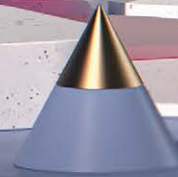
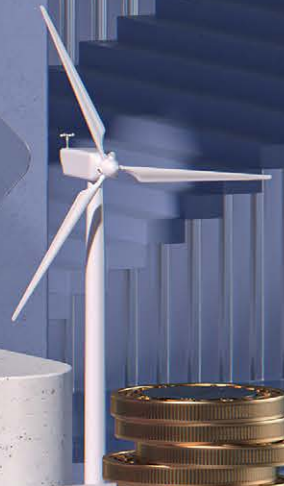


RESPONSIBLE
FINANCE DEFINES
THE FUTURE



Eurasian
Bank



Sustainability Report 2023

Eurasian Bank JSC

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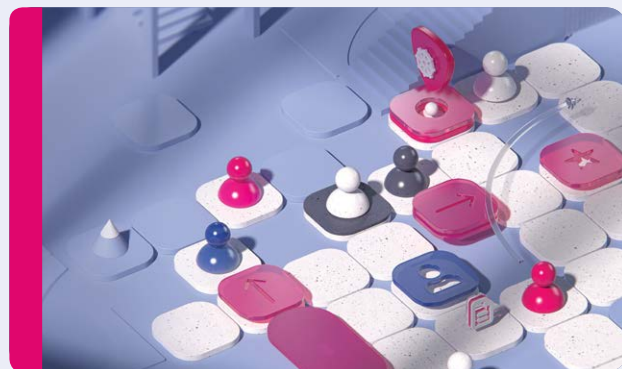
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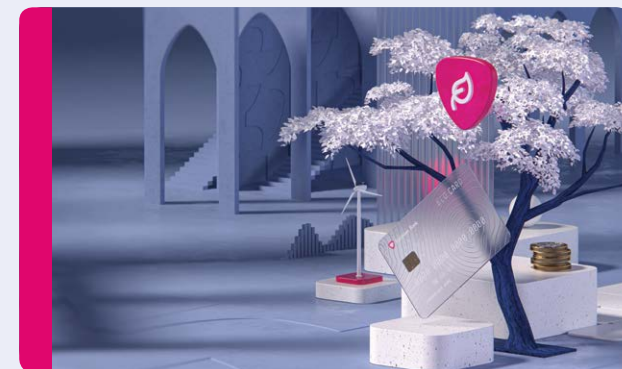
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04 Message from the Chairperson of the Management Board

GRI 2-22



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Lyazzat Satiyeva

Chairperson of the Management Board of Eurasian Bank

DEAR LADIES AND GENTLEMEN,

I AM HONORED TO PRESENT YOU THE FIRST SUSTAINABILITY REPORT OF EURASIAN BANK – IT IS A CRUCIAL MILESTONE IN THE INTEGRATION OF SUSTAINABILITY PRINCIPLES INTO THE BANK’S OPERATIONS. THIS REPORT DESCRIBES OUR FIRST STEPS IN ESG AND REFLECTS THE ASPIRATIONS AND FOUNDATION WE ARE LAYING TO MAKE SUSTAINABILITY AN INTEGRAL PART OF OUR CORPORATE DNA.

05

2.7 KZT trillion

Bank’s assets at the end of 2023

>2.1 KZT trillion

base of deposits and customer accounts

1.4 KZT trillion

Bank’s loan portfolio at the end of 2023

4.8 million customers

entrust us with their financial transactions

>5 thousand people

number of people employed by the Bank across Kazakhstan

We care about our employees’ well-being and professional growth by creating a supportive and inclusive working environment.

The Report complies with leading international ESG disclosure standards and presents our achievements and performance on governance, economic, social and environmental aspects and impacts.

The sustainability agenda is an essential element of our operations and strategic planning. Eurasian Bank is one of the seven largest banks in the country. As of the end of 2023, the Bank assets amounted to about KZT 2.7 trillion, the loan portfolio reached KZT 1.4 trillion, and the base of deposits and customer accounts exceeded KZT 2.1 trillion. About 4.8 million customers entrust us with their financial transactions. With our broad reach, we recognize our impact on the economy and society and strive to realize our potential to promote ESG principles and satisfy the interests of all stakeholders, including shareholders, employees, customers, counterparties, regulator and local communities.

A key area of financial services development today is the introduction of innovative digital solutions that improve the quality of banking services and contribute to the sustainable development of the economy and society. In 2023 we introduced new services in the Smartbank app, optimized its operation and implemented a whole range of technological changes. Our digital initiatives aim to improve our customers’ living standard and create new opportunities through efficient, accessible, secure and ergonomic banking services. We are always open to feedback and develop products and services, striving to find the best solutions to the challenges faced by the Bank.

The main focus of our social policy is to create decent working conditions for our employees. Eurasian Bank employs more than 5 thousand people across Kazakhstan. By creating a supportive and inclusive working environment, we care about their well-being and professional growth.



 **43** KZT million

were directed to the Mercy Voluntary Society Fund (Dobrovolnoye Obshestvo “Miloserdiye”)

 **19** children

received the required medical treatment at the expense of charitable bonuses of Visa metal card

 **6%** of the total portfolio

share of carbon-intensive industries and clients associated with them

Charity and community support remain an important part of our social dimension. We partner with various charitable projects and organizations. One prominent example is a project implemented as part of Eurasian Diamond Club private club. At the expense of charitable bonuses of Visa metal card KZT 43 million were directed to the Mercy Voluntary Society Fund (Dobrovolnoye Obshestvo “Miloserdiye”). As a result, 19 children received the required medical treatment abroad and now their lives are not threatened.

To reduce our environmental impact, we support the green office concept by increasing waste recycling and optimizing resource use every year. The Bank also implements green initiatives in the card business, which have already won the prestigious PLUS Award. For the first time in Kazakhstan, Eurasian Bank together with Mastercard issued a special and unique Eco-card made of recycled plastic, the cash-back from which goes to the environmental fund for planting trees and recycling garbage.

We introduce responsible finance principles and approaches, creating products and services that help us respond to current social and environmental challenges. In Eurasian Bank, the share of carbon-intensive industries and associated clients does not exceed 6% of the total portfolio. At the same time, even among these clients there is a strong commitment to ESG practices. The Bank supports the SMEs development and offers loan programs for individual entrepreneurs and peasant farms. We issue green loans for purchase of electric vehicles, as well as social loans to pensioners.

Eurasian Bank supports the efforts of government agencies and the public to improve financial literacy among the population and counter fraud – we understand our social responsibility for the financial stability and well-being of citizens.

We are committed to fully integrating sustainability into our business model and processes. We are currently working on launching a full-fledged ESG strategy. Its goal is to build

an efficient mechanism of the Bank activities based on the principles of environmental, social and corporate responsibility in the interests of present and future generations to achieve the UN Sustainable Development Goals.

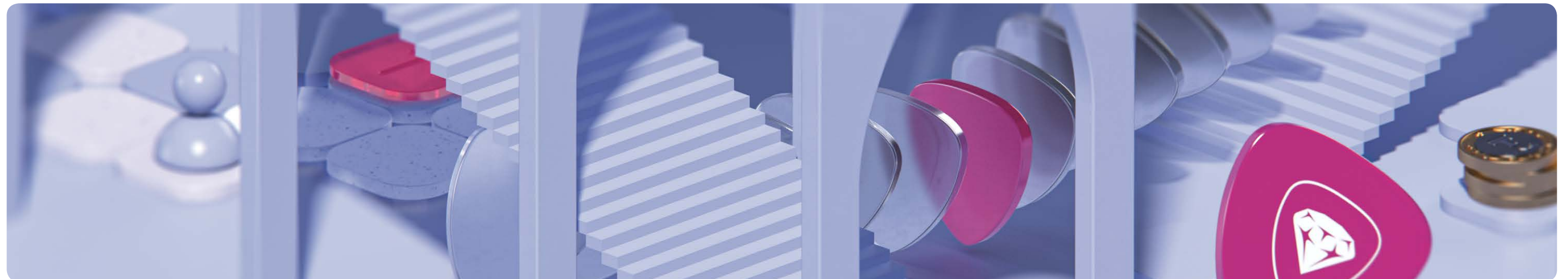
The Bank is implementing ESG risk assessment mechanisms and integrating them into management processes. From 2024, ESG risks are planned to be included in the annual stress testing process.

IN THE LONG TERM, OUR AMBITIOUS GOAL IS TO BECOME ONE OF THE LEADERS IN SUSTAINABLE BANKING, ACTIVELY CONTRIBUTING TO THE DEVELOPMENT OF A GREEN ECONOMY AND SOCIAL WELL-BEING.

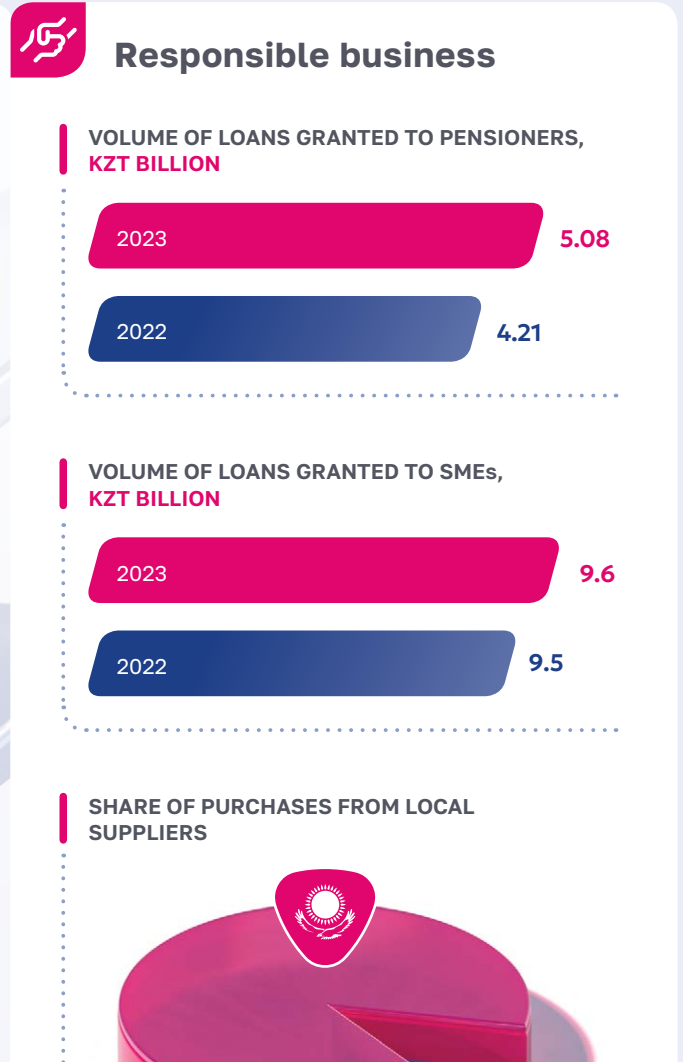
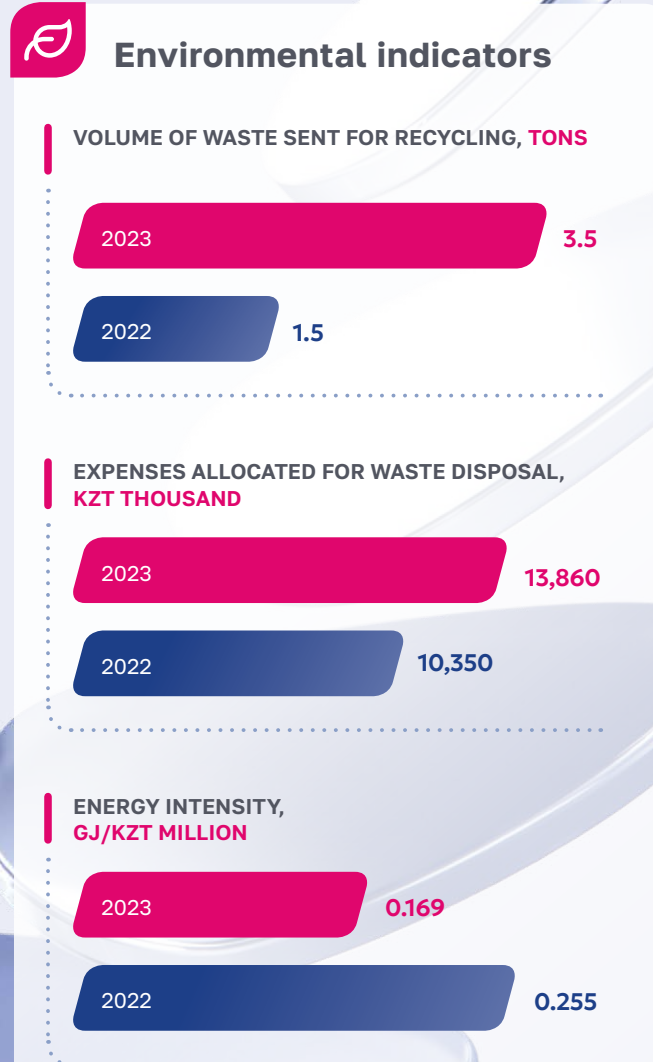
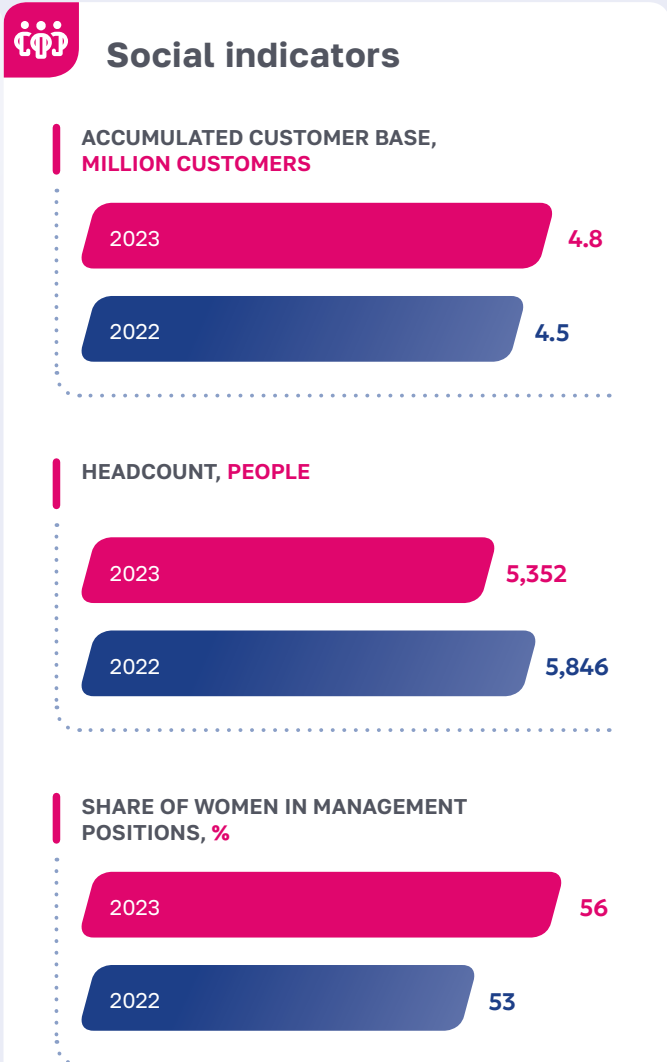
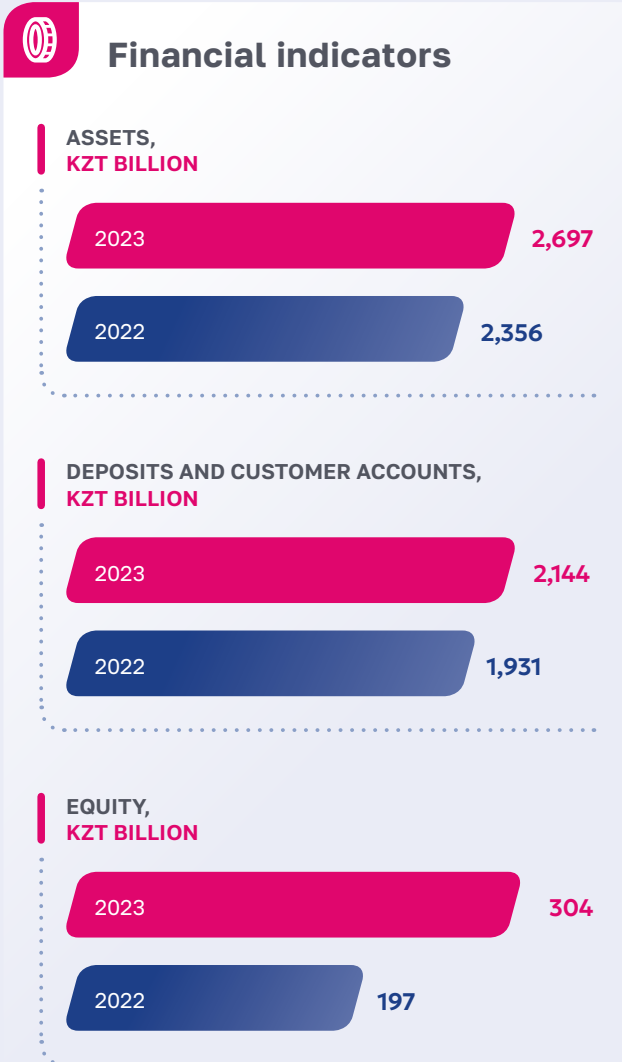
We recognize that we are only at the beginning of the journey of integrating ESG principles into the Bank’s day-to-day operations and there is still a lot of work ahead. At the same time, we follow the advanced rules and regulations implemented by the Agency of the Republic of Kazakhstan on Regulation and Development of Financial Market.

I sincerely thank our employees, customers, partners and shareholders for their continued support and trust. We look forward to sharing further achievements. Together we can achieve significant success in promoting sustainable development and creating a better future!

Lyazzat Satiyeva,
Chairperson of the Management Board
of Eurasian Bank



Key sustainability indicators for 2023



DIRECT ECONOMIC VALUE GENERATED, KZT BILLION

428.7

AVERAGE NUMBER OF TRAINING HOURS PER YEAR PER EMPLOYEE, HOURS

8.7

GREENHOUSE GAS EMISSIONS, TONS OF CO₂-EQ.

7,586.0

SHARE OF PURCHASES FROM LOCAL SUPPLIERS

90.9%

Key sustainability events for 2023

March

- Signing a Memorandum on the development of co-operation regarding cash withdrawals from ATMs of Kazpost JSC and Eurasian Bank JSC
- Inclusion in the rating of 50 reliable banks in Central Asia and Caucasus region according to Forbes.ru, based on the assessments of international rating agencies (Fitch, Moody's and Standard&Poor's)

EXPANSION OF THE FUNCTIONALITY OF THE SMART BUSINESS MOBILE APPLICATION FOR LEGAL ENTITIES AND INDIVIDUAL ENTREPRENEURS

April

- Holding events aimed at improving the urban environment, including planting an apple alley in the center of Almaty by the Bank's employees together with the Alma-Qala social movement



June

- Awarding the Top Innovator in Consumer Finance title by Global Finance for the Broker 2.0 project – evaluation and approval of a product loan in 4 seconds (the market average is 30-40 seconds)
- Configuring the function of prompt transfer of funds to the National Volunteer Network in Smartbank mobile application

August

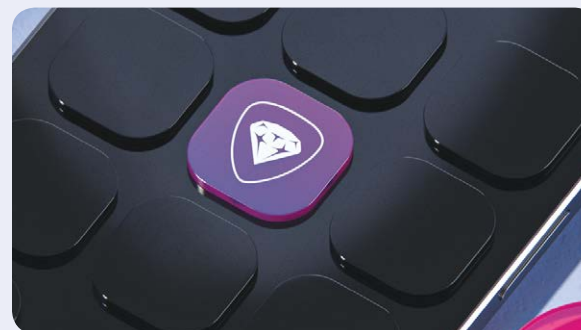
- Recognition as the Digital Transformation Bank of the Year by Asian Banking & Finance for developing Broker 2.0 online solution

September

- Adaptation of eubank.kz corporate website for visually impaired people. Special features were implemented, including audio functionality and font size control on the screen
- The best auto lending in the Republic of Kazakhstan according to the International Business Magazine experts

September

- The Fastest Consumer Loan 2023 nomination by International Business Magazine for the record-short loan approval process developed by the Bank
- 17th place among mobile applications of the Republic of Kazakhstan in Forbes TOP-30 rating for Smartbank application



October

- **SUCCESSFUL PASSING OF REPEATED INDEPENDENT EXTERNAL AUDIT AND CONFIRMATION ITS COMPLIANCE WITH THE REQUIREMENTS OF THE PCI DSS PAYMENT CARD INFORMATION SECURITY STANDARDS AND SWIFT CSP INFORMATION TRANSFER AND PAYMENT SYSTEM**
- The Bank wrote off over KZT 10 million in loans to the families of the fire victims in the Abay Region
- Receiving the PLUS Award in the Best ESG Initiative in Finance category for issuing and promoting Eco-cards made of recycled plastic

October

- Presenting a project using artificial intelligence to work with credit files at the Digital Bridge 2023



- Presenting a new shared construction digital project, designed to monitor the targeted use of shareholders' funds with Kazakhstan Housing Company

- Organization of volunteer clean-up days in all regions of the Republic of Kazakhstan, – more than 600 employees collected 7.5 tons of waste

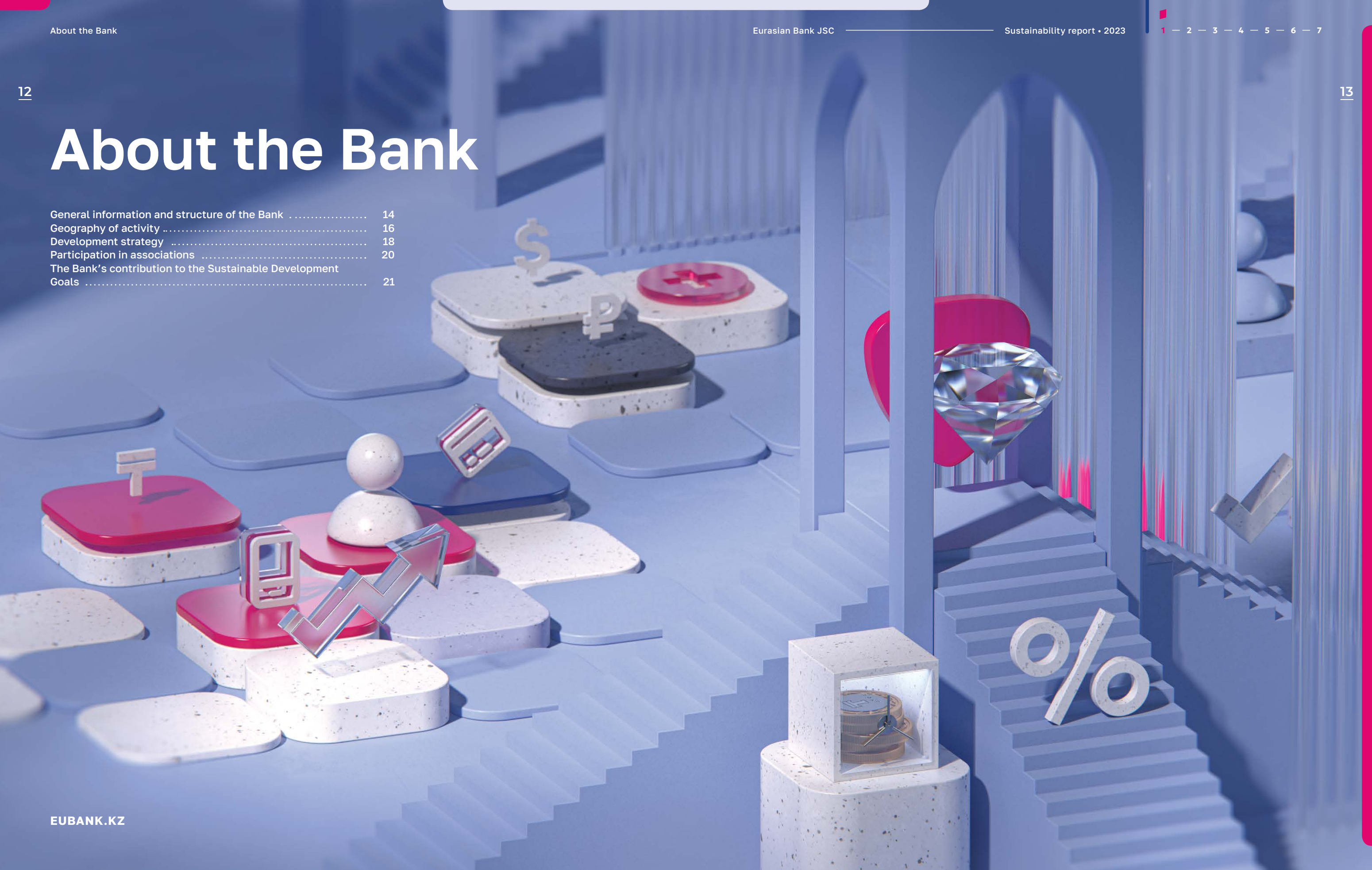


November

- **ISSUANCE OF A NEW DIGITAL TENGE DEBIT CARD ON THE MASTERCARD PLATFORM, BECOMING THE FIRST CENTRAL BANK DIGITAL CURRENCY CARD IN EURASIA**

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General information and structure of the Bank

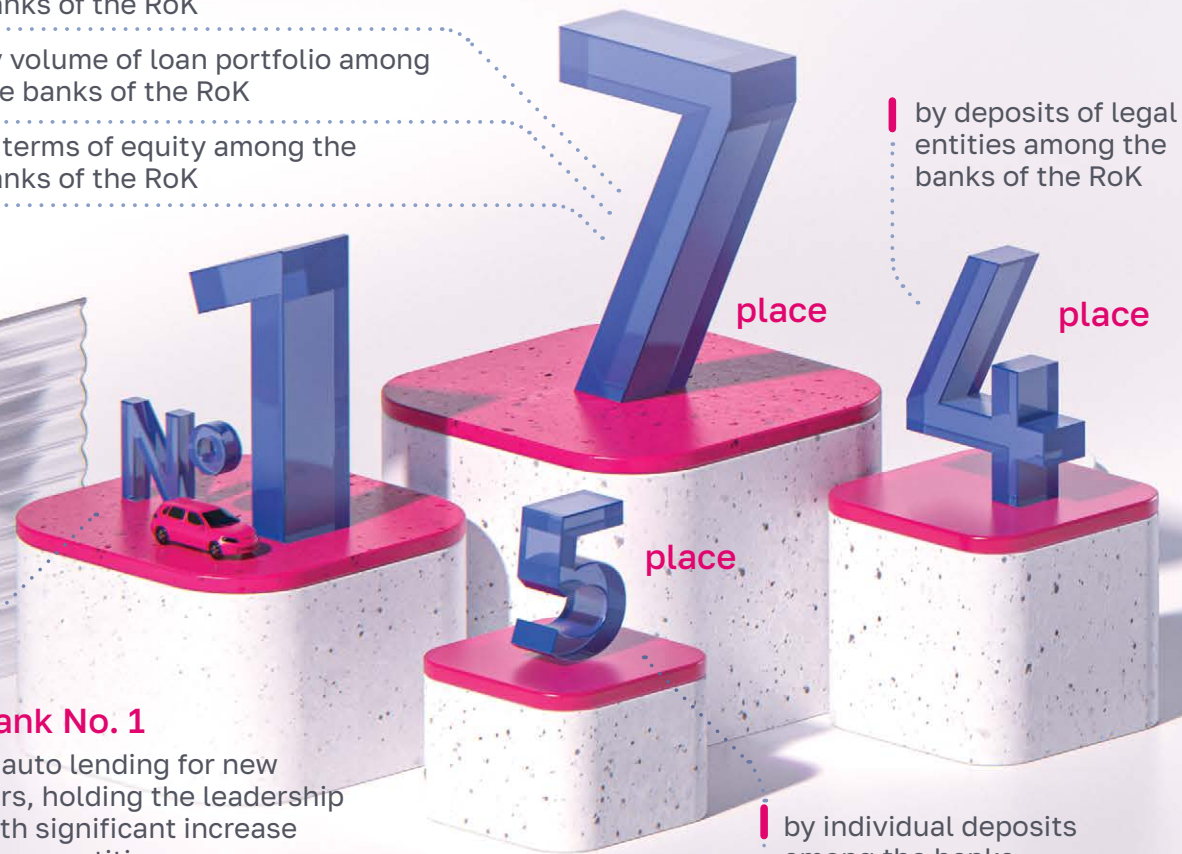


GRI 2-1

EURASIAN BANK IS A SOCIALLY IMPORTANT COMMERCIAL BANK OF THE REPUBLIC OF KAZAKHSTAN, WHICH WILL CELEBRATE ITS 30TH ANNIVERSARY ON DECEMBER 26, 2024. THE BANK BELONGS TO THE ECOSYSTEM OF THE ERG GROUP, ONE OF THE WORLD'S LARGEST COMPANIES IN THE EXTRACTION AND PROCESSING OF MINERAL RESOURCES. THE BANK'S SHAREHOLDER IS EURASIAN FINANCIAL COMPANY (EFC), A BANKING AND INSURANCE HOLDING COMPANY.

The Bank's achievements in 2023

- in terms of assets among the banks of the RoK
- by volume of loan portfolio among the banks of the RoK
- in terms of equity among the banks of the RoK



Bank No. 1

in auto lending for new cars, holding the leadership with significant increase of competition

by individual deposits among the banks of the RoK (more than KZT 1 trillion)

by deposits of legal entities among the banks of the RoK

14%
Eurasian Bank Group's assets growth due to loan portfolio growth

11%
increase of funds on deposits and customer accounts

54%
increase in equity of the Bank

80% of loans are processed in online format

45%
auto loan market share (disbursement) for new cars in the RoK

50% of deposits are processed in online format

THE BANK HOLDS LEADING POSITIONS IN THE RETAIL BANKING MARKET AND PROVIDES A VARIOUS SERVICES TO CORPORATE CLIENTS AND SMEs.

Awards and ratings of the Bank in 2023

Best Custodian and Sub-Custodian Bank in Kazakhstan according to Global Finance World's Best Banks Awards and Global Brands

The Fastest Consumer Loan 2023 according to International Business Magazine

01/10 Bank of the Year in Digital Transformation according to Asian Banking & Finance

Moody's Investors Service credit rating agency upgraded the Bank's long-term deposit rating from B2 to Ba3 and the underlying credit rating from b3 to b1 with a positive outlook, reflecting the Bank's efficient work on reducing problem assets and its ability to generate profits

Top Innovator in Consumer Finance in the Innovators Awards of Global Finance for the Broker 2.0 project

The Best Bank in Auto Loans in the Republic of Kazakhstan according to the International Business Magazine experts

Eurasian Bank Smartbank application is ranked 17th among mobile applications of the Republic of Kazakhstan in the Forbes TOP-30 ranking, conducted annually by Intervale Kazakhstan

Geography of activity

GRI 2-6



19

branches in the Republic of Kazakhstan



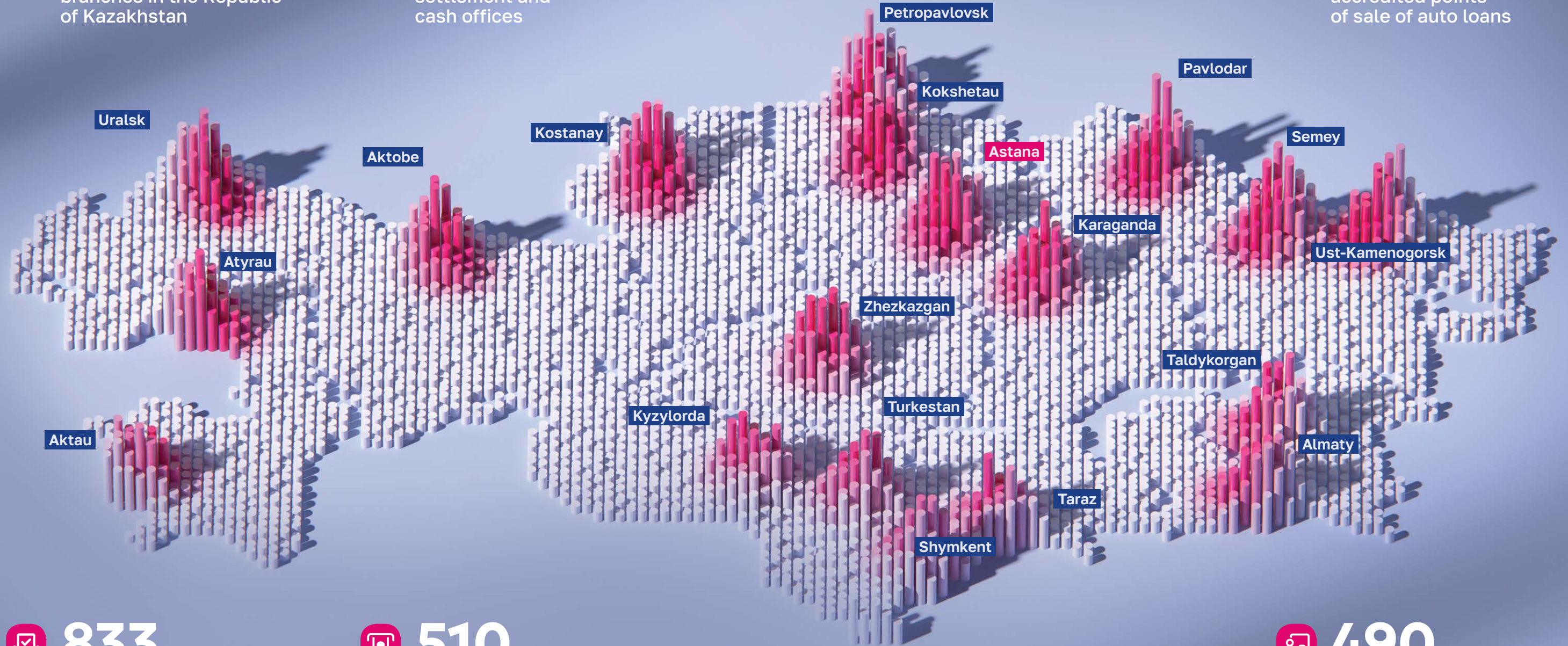
118

settlement and cash offices



393

accredited points of sale of auto loans



833

POS-terminals



510

ATMs



490

payment terminals

Development strategy

The Bank's mission and values

Eurasian Bank's mission is to ensure stability and create positive change for people's confidence, happiness and well-being.

Eurasian Bank's values:

- Healthy ambition**

We set goals and strive for outstanding results in achieving them
- Trust**

Trust is the foundation of relationships and the backbone of banking
- Creativity and creation**

We strive to improve reality and create new things continuously. We strive to make the best version of ourselves
- Personal Responsibility (Know. Can. Do)**

The Bank is responsible for the decisions it makes and the result of its actions
- The Power of Gratitude**

We use the energy of gratitude to improve the world around us and make people happy

Strategy, indicators and targets

The Bank continues to implement its Development Strategy for 2021-2024, seeking to consolidate its position among the leading technological retail banks in the Republic of Kazakhstan.



Strategic vision

Eurasian Bank's strategic vision is to develop a universal banking model focusing on retail customers, providing the best customer experience for all types of customers and achieving maximum financial efficiency.



Strategic focus

The Bank's strategic focus is on a bimodal business model, which allows it to improve product margins and achieve synergies from the synchronized management of supporting processes. In the digital area, work is underway to shift the strategic focus from network and sales management to technology and product management. The analog business is organically developing the analog business and replicating the best practices of the digital bank.

Participation in associations

GRI 2-28

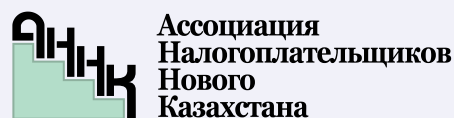
PARTICIPATION IN PROFESSIONAL ASSOCIATIONS ENABLES EURASIAN BANK TO COOPERATE WITH OTHER INDUSTRY REPRESENTATIVES, CONTRIBUTE TO THE FORMATION OF STANDARDS AND MARKET PRACTICES, AND EXPAND BUSINESS RELATIONS. FRUITFUL PARTNERSHIP SUPPORTS THE ACHIEVEMENT OF THE BANK'S STRATEGIC GOALS AND ALLOWS JOINT EFFORTS TO STRENGTHEN THE BANKING SECTOR OF THE REPUBLIC OF KAZAKHSTAN.



The mission of the **Association of Financiers of Kazakhstan (AFC)** is to protect and promote the growth of shareholder value of its members. The main tasks of the AFC are to represent the interests of AFC members in state bodies, constructively interact with state bodies and participate in the work on improving the financial legislation of the Republic of Kazakhstan.



The main goal of the **National Chamber of Entrepreneurs of the Republic of Kazakhstan "Atameken" (NCE "Atameken")** is to protect business rights and interests and ensure broad participation of all entrepreneurs in the process of creating legislative and regulatory rules for business. Activity of NCE "Atameken" is aimed at improving the business and investment climate, ensuring stability and development of business conditions in the country for both domestic and foreign investors.



The **New Kazakhstan Taxpayers Association (NKTA)** is a non-profit organization established to protect taxpayers' legal rights and interests and raise their awareness to ensure voluntary and timely tax payments.

NKTA protects the rights and interests of its members in tax authorities and courts, monitors compliance with the law in taxation and establishes interaction with government agencies.



The Bank's contribution to the Sustainable Development Goals

GRI 2-6

The Sustainable Development Goals (SDGs), adopted by the United Nations in 2015, are a key reference point for Eurasian Bank's strategic prioritization efforts and have become the basis for the Bank's sustainability action plan. The Bank identifies 8 priority Goals.

EURASIAN BANK'S CONTRIBUTION TO THE MOST SIGNIFICANT UN SUSTAINABLE DEVELOPMENT GOALS



No poverty



Decent work and economic growth

Targets of the UN SDGs

1.b. Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions.

8.5. By 2030, 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.

8.10. Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.

The Bank's approach to achieving the UN SDGs

The Bank promotes the development of sustainable finance instruments and supports corporate volunteering.







The Bank ensures decent remuneration, comfortable working conditions and a favorable corporate environment, and strives to improve public access to financial services and inclusion.

Bank's actions to achieve the UN SDGs in 2023

- Expanding access to financial services for vulnerable groups.
- Working to improve financial literacy, including by regularly publishing articles and tips on [the Bank corporate website](#).
- Holding charity events instead of corporate holidays and gifts to clients.
- Development of corporate volunteering.
- Implementation of social programs and projects.

- Development of the personnel motivation system.
- Provision of financial services to promote economic development of small and medium-sized businesses.
- Cooperation with Kazpost JSC regarding cash withdrawals from ATMs, focused on improving the quality of financial services.
- Successful adaptation of the corporate website eubank.kz for visually impaired people.

TABLE 1. EURASIAN BANK'S CONTRIBUTION TO THE MOST SIGNIFICANT UN SUSTAINABLE DEVELOPMENT GOALS

 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>Peace, justice and strong institutions</p>	 <p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Affordable and clean energy</p>	 <p>13 CLIMATE ACTION</p> <p>Climate action</p>	 <p>3 GOOD HEALTH AND WELL-BEING</p> <p>Good health and well-being</p>	 <p>4 QUALITY EDUCATION</p> <p>Quality education</p>	 <p>5 GENDER EQUALITY</p> <p>Gender equality</p>
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Targets of the UN SDGs

<p>16.5. Substantially reduce corruption and bribery in all their forms.</p>	<p>7.3. By 2030, double the global rate of improvement in energy efficiency.</p>	<p>13.3. Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.</p> <p>13.b. Promote mechanisms for raising capacity for efficient climate change-related planning and management in least developed countries and small island developing States, including focusing on women, youth and local and marginalized communities.</p>	<p>3.d. Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks.</p>	<p>4.4. By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.</p>	<p>5.1. End all forms of discrimination against all women and girls everywhere.</p> <p>5.5. Ensure women's full and efficient participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p>
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The Bank's approach to achieving the UN SDGs

<p>The Bank adheres to the principles of the rule of law and high standards of corporate governance and takes necessary measures to prevent corruption and financial fraud.</p>	<p>The Bank is committed to the economical use of energy resources, works to improve energy efficiency, and supports the development and implementation of renewable energy sources.</p>	<p>The Bank recognizes its role in countering climate change and plans to develop an environmental policy to reduce its carbon footprint.</p>	<p>The Bank promotes the values of a healthy lifestyle among its employees, ensures the availability of medical services and supports sports and fitness activities.</p>	<p>The Bank takes a proactive stance in improving its employees' qualification level and personal growth by implementing a wide range of initiatives in the field of professional education.</p>	<p>The Bank follows the principles of gender equality in hiring practices, career advancement, and remuneration. It does not accept any manifestations of discrimination or infringement of employees' rights and strives to overcome gender stereotypes in society.</p>
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Bank's actions to achieve the UN SDGs in 2023

<ul style="list-style-type: none"> • Following the recommendations of the Basel Committee on Banking Supervision. • Compliance with the exchange's listing rules. • Compliance with the requirements of regulatory authorities. • Compliance with the Corporate Governance Code and the Code of Ethics and Business Conduct. • Developing cybersecurity and data protection. • Participation in the pilot project on creation of the Anti-Fraud Center initiated by the National Bank of the Republic of Kazakhstan. 	<ul style="list-style-type: none"> • Organization of eco-activities. • Implementation of the green office concept. • Introduction of contactless payments. • Issuance of the country's first Eco-card made of recycled plastic. • Participation in the contest of innovative solutions in the field of sustainable banking from Mastercard and Tech Hub AIFC as a partner. • Conducting activities to improve the ecology of the urban environment. 			<ul style="list-style-type: none"> • Creating decent working conditions and ensuring equal career opportunities. • Providing additional medical insurance for employees. • Holding internal corporate training. • Support of female entrepreneurship – participation in the Business Lady Aqmola forum for women entrepreneurs as a partner. • Attracting girls to the IT sphere through the TechnoWomen Central Asia forum: "Ozine sen!". 	
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Contribution to the UN SDGs



GRI indicators

2-9, 2-10, 2-15, 2-16, 2-18, 2-19, 2-20, 2-27, 2-29, 3-3, 205-3

Approach to sustainable development management



EURASIAN BANK INTEGRATES SUSTAINABILITY APPROACHES AND PRINCIPLES INTO ITS OPERATIONS AND MANAGEMENT DECISION-MAKING PROCESSES, STRIVING TO ACHIEVE HIGH FINANCIAL AND ESG PERFORMANCE (ENVIRONMENTAL, SOCIAL AND GOVERNANCE). THE SUSTAINABILITY AGENDA IS AN ESSENTIAL BENCHMARK FOR THE BANK DEVELOPMENT AND A KEY FOCUS OF ITS GROWTH STRATEGY.

An important goal of the Bank in the context of sustainability management is to build an efficient model of operation based on the principles of environmental, social and corporate responsibility for the benefit of current and future generations, and on the implementation of initiatives to achieve the UN Sustainable Development Goals.

As part of the financial community, the Bank understands its importance in the economy and social sphere of the Republic of Kazakhstan and aims to realize its potential and use opportunities to promote ESG principles for the benefit of a wide range of stakeholders, including shareholders, employees, clients, counterparties, local communities and the state.

The Bank does not make payments to political campaigns, political organizations, lobbyists, trade associations, or any tax-exempt groups whose role is to influence political decisions.

The Bank's key sustainability objectives are:

- Compliance with new requirements from banking supervision
- Efficient management of own environmental impacts
- Creating a favorable environment for personnel development
- Protecting the interests of customers
- Supporting the community and addressing pressing social issues
- Developing sustainable financial products and services
- Promoting financial literacy of the society

THE BANK ADHERES TO THE FOLLOWING FUNDAMENTAL PRINCIPLES IN THE FIELD OF SUSTAINABLE DEVELOPMENT, FOLLOWING THE PRINCIPLES OF THE UN GLOBAL COMPACT:



1

The Bank professes the principles of fairness and equality for all stakeholders – it is unacceptable to infringe upon the interests of shareholders, customers, employees or partners in the name of achieving the Bank's goals



4

The Bank always promotes the principles of ethical behavior and high standards of corporate governance



2

The Bank makes every effort to preserve and protect the environment, trying to always be involved in the environmental agenda



5

The Bank adheres to the principles of openness and transparency towards all stakeholders



3

As a responsible participant in the financial market, the Bank aims to comply with all norms of the current legislation, including respect for human rights, intolerance to corruption and inadmissibility of conflict of interests

Eurasian Bank seeks to optimize the process of managing ESG aspects by planning a phased introduction of sustainability issues into the existing corporate governance structure. The Bank's approach focuses on better integrating sustainable development into all business processes and strategic planning, and includes the development of new policies, procedures and practices that ensure adherence to ESG principles at all levels of the organizational structure and management decision-making system.



Corporate governance overview

EURASIAN BANK'S CORPORATE GOVERNANCE SYSTEM IS A STRUCTURE OF RELATIONSHIPS AND PROCEDURES THAT INCLUDES SHAREHOLDERS, THE BOARD OF DIRECTORS, THE MANAGEMENT BOARD AND OTHER STAKEHOLDERS. THIS SYSTEM IS BASED ON THE PRINCIPLES OF TRANSPARENCY, RESPONSIBILITY AND CONSIDERATION OF THE INTERESTS OF ALL PARTICIPANTS IN THE BANKING PROCESS.

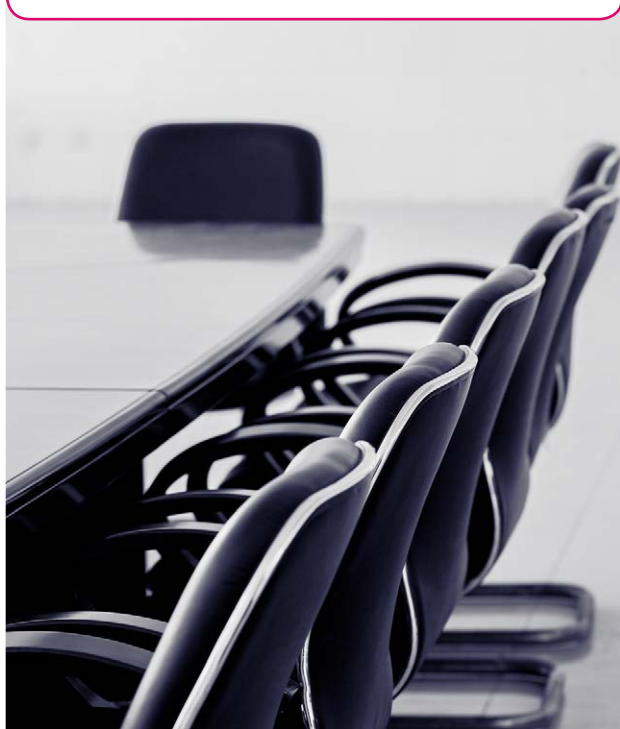
One key aspect of corporate governance in the Bank is protecting the rights and legitimate interests of shareholders. The corporate governance system is aimed at ensuring the efficiency of the Bank's operations, including the growth of its assets, creation of new jobs and maintenance of financial stability.

An important element of corporate governance is constantly updating and improving corporate procedures and internal regulatory documents. The Bank actively studies and implements the best global corporate governance practices, which contribute to enhancing competitiveness and adapting to changing market conditions.

In June 2020, the sole shareholder, Eurasian Financial Company JSC, approved the Bank's Corporate Governance Code. The Code establishes the basic principles guiding the Bank's governance process, including the relationship between the shareholder, the Board of Directors, the Management Board and auditors. The Code regulates relations between the Bank's collegial bodies and officials, structural subdivisions and employees.

The Bank management bodies are:

- Superior body – General Meeting of Shareholders
- Management body – the Board of Directors
- Executive body – the Management Board



The Board of Directors and its committees

GRI 2-9, GRI 2-10, GRI 2-16, GRI 2-18, GRI 2-27

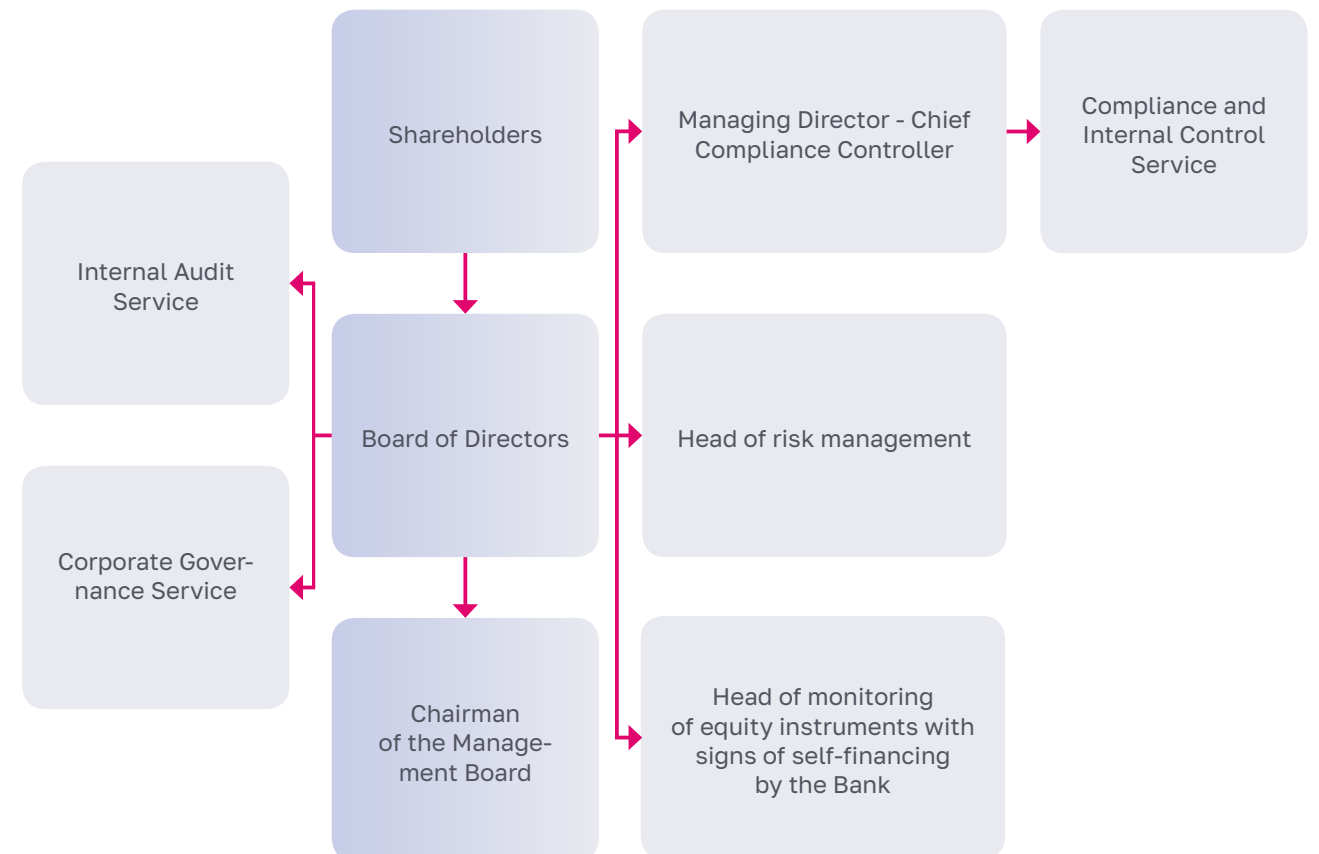
The Board of Directors performs general management of the Bank activities, except for the issues allocated by the legislation of the Republic of Kazakhstan and/or the Charter of the Bank as the exclusive competence of the General Meeting of Shareholders. Exercising supervisory functions, the Board of Directors determines strategic directions and priorities of the Bank's development. The Board of Directors makes decisions on holding annual and extraordinary General Meetings of Shareholders, on entering into significant transactions and related-party transactions (except for those requiring a decision of the General Meeting of Shareholders), on determining the number of members and terms of office of the Management Board, on electing

its head and members and on other matters not within the competence of the General Meeting of Shareholders.

To implement best corporate governance practices, the Board of Directors works with external auditors, the Chief Compliance Officer, the Compliance and Internal Control Service, the Internal Audit Service, the Corporate Governance Service, and the Head of Equity Instruments Monitoring.

To improve its efficiency, the Board of Directors has formed committees and working groups to analyze significant issues in each area of activity.

EURASIAN BANK'S CORPORATE GOVERNANCE SYSTEM



In accordance with the Republic of Kazakhstan’s current legislation, the Bank provides regular evaluation of the performance of the Board of Directors and its members, which is carried out at least once a year.

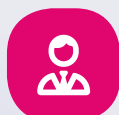
In the process of nomination and selection of candidates to the Board of Directors and its committees, the Bank carefully complies with the requirements of the laws of the Republic of Kazakhstan and regulations of the regulatory authorities. These requirements include the following selection criteria:

- Submission of relevant documents for obtaining consent to appointment (election).

- Consideration of specific requirements for professional experience and certification for candidates with international qualifications.
- Impeccable business reputation, high professionalism and relevant experience in the financial market.
- No conflict of interest in the sphere of financial activities.

Before appointment, all candidates are pre-screened by the relevant structural subdivisions of the Bank to ensure that they comply with external standards, internal regulations and legislation of the Republic of Kazakhstan.

Members of the Board of Directors²



ALEXANDER MACHKEVITCH

Chairman of the Board of Directors of the Bank and ultimate beneficiary

Owning 33.33% of the total number of outstanding shares of Eurasian Financial Company JSC



SHUKHRAT ALIDZHANOVICH IBRAGIMOV

Member of the Board of Directors of the Bank

Does not own any shares in the equity of the Bank, its subsidiaries or affiliates



ZHANBOTA TEMIRGALIYEVICH BEKENOV

Member of the Board of Directors of the Bank as an independent director

Does not own any shares in the equity of the Bank, its subsidiaries or affiliates



VITALIY NIKOLAYEVICH REPEY

Member of the Board of Directors of the Bank as an independent director

Does not own any shares in the equity of the Bank, its subsidiaries or affiliates

² The Eurasian Bank 2023 Annual Report provides detailed information on the biographies of the Board members.

There are 4 committees under the Board of Directors:

- **The Audit Committee** promotes internal audit efficiency and cooperation with the external auditor. The Committee’s tasks include ensuring the reliability of financial reporting and coordinating the annual external audit.
- **The Risk and Internal Control Committee** works to establish an efficient risk management and internal control system. The committee’s tasks include developing risk management policies, risk assessment, monitoring compliance with risk appetite levels and the functioning of risk management systems.
- **The Strategic Planning and Social Affairs Committee** is responsible for developing and monitoring the Bank strategy, adapting it to current market conditions and legal requirements. It also oversees the budget and compliance with the profitability management policy. In addition, the committee looks after the Bank’s social policy, assessing the compliance of other policies and strategies with market requirements.
- **The Remuneration Committee** aims to minimize conflicts of interest and establish an effective remuneration management system in the Bank. The Committee develops organizational structure, procedures for managing conflict of interest and remuneration policy in accordance with the legislation of the Republic of Kazakhstan.

Notifying the Board of Directors of critical financial and non-financial matters is organized in accordance with applicable laws and internal rules. In 2023, no critical issues required informing the Board of Directors.

Conflict of interest management

GRI 2-15

The Board of Directors, other authorized collegial bodies and all Bank employees adhere to the policy of zero tolerance to the manifestation of conflicts of interest in the performance of their functions.

The Bank Charter, the Code of Ethics and Business Conduct, the Conflict of Interest Rules, and other internal regulatory documents of the Bank determine the necessity and create all conditions for identifying and eliminating any possible manifestations of a conflict of interest in the Bank’s activities at an early stage of its possible emergence.

The main principles of conflict of interest management in the Bank include legality, professionalism, independence, integrity, confidentiality, honesty, objectivity, clear division of responsibilities and intransigence towards any manifestations of conflict of interest.

Systematic work in the Bank made it possible to exclude the facts of conflict of interest in the activities of the Bank and its personnel during 2023.



32 Management Board

MANAGEMENT BOARD OF THE BANK, HEADED BY THE CHAIRMAN, IS A COLLEGIAL EXECUTIVE BODY RESPONSIBLE FOR GENERAL MANAGEMENT OF THE BANK'S DAY-TO-DAY OPERATIONS. IT EXERCISES OPERATIONAL CONTROL, ENTERS INTO TRANSACTIONS ON BEHALF OF THE BANK IN ACCORDANCE WITH THE LAWS AND THE CHARTER, ENSURES COMPLIANCE WITH THE LAWS BY THE BANK EMPLOYEES, APPROVES DOCUMENTS AND ADOPTS BINDING DECISIONS. MANAGEMENT BOARD ALSO PERFORMS OTHER FUNCTIONS NOT REFERRED TO THE COMPETENCE OF OTHER BODIES OF THE BANK IN ACCORDANCE WITH THE LAWS, THE CHARTER AND INTERNAL REGULATIONS.

Members of the Management Board³



**LYAZZAT ADYLOVNA
SATIYEVA**

Chairman of the Management Board
of the Bank



**YERLANBEK
ZHANDARBEKULY
KAPPAR**

Deputy Chairman of the Management
Board of the Bank



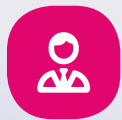
**IBRAGIM ALIMBEKOVICH
ALTAMIROV**

Deputy Chairman of the Management
Board of the Bank



**SABYRZHAN MADIYEVICH
BEKBOSUNOV**

Deputy Chairman of the Management
Board of the Bank



**GAZIZ MARATOVICH
YERMEKOV**

Deputy Chairman of the Management
Board of the Bank

³ The Eurasian Bank 2023 Annual Report provides detailed information on the biographies of the Management Board members.

Remuneration of management bodies

GRI 2-19, GRI 2-20

Remuneration of members of the Board of Directors is determined and approved by the General Meeting of Shareholders. The Board of Directors sets the amount of remuneration for members of the Management Board on the recommendation of the Remuneration Committee. Determination of remuneration for employees of the services reporting to the Board of Directors is also within the competence of the Board of Directors. The Chairman of the Management Board determines the amount of remuneration for all other employees.

Based on the results of 2023, the amount of remuneration paid to the members of the Board of Directors amounted⁴ to KZT 541.4 million, and to the members of the Management Board – KZT 1,026.0 million.

Anti-corruption

GRI 3-3, GRI 205-3, ARDFM

The Bank has zero tolerance for any manifestation of corruption and works to prevent its occurrence. The Bank's internal policies and procedures are strictly comply with legislation and regulatory requirements.

Internal regulatory documents that govern actions to prevent corrupt practices are:

- Code of Corporate Governance.
- Code of Ethics and Business Conduct.

During the reporting period, there were no confirmed cases of corruption in the Bank, and no legal proceedings related to fraudulent actions, criminal prosecutions or other similar violations.

⁴ Excluding expenses for social tax, social contributions and contributions to mandatory social medical insurance.



34 Countering financial crime

ARDFM

EURASIAN BANK CONSTANTLY WORKS TO COMBAT FINANCIAL CRIME AND FRAUD AND STRIVES TO IMPROVE MECHANISMS FOR DETECTING AND PREVENTING FRAUDULENT ACTIVITIES.

Eurasian Bank has an Anti-Fraud Department, whose activities aim to ensure the safety of the Bank's financial operations. Action plans are developed and implemented to efficiently respond to new critical situations. These plans have defined deadlines and responsible persons, and their implementation is monitored.

In addition to the planned introduction of new software, several measures are taken to protect customers' funds from fraud, including continuous monitoring of transactions in 24/7 mode, manual processing of suspicious transactions, formation of blacklists and active interaction with payment systems such as MasterCard and VISA.

To prevent possible material losses and reputational risks, the Bank developed the Rules for Working with the List of Clients with Signs of Fraud. A new unit for monitoring dormant accounts was established. Specialized reports were developed to identify customers and transactions requiring additional attention.

The customer verification procedure was changed, separating customers and transactions by categories and areas of activity. This procedure allows for efficient customer service, complying with all necessary regulatory requirements and ensuring the security of financial transactions.

In the second half of 2023, the Security Department and the Strategic Communications and Marketing Division initiated an information campaign on the importance of open customer communication. Posters with contact details of the city and internal helplines were placed in all branches of the Bank. Customers who find themselves under pressure from fraudsters have the opportunity to contact the Bank through various communication channels, including the instant messaging system (IMS), the official website and social networks. The Bank carefully analyzes all appeals, effectively responding to customers' difficulties and problems.

THE BANK IS PARTICIPATING IN A PILOT PROJECT WITH THE ANTI-FRAUD CENTER INITIATED BY THE NATIONAL BANK OF THE REPUBLIC OF KAZAKHSTAN. EURASIAN BANK HAS SIGNED AN INTERACTION AGREEMENT AND IS CURRENTLY TESTING THE SYSTEM OF INCIDENT INFORMATION EXCHANGE BETWEEN THE PILOT BANKS INCLUDED IN THE PROJECT.

To minimize the risk of fraud in transactional operations, the Bank plans to introduce specialized transactional antifraud software and improve existing rules, processes and procedures to increase the level of security.

Compliance

ARDFM

The Bank takes steps to anti-money laundering and combating the financing of terrorism (hereinafter – AML/CFT). To implement the requirements of the AML/CFT legislation, the Bank has devel-

oped and approved the Internal control rules for anti-money laundering and combating the financing of terrorism (hereinafter – the Rules).

The organizational structure of compliance and AML/CFT management is as follows:

- The Compliance and Internal Control Service is responsible for compliance with regulatory requirements and AML/CFT issues
- The Director of the Compliance and Internal Control Service monitors compliance with the Regulations and the functioning of the Bank's AML/CFT internal control system
- Managing Director – Chief Compliance Officer is responsible for coordination and organization of the process of building the internal control system in accordance with the AML/CFT legislation of the Republic of Kazakhstan

In 2023, employees of the Compliance and Internal control service were tested in accordance with the Requirements to the subjects of financial monitoring on training and education in the field of combating legalization (laundering) of proceeds of crime and the financing of terrorism, which were approved by the Order of the Chairman of the Agency of the Republic of Kazakhstan on Financial Monitoring. Passing the test ensures the qualification of employees for the next three years.

According to the Rules, the implementation of internal control in the framework of AML/CFT is carried out through the following programs:

- Programs for organization of the internal control system for AML/CFT purposes
- Programs for identification and recording of information
- Programs for managing the risk of legalization (laundering) of proceeds of crime and terrorism financing
- Programs of monitoring and study of client operations
- AML/CFT training and education programs

The Bank does not have accounts in banks registered in the states (territories), that do not participate in international cooperation in the sphere of AML/CFT, and also does not establish relations and does not maintain correspondent relations with shell banks.

Eurasian Bank participates in joint work with other financial institutions, the regulator and the authorized body in the field of AML/CFT and takes all necessary measures to comply with the relevant legislation of the Republic of Kazakhstan.

Risk management



THE BANK ANALYZES AND ASSESSES KEY RISKS, BASED ON WHICH THE BOARD OF DIRECTORS SETS RISK APPETITE RATIOS. THE BANK'S RISK MANAGEMENT POLICIES AIM TO IDENTIFY, ANALYZE AND MANAGE THE RISKS POSING A POTENTIAL THREAT TO THE BANK, SET APPROPRIATE RISK LIMITS AND CONTROLS, AND CONTINUOUSLY MONITOR RISK LEVELS AND ADHERENCE TO LIMITS.

The Board of Directors is responsible for the efficient functioning of the risk management control system, approval of risk management policies and procedures and approval of major transactions. Risk and Internal Control Committee or other Authorized collegial bodies review these matters in advance and develop appropriate recommendations to the Board of Directors.

The Bank uses the concept of the three lines of defense in the organization of risk management, which includes:

- Primary analysis by the initiating subdivision.
- Analysis by the controlling subdivision.
- Verification of the efficiency of the risk management system by independent assessment.

The Management Board is responsible for monitoring and implementing risk mitigation measures and for ensuring that the Bank operates within the established risk limits.

The Bank plans to integrate ESG criteria into its risk management process and begin identifying ESG risks, including climate change risks and opportunities.

RISK MANAGEMENT AND MITIGATION METHODS

Risk group	Risk mitigation measures
Credit risks	<ul style="list-style-type: none"> • The Bank applies approved policies and procedures for managing credit risk, including setting and maintaining limits on the concentration of credit risk for recognized financial assets and contractual commitments • The Bank has Authorized collegial bodies responsible for credit risk decision making and management • To control the level of credit risk, the Bank has developed internal regulatory documents regulating the processes related to accepting and monitoring credit risk, as well as control over each employee or subdivision's fulfillment of the requirements of these documents

RISK MANAGEMENT AND MITIGATION METHODS (CONTINUATION)

Risk group	Risk mitigation measures
Market risks	<ul style="list-style-type: none"> • The Bank manages its market risk by setting open position limits for financial instrument, interest rate maturity, currency positions, and stop-loss limits • The Bank uses various stress tests to model the possible financial impact of exceptional market scenarios on individual trading portfolios and the overall position • The Bank applies Value-at-Risk (VaR) methodology to manage market risk in its trading positions
Liquidity risks	<ul style="list-style-type: none"> • The Bank maintains a high level of liquidity to ensure it always has sufficient cash for its liabilities • To promptly respond to changes in liquidity levels, the Bank seeks a diverse and stable funding structure, including debt securities in issue, loans from other banks, corporate and retail customer deposits and highly liquid assets • Asset and Liability Management (ALM) monitors liquidity daily, and risk management conducts regular stress tests, taking into account various market conditions, including unfavorable ones
Operational risks	<ul style="list-style-type: none"> • Operational risk management includes a group of instruments stipulated by the Rules of the National Bank of the Republic of Kazakhstan No. 188, which ensure coordination of internal procedures, policies and structural subdivisions of the Bank, which allows to efficiently identify, measure, assess, monitor and control operational risks, minimizing their impact on the Bank's financial stability and soundness
Compliance risks	<ul style="list-style-type: none"> • The Compliance service coordinates the development and improvement of the Bank's compliance risk management system, developing preventive measures to reduce the level and impact of this risk on banking activities
Legal risks	<ul style="list-style-type: none"> • The Bank's legal subdivision constantly monitors the compliance of its activities with the current legislation • The Bank manages legal risks by identifying and mitigating them when establishing business relations with clients • The Bank protects its interests in case of legal risks
Information security and information technology risks	<ul style="list-style-type: none"> • Considering the external operating environment, strategy, organizational structure and volume of assets, the Bank creates and implements an efficient system aimed at minimizing information security risks

38 Stakeholder engagement

GRI 2-29

An essential part of Eurasian Bank’s sustainability practices is stakeholder engagement – establishing and maintaining relationships with various groups of people whose interests intersect with the Bank’s activities. In its work, when developing strategy and making management decisions, the Bank seeks to take into account the interests of all key stakeholder groups, including customers, investors, personnel, regulators, partners, public organizations, or the public in general.

Establishing an open, transparent and mutually beneficial dialog with stakeholders allows the Bank to better understand and meet their needs, respond to changes in the external environment, and adapt to new market requirements and expectations. The Bank maintains various feedback channels to ensure efficient communication, enabling all stakeholders to receive necessary information, ask questions or express their comments and suggestions.

Stakeholders	Methods of engagement	Results of engagement
Shareholders and investors	<ul style="list-style-type: none"> • Holding of the General Meeting of Shareholders • Written informational appeals • Publication of quarterly and annual reports, including financial statements • Distribution of investor releases and press releases 	<ul style="list-style-type: none"> • Annual reports of the Bank • Consolidated financial statements for the year ended December 31, 2023 • Non-consolidated financial statements for the year ended December 31, 2023 • Information statements on the Bank’s equity securities
Employees	<ul style="list-style-type: none"> • Personal consultations with top management • Corporate website • Appeals to the contact center • Publication of quarterly and annual reports, including financial statements • Publication of press releases • Social media • Conducting employee engagement surveys and studies 	<ul style="list-style-type: none"> • Efficient labor relations practices • Satisfaction index “Voice of the Internal Customer” – 4.8 • Participation in employer ratings

Stakeholders	Methods of engagement	Results of engagement
Customers	<ul style="list-style-type: none"> • Appeals to the contact center • Corporate website • Social media • Publication of press releases • Customer satisfaction surveys on service quality • Publication of quarterly and annual reports • Consultations in outlets 	<ul style="list-style-type: none"> • Support for small and medium-sized businesses • Digitalization • Growth of the client base
Suppliers and partners	<ul style="list-style-type: none"> • Organization of meetings, conference calls • Corporate website • Publication of press releases 	<ul style="list-style-type: none"> • Unified database of contracts with suppliers and partners
Society	<ul style="list-style-type: none"> • Participation in charity programs and social initiatives • Corporate website • Publication of press releases • Appeals to the contact center and mailing address 	<ul style="list-style-type: none"> • Eurasian Bank Eco-Card – Best ESG Initiative in Finance • Donations to charity funds • Participation of the Bank employees in volunteer clean-up days and tree planting events • Increasing the literacy of local communities in the field of finance on eubank.kz Bank’s official website • Volunteer activities
State bodies, regulators	<ul style="list-style-type: none"> • Implementation of regulatory requirements in the banking sector • Publication of quarterly and annual reports, including financial statements • Participation in meetings, gatherings and forums on financial sector development and legislative improvements • Making all payments and taxes required by law 	<ul style="list-style-type: none"> • Obtaining necessary licenses, permits, and conclusions • Providing regulatory, statistical and financial reporting
Mass media	<ul style="list-style-type: none"> • Corporate website • Publication of press releases • Press conferences and briefings • Social media 	<ul style="list-style-type: none"> • Raising public awareness of the Bank’s activities • Strengthening of reputation • Obtaining feedback

Responsible business

Economic value creation	42
Sustainable finance	43
Digitalization and innovation	48
Data privacy and cybersecurity	50
Customer support	51
Supplier relations	52

Contribution to the UN SDGs

1 NO POVERTY

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

GRI indicators

3-3, 201-1, 203-1, 203-2, 204-1, 418-1



Economic value creation



GRI 3-3, GRI 201-1

428.7 KZT billion

was the direct economic value of the Bank created in 2023, increasing by 46% compared to 2022 (292.7 KZT billion)

The increase in direct economic value is due to the growth of interest income, which organically reflects the Bank's loan portfolio growth.

Efficient operating activities and improved financial results allow the Bank to invest in projects with social and economic significance and contribute to solving society's urgent problems.

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED, KZT BILLION⁵

GRI 201-1

Indicator	2021	2022	2023
1. Direct economic value generated	159.8	292.7	428.7
Interest income	119.5	190.3	326.4
Fee and commission income	29.0	47.4	44.9
Other income	11.3	55.0	57.4
2. Distributed economic value	146.8	209.4	333.2
Operating costs ⁶	44.3	74.3	89.1
- including salaries and employee benefits	23.9	33.1	43.4
- including tax expenses	6.9	25.8	27.3
Interest expense	63.7	84.5	153.7
Other expenses	38.8	50.6	90.5
3. Retained economic value⁷	13.1	83.3	95.4

⁵ Minor discrepancies between the total and the sum of the summands are due to rounding of the data.

⁶ The operating expenses include income tax expenses.

⁷ Direct economic value created minus economic value distributed.

Sustainable finance



Sustainable financial solutions are critical to the long-term stability and growth of the economy. By integrating environmental, social, and governance (ESG) factors and criteria into its financial practices, the Bank helps to overcome global and local challenges and ensures a sustainable and future-oriented financial ecosystem.

As part of developing sustainable finance practices, Eurasian Bank seeks to support projects and businesses, develop financial products and services that help combat and adapt to climate change, and promote social well-being. Working

in this direction is in line with the Bank's corporate values and meets the growing expectations of stakeholders, including investors, customers, regulators, and society.

At the same time, by investing in sustainable initiatives, the Bank mitigates environmental and social risks, creating the basis for long-term successful development. By implementing the principles of sustainable finance and responsible banking, Eurasian Bank is paving the way to a more sustainable and prosperous future for all.

ESG-products and services

ARDFM

Eurasian Bank is developing a portfolio of sustainability-oriented products and services. A striking result of this work is the awarding of the prestigious PLUS Award in 2023 in the Best ESG Initiative in Finance category for launching the Eco-Card made of recycled plastic. When using this card, 0.5% of customers' non-cash transactions are transferred to planting trees in the cities of Almaty and Astana, and recycling garbage. Each client of the Bank thus gets an opportunity to support greening and garbage sorting in the country. The PLUS Award is the first award given in the CIS, aimed at identifying the best cases in financial technologies and payment services and drawing attention to innovative and socially important projects.



44 Retail ESG products

The Bank develops and offers various green and social ESