance.

The target value of the internal carbon price is 50 US dollars per 1 ton of CO₂-eq, in line with the target value of the carbon tax recommended by the International Monetary Fund for introduction in middle-income countries by 2030. The shadow carbon price covers greenhouse gas emissions of categories Scope 1 and Scope 2.

GREENHOUSE GAS EMISSIONS

Since 2021, the Exchange conducts an annual quantitative assessment of greenhouse gas emissions for Scope 1, Scope 2 and Scope 3 according to the GHG Protocol standard.

Our greenhouse gas emissions assessments for 2022, 2023 and 2024 have undergone independent external verification. The accredited verifier in 2024 is SSDC LLP (Republic of Kazakhstan).

GREENHOUSE GAS EMISSIONS BY REPORTING YEARS

	2021	2022	2023	2024
Scope 1, tons CO ₂ eq	12	4.45	17.06	65.96
Scope 2, tons CO ₂ eq	19	10.12	17.24	12.22
Scope 3, tons CO ₂ eq	7	8.04	8.69	8.03

In 2024, the assessment covers emissions of the following greenhouse gases:

CO₂ – 38.04 tons CO₂eq.

CH₄ – 0.04 tons CO₂eq.

N₂O – 0.51 tons CO₂eq.

HFCs – 47.62 tons CO₂eq.

Scope 2 emissions were calculated using the location-based method. Scope 3 emissions were calculated based on the Technical Guidance for Calculating Scope 3 Emissions of the Greenhouse Gas Protocol (GHG Protocol. Technical Guidance for Calculating Scope 3 Emissions) for the categories «Purchased Goods and Services» (0.12 tons CO₂eq in 2024), «Employee Commuting» (5,40 tons CO₂eq in 2024), «Business Travel» (2,51 tons CO₂eq in 2024).

In 2024, the carbon footprint of the Exchange based on combined Scope 1 and Scope 2 emissions totaled 4.88 tons of carbon dioxide equivalent per employee.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

In 2024, the Exchange completed the identification and pilot assessment of physical and transition climate-related risks in the short-, medium- and long-term horizons (0-3 years, 3-10 years and 10-30 years, respectively) and began integrating them into the corporate risk management system. We will assess physical and transition climate-related risks annually.

For the purpose of climate modelling and climate-related risk analysis, the Exchange, with the support of external experts, used three climate scenarios from the Sixth Assessment Report of the Intergovernmental Panel on Climate Change, namely SSP1-2.6, SSP2-4.5 (baseline scenario) and

SSP5-8.5. The Exchange takes into account that the TCFD recommendations provide for the use of at least two scenarios, one of which should be consistent with the goals of the Paris Climate Agreement (global temperature increase will not exceed 2°C by the end of this century).

To identify and analyze transition risks, in addition to the opinion of external experts, long-term national commitments in the area of low-carbon development in accordance with the Strategy for Achieving Carbon Neutrality of the Republic of Kazakhstan until 2060, as well as processes in the area of climate regulation, international initiatives and corporate climate commitments of exchange and financial organizations in advanced countries and interstate associations of the world were used. It is important to note that the Republic of Kazakhstan is a full participant in international climate initiatives including a signatory to the Paris Climate Agreement.

The results of the conducted climate-related risk assessment show that climate change does not pose a significant impact on the activities of the Exchange in the short term (~next three years). As a result, now we are focused primarily on continuous monitoring of the relevant risk factors.

The exposure of the Exchange to potential physical risks in the short and medium term is generally assessed as minimal/insignificant, regardless of the selected scenario, including the absence of offices and other facilities owned by the Company, and considering a limited geographic presence of the Exchange – its operations and personnel are concentrated in Astana city, Republic of Kazakhstan. The main emergency physical risks typical for Astana in the forecast period are floods and high waters (mainly in the spring and summer); severe frost, extremely low temperatures; strong winds, hurricanes.

Unlike other sectors of the economy, indirect risks associated with the activities and assets of the members of the Exchange, sellers and buyers of commodities, as well as directly with trading operations with (carbon-intensive) raw materials are of increased importance for exchange organizations.

Given our high dependence on trading operations with carbon-intensive commodities (e.g. coal, cement, oil products), the Exchange may be predominantly exposed to the impact of transition climate-related risks, especially in the medium and long term. Among transition risks, the main ones in terms of potential impact on the business model, operations and

assets of the Exchange will be regulatory and legal risks and market risks including those associated with possible regulatory restrictive measures of the government in relation to carbon-intensive activities and commodities as part of the decarbonization of the national and global economy, requirements for disclosure of non-financial information, as well as those associated with changes in the market situation and demand for products of carbon-intensive sectors of the economy.

The measures to mitigate physical risks and transition risks envisaged by the Exchange for implementation in the short term include:

- Developing the competencies of the members of the Board of Directors and employees of the Exchange on climate change issues.
- Annual assessment of climate-related risks.
- Regular monitoring and analysis of climate data and the impact of climate-related risk factors on business and operations of the Exchange.
- Development and implementation of the climate strategy of the Exchange.
- Monitoring legislative climate and decarbonization initiatives in the Republic of Kazakhstan and foreign jurisdictions, monitoring the requirements of international climate standards.
- Monitoring market preferences and taking into account the requirements of trading participants.
- Monitoring meteorological, hydrological and other conditions, adjusting operating activities in the event of certain extreme conditions.
- Timely frequency of internal and external reporting, including providing the Board of Directors and the management of the Exchange with up-to-date information on exposure to climate-related risks.
- Monitoring the working conditions of personnel to change them in a timely manner.
- Annual assessment and verification of greenhouse gas emissions Scope 1, Scope 2, Scope 3 in accordance with the GHG Protocol.
- Insurance of activities and assets of the Exchange (if necessary).
- Purchase of renewable energy certificates (iREC) and use of offsets to compensate for the carbon footprint of the Exchange (if necessary).
- Use of the internal carbon price in the corporate practice.

As part of assessment of our **climate-related opportunities**, we suggest that the key opportunities for the Exchange in the long term are:



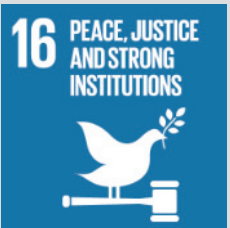
- Enhancement of exchange trading in carbon units (offsets) including through the voluntary market. Annual financial positive implications are estimated at 200 million tenge at least, its estimated time frame is 3 years.
- Increasing the competitiveness of the Exchange through the development of trading in commodities with a low carbon footprint or positive climate impact.

CONTRIBUTION TO ACHIEVEMENT OF THE UN SUSTAINABLE DEVELOPMENT GOALS

GRI 2-22

We take into account the UN Sustainable Development Goals and the principles of the UN Global Compact in our strategic priorities and focus on implementing ESG in our activities. The Exchange has identified six priority UN Sustainable Development Goals, to the achievement of which the most tangible and long-term contribution can be made.

	GOAL	TARGET WITHIN THE GOAL	CONTRIBUTION OF THE EXCHANGE
	QUALITY EDUCATION Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	<ul style="list-style-type: none"> Education, training and development of employees of the Exchange.
	DECENT WORK AND ECONOMIC GROWTH Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services. 8.5. Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. 8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	<ul style="list-style-type: none"> Supporting economic growth through the effective organization of commodity trading by the Exchange. Full compliance with the labor legislation of the Republic of Kazakhstan. Fulfillment of obligations under the current Collective Agreement. Ensuring equal and non-discriminatory opportunities in the labor area for men and women. Implementation of labor protection and safety measures by the Exchange.

	GOAL	TARGET WITHIN THE GOAL	CONTRIBUTION OF THE EXCHANGE
	INDUSTRY, INNOVATION AND INFRASTRUCTURE Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all. 9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.	<ul style="list-style-type: none"> Supporting economic growth through the effective organization of commodity trading by the Exchange. Purchase of goods and services from SMEs. Attracting SMEs as clients of the Exchange.
	CLIMATE ACTION Take urgent action to combat climate change and its impacts	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	<ul style="list-style-type: none"> Organization of carbon emissions trading by the Exchange. Consideration by the Exchange (as part of strategic planning) of priorities and commitments of the Republic of Kazakhstan in the area of achieving carbon neutrality. Implementation of climate impact management practices by the Exchange in accordance with international standards, including regular assessment of greenhouse gas emissions; identification and assessment of climate-related risks and opportunities, their integration into its activities. Plans for approval of the corporate Climate Strategy.
	PEACE, JUSTICE AND STRONG INSTITUTIONS Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	16.4 Significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime. 16.5 Substantially reduce corruption and bribery in all their forms.	<ul style="list-style-type: none"> Implementation of systemic measures in the field of AML/CFT by the Exchange. Compliance with anti-corruption legislation. Implementation of policies and measures to combat corruption at the corporate level based on the principle of zero tolerance by the Exchange. Availability of permanent exchange arbitration by the Exchange for the purpose of comprehensive consideration of disputes between trading participants.

	GOAL	TARGET WITHIN THE GOAL	CONTRIBUTION OF THE EXCHANGE
	PARTNERSHIPS FOR THE GOALS Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development	<p>17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries.</p> <p>17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.</p>	<ul style="list-style-type: none">• Participation in national and international sustainable development initiatives, as well as building a dialogue with other companies and government agencies.• Providing stakeholders with timely and complete information on the activities of the Exchange.



STAKEHOLDER ENGAGEMENT

GRI 2-29

KEY STAKEHOLDERS	STAKEHOLDER INTERESTS AND EXPECTATIONS	EXAMPLES OF INTERACTION
Shareholders	<ul style="list-style-type: none"> Business expansion and increase in its profitability. Long-term sustainability of the business model. 	<ul style="list-style-type: none"> Holding a General Meeting of Shareholders. Disclosure of financial and non-financial information. Regular communication, including through electronic means of communication. Provision of necessary data upon request.
Clients and trading participant	<ul style="list-style-type: none"> High quality and reliability of services and digital systems of the Exchange. Stability and predictability of development of the Exchange. Transparency of business of the Exchange. 	<ul style="list-style-type: none"> Monitoring activities and prompt decision-making on emerging issues. Implementation of information security measures. Development and launch of new digital solutions. Responding to requests. Providing information upon request. Surveys to assess satisfaction. Disclosure of financial and non-financial information.
Employees	<ul style="list-style-type: none"> Compliance with labor laws. Professional and career growth. Comfortable and safe workplaces. 	<ul style="list-style-type: none"> Regular open discussions with participation of the management of the Exchange. Informing and collecting feedback through communication channels. Training and development of employees. Collective agreement, measures of additional social support for employees. Annual measurement of employee engagement level.

KEY STAKEHOLDERS	STAKEHOLDER INTERESTS AND EXPECTATIONS	EXAMPLES OF INTERACTION
Suppliers	<ul style="list-style-type: none"> • Compliance with contract terms and procurement procedure rules. • Accessibility and transparency of procurement procedures. • Effective feedback. 	<ul style="list-style-type: none"> • Carrying out purchases in accordance with legal requirements. • Holding business meetings, negotiations, consultations. • Implementation of measures to combat corruption.
Government authorities, regulators	<ul style="list-style-type: none"> • Compliance with legislation and regulatory requirements. • Transparent business management. • Fulfilment of tax obligations. • Interaction with government agencies on issues of the Exchange development. 	<ul style="list-style-type: none"> • Disclosure of financial and non-financial information. • Providing access and necessary information to regulators and supervisory authorities. • Timely and complete provision of mandatory reporting. • Timely and complete payment of taxes and other payments to the budget. • Availability of internal documents ensuring compliance of activities of the Exchange with legal requirements.
Stock exchange	<ul style="list-style-type: none"> • Compliance by issuers with securities listing rules. • Transparent business conduct. 	<ul style="list-style-type: none"> • Disclosure of financial and non-financial information. • Provision of information upon request. • Control of the process of compliance with stock exchange requirements by the management of the Exchange.

DEFINITION OF MATERIAL TOPICS

GRI 2-14, 3-1, 3-2

MATERIAL TOPICS OF 2024 BY PRIORITY

PRIORITY 1	PRIORITY 2	PRIORITY 3
<i>Compliance with the legislation of Kazakhstan and regulatory requirements</i>	<i>Digitalization</i>	<i>Climate agenda</i>
<i>Risk management</i>	<i>Personnel management</i>	<i>Business ethics, countering corruption and illegal practices</i>
<i>Tax management</i>	<i>Quality of corporate governance</i>	<i>Human rights</i>
<i>Personal data protection</i>		
<i>Information security</i>		

The Exchange analyzes and identifies material topics annually using the double materiality approach.

1

Conducting an analysis of applicable non-financial information disclosure standards, international ESG ratings requirements, information disclosure practices of peer companies, and internal documentation of the Exchange that regulates sustainability. Analysis of business activities of the Exchange is conducted with assistance of external experts. The result of this stage is the formation of a preliminary list of potentially material topics (16 topics).

3

Formation of a final list of material topics and dividing them into three priority groups based on the double materiality principle. The topics of the first priority are defined as the most material to the Exchange.

2

Conducting a stakeholder survey using a questionnaire that determines topics that are material to different stakeholder groups.

4

Reviewing and approving the final list of material topics at the level of the Board of Directors of the Exchange.

Based on the results of these stages, 11 material topics were identified, information on which is disclosed in detail in the Report.

GRI CONTENT INDEX

The 2024 Sustainability Report of Caspy Commodity Exchange JSC was prepared in accordance with the GRI Standards as of 2021, including the GRI 1: Foundation 2021 standard.

TOPIC	DISCLOSURE	SECTION OF THE REPORT AND COMMENTS
GRI 2 GENERAL DISCLOSURES 2021		
1. THE ORGANIZATION AND ITS REPORTING PRACTICES		
2-1	Organizational details	Section "About the Exchange". Section "About the Sustainability Report". Section "Contact Information".
2-2	Entities included in the organization's sustainability reporting	Section "About the Sustainability Report" The perimeter of non-financial reporting does not include the subsidiaries of the Exchange.
2-3	Reporting period, frequency and contact point	Section "About the Sustainability Report". Section "Contact Information".
2-4	Restatements of information	Section "About the Sustainability Report". The Sustainability Report was prepared by the Exchange for the second time. There were no significant changes in the information compared to the previous report.
2-5	External assurance	Section "About the Sustainability Report". The Report did not undergo external assurance, except for an independent external verification of assessment data on greenhouse gas emissions.
2. ACTIVITIES AND WORKERS		
2-6	Activities, value chain and other business relationships	Section "About the Exchange".
2-7	Employees	Section "Labor Team".
2-8	Workers who are not employees	There were no such employees in the reporting period.

3. GOVERNANCE

2-9	Governance structure and composition	Section "Corporate Governance".
2-10	Nomination and selection of the highest governance body	Section "Corporate Governance".
2-11	Chair of the highest governance body	Section "Corporate Governance".
2-12	Role of the highest governance body in overseeing the management of impacts	Section "Corporate Governance". Section "Sustainability Management System".
2-13	Delegation of responsibility for managing impacts	Section "Corporate Governance". Section "Sustainability Management System".
2-14	Role of the highest governance body in sustainability reporting	Section "About the Sustainability Report". Section "Determination of Material Topics".
2-15	Conflicts of interest	Section "Countering Corruption and Illegal Practices".
2-16	Communication of critical concerns	Section "Business Ethics".
2-17	Collective knowledge of the highest governance body	Section "Corporate Governance".
2-18	Evaluation of the performance of the highest governance body	Section "Corporate Governance".
2-19	Remuneration policies	Section "Corporate Governance". Section "Labor Team".
2-20	Process to determine remuneration	Section "Corporate Governance". Section "Labor Team".
2-21	Annual total compensation ratio	Section "Corporate Governance".

4. STRATEGY, POLICIES AND PRACTICES

2-22	Statement on sustainable development strategy	Section "Address of the President of Caspy Commodity Exchange JSC". Section "Contribution to achievement of the UN Sustainable Development Goals".
2-23	Policy commitments	Section "Corporate Governance". Section "Sustainability Management System". Section "Business Ethics". Section "Countering Corruption and Illegal Practices". Section "Information Security". Section "Personal Data Protection".

2-24	Embedding policy commitments	Section "Business Ethics".
2-25	Processes to remediate negative impacts	Section "Business Ethics". Section "Countering Corruption and Illegal Practices". Section "Climate Impact Management".
2-26	Mechanisms for seeking advice and raising concerns	Section "Business Ethics".
2-27	Compliance with laws and regulations	Section "Corporate Governance". Section "Business Ethics". Section "Countering Corruption and Illegal Practices".
2-28	Membership associations	Section "Participation in Associations and Unions".
5. STAKEHOLDER ENGAGEMENT		
2-29	Approach to stakeholder engagement	Section "Stakeholder Engagement".
2-30	Collective bargaining agreements	Section "Labor Team".
GRI 3 MATERIAL TOPICS 2021		
3-1	Process to determine material topics	Section "Determination of Material Topics".
3-2	List of material topics	Section "Determination of Material Topics".
3-3	Management of material topics	Management of material topics is disclosed in relevant sections of the Report.
GRI 200: ECONOMIC CATEGORY		
GRI-201: ECONOMIC PERFORMANCE 2016		
201-1	Direct economic value generated and distributed	Section "Key Financial and ESG Indicators for 2024".
201-2	Financial implications and other risks and opportunities due to climate change	Section "Climate Impact Management".
201-4	Financial assistance received from government	Section "About the Exchange".
GRI 202: MARKET PRESENCE 2016		
202-2	Proportion of senior management hired from the local community	Section "Corporate Governance".

GRI 204: 3 PROCUREMENT PRACTICES 2016

204-1	Proportion of spending on local suppliers	100% of the budget of the Exchange for the purchase of goods, works and services in the reporting period (the assessment of procurement costs does not include suppliers of utilities and some other categories). Local suppliers are understood to mean individual entrepreneurs and legal entities registered in the Republic of Kazakhstan.
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GRI 205: ANTI-CORRUPTION 2016

205-1	Operations assessed for risks related to corruption	No evaluation was conducted.
205-2	Communication and training about anti-corruption policies and procedures	Section "Countering Corruption and Illegal Practices".
205-3	Confirmed incidents of corruption and actions taken	Section "Countering Corruption and Illegal Practices".

GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016

206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Section "Business Ethics".
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GRI 207: TAX 2019

207-1	Approach to tax	Section "Corporate Governance".
207-2	Tax governance, control, and risk management	Section "Corporate Governance".
207-4	Country-by-country reporting	Section "Corporate Governance".

GRI 300: ENVIRONMENT

GRI 302: ENERGY 2016

302-2	Energy consumption outside of the organization	There is no consumption of fuel and energy resources outside organizational boundaries.
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GRI 303: WATER AND EFFLUENTS 2018

303-5	Water consumption	Water is collected only through the centralized water supply system, in addition to the usage of bottled water. Wastewater is discharged only into the centralized sewerage system, where it is purified to the standard level. In the reporting year, water consumption totaled 47.8 thousand liters (the calculation method based on 249 working days in 2024). Bottled water consumption was 3 thousand liters additionally.
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GRI 304: BIODIVERSITY 2016

304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The Exchange does not have such operating sites.
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GRI 305: EMISSIONS 2016

305-1	Direct (Scope 1) GHG emissions	Section "Climate Impact Management".
305-2	Energy indirect (Scope 2) GHG emissions	Section "Climate Impact Management".
305-3	Other indirect (Scope 3) GHG emissions	Section "Climate Impact Management".
305-4	GHG emissions intensity	Section "Climate Impact Management".
305-5	Reduction of GHG emissions	The Exchange plans to develop a climate strategy.
305-6	Emissions of ozone-depleting substances (ODS)	The Exchange's activities do not involve significant emissions of ozone-depleting substances.

GRI 306: WASTE 2020

306-3	Waste generated	Based on the calculation method, the generation of municipal waste at the facilities of the Exchange is estimated at 23.68 cubic meters (3.6 tons) in 2024 and 17.76 cubic meters (2.7 tons) in 2023. Waste removal from the facilities of the Exchange is carried out under contracts concluded between lessors and specialized organizations.
306-4	Waste diverted from disposal	In 2024, 175 kilograms of paper waste were sent for recycling. We implement electronic document management to reduce the generation of paper waste.

GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016

308-1	New suppliers that were screened using environmental criteria	No screening was conducted.
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GRI 400: SOCIAL CATEGORY**GRI 401: EMPLOYMENT 2016**

401-1	New employee hires and employee turnover	Section "Labor Team".
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	There are no such benefits provided.
401-3	Parental leave	Section "Labor Team".

GRI 402 LABOR/MANAGEMENT RELATIONS 2016

402-1	Minimum notice periods regarding operational changes	The Exchange is obliged to notify employees of significant changes in activities no later than the deadlines established by the labor legislation of the Republic of Kazakhstan.
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GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018

403-1	Occupational health and safety management system	Section "Occupational Health and Safety".
403-2	Hazard identification, risk assessment, and incident investigation	Section "Occupational Health and Safety".

403-4	Worker participation, consultation, and communication on occupational health and safety	Section "Occupational Health and Safety".
403-5	Worker training on occupational health and safety	Section "Occupational Health and Safety".
403-6	Promotion of worker health	Section "Labor Team". Section "Occupational Health and Safety".
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Section "Occupational Health and Safety".
403-8	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Section "Occupational Health and Safety".
403-9	Work-related injuries	Section "Occupational Health and Safety".
403-10	Work-related ill health	Section "Occupational Health and Safety".
GRI 404: TRAINING AND EDUCATION 2016		
404-1	Average hours of training per year per employee	Section "Labor Team".
404-2	Programs for upgrading employee skills and transition assistance programs	Section "Labor Team".
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016		
405-1	Diversity of governance bodies and employees	Section "Corporate Governance". Section "Labor Team".
405-2	Ratio of basic salary and remuneration of women to men	Section "Labor Team".
GRI 406: NON-DISCRIMINATION 2016		
406-1	Incidents of discrimination and corrective actions taken	Section "Human Rights". Section "Labor Team".
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There are no such operations. No risk assessment has been conducted for suppliers.
GRI 408: CHILD LABOR 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	There are no such operations. No risk assessment has been conducted for suppliers.
GRI 409: FORCED OR COMPULSORY LABOR 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	There are no such operations. No risk assessment has been conducted for suppliers.

GRI 410 SECURITY PRACTICES 2016		
410-1	Security personnel trained in human rights policies or procedures	The security service is not involved in human rights training.
GRI 413: LOCAL COMMUNITIES 2016		
413-2	Operations with significant actual and potential negative impacts on local communities	During the reporting period, there were no cases where the Exchange's activities had a direct negative impact on local communities.
GRI 415 PUBLIC POLICY 2016		
415-1	Political contributions	Section "Business Ethics".
GRI 416: CUSTOMER HEALTH AND SAFETY 2016		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no cases of non-compliance with regulatory requirements regarding the health and safety impacts of products and services.
GRI 417: MARKETING AND LABELING 2016		
417-3	Incidents of non-compliance concerning marketing communications	No such cases were recorded during the reporting year.
GRI 418: CUSTOMER PRIVACY 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Section "Information Security". Section "Personal Data Protection". During the reporting period, no complaints were recorded regarding violation of consumer privacy and loss of consumer data.

TCFD CONFORMANCE TABLE

The Exchange is in the process of integrating TCFD recommendations into its operations.

RECOMMENDATIONS	REPORTING ELEMENT	RELEVANT SECTION OF THE REPORT
GOVERNANCE		
Disclose the organization's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities.	Section "Climate Impact Management". Section "Sustainability Management System".
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	Section "Climate Impact Management". Section "Sustainability Management System".
STRATEGY		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Section "Climate Impact Management".
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Section "Climate Impact Management".
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Section "Climate Impact Management".

RISK MANAGEMENT		
Disclose how the organization identifies, assesses, and manages climate-related risks.	a. Describe the organization's processes for identifying and assessing climate-related risks.	Section "Climate Impact Management".
	b. Describe the organization's processes for managing climate-related risks.	Section "Climate Impact Management".
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Section "Climate Impact Management".
METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Section "Climate Impact Management".
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Section "Climate Impact Management".
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Comment: The objectives for managing climate-related risks and opportunities are still being finalized at the time of preparation of the Report.

GLOSSARY

• AML/CFT – Anti-Money Laundering and Combating Terrorism Financing and Financing of Proliferation of Weapons of Mass Destruction.

• Business ethics – set of ethical principles, values and norms of business conduct that Caspy Commodity Exchange JSC and the employees of Caspy Commodity Exchange JSC are guided by in their activities.

• Carbon unit – verified result of the implementation of a climate project, expressed in the mass of greenhouse gases equivalent to one ton of carbon dioxide.

• Climate-related risks – potential risks that may arise as a result of climate change (physical risks) or measures to minimize its consequences (transition risks).

• CO₂ – carbon dioxide.

• Counterparty – any legal entity with which Caspy Commodity Exchange JSC enters into contractual relations, or any individual with whom Caspy Commodity Exchange JSC enters into contractual relations, except for labor relations.

• Discrimination – illegal restriction or infringement of human rights and freedoms based on individual characteristics, as well as the provision of any advantages depending on circumstances not related to the business qualities of a person.

• Employees – persons who work based on an employment contract concluded with Caspy Commodity Exchange JSC.

• ESG – sustainability factors that are taken into account by Caspy Commodity Exchange JSC in carrying out its activities, namely environmental factors, including climate factors, social factors and corporate governance factors.

• Exchange – Caspy Commodity Exchange JSC.

• GRI – Global Reporting Initiative.

• HR – Human Resources.

• Human rights – inalienable rights of every person, which are

based on the recognition of the dignity inherent in the human person, as well as the freedom and equality of all people.

• IFRS – International Financial Reporting Standards.

• LLP – limited liability partnership.

• LTIFR – Lost Time Injury Frequency Rate.

• Personal data – information related to a personal data subject determined or determinable on basis of such information, recorded on electronic, paper and (or) other tangible media.

• Report – the 2024 Sustainability Report of Caspy Commodity Exchange JSC.

• Responsible business conduct – systematic consideration by Caspy Commodity Exchange JSC of the UN Sustainable Development Goals, social and environmental aspects in the decision-making and strategic planning process, promotion of ethical and sustainable approaches for effective response to strategic and long-term challenges and problems of economic, environmental and social nature, implementation of advanced practices of corporate governance and risk management, as well as positioning by Caspy Commodity Exchange JSC of the long-term well-being of its stakeholders and taking into account their interests as a more significant value compared to short-term corporate financial performance.

• Risk management – set of procedures for identifying inherent and potential risks, determining significant risks, their assessment, monitoring, control and reporting, as well as measures to minimize risk.

• Risk mitigation – implementation of measures to reduce exposure to potential risks and reduce the likelihood of risk recurrence

• SMEs – small and medium-sized businesses.

• Stakeholders – individuals and legal entities, as well as their groups, involved to varying degrees in interaction with Caspy Commodity Exchange JSC that influence the activities of Caspy Commodity Exchange JSC and/or are influenced in their decisions

and activities by Caspy Commodity Exchange JSC.

- Sustainable development – development in which Caspy Commodity Exchange JSC manages the impact of its activities on the environment, economy, society and makes decisions taking into account the interests of stakeholders. Sustainable development should meet the needs of the present without compromising the ability of future generations to meet their own needs.
- TCFD – Task Force on Climate-Related Financial Disclosures.
- UN – the United Nations.
- UN Sustainable Development Goals – global development goals defined in the Declaration “Transforming Our World: the 2030 Agenda for Sustainable Development”, adopted by the United Nations General Assembly Resolution No. 70/1 on September 25, 2015.



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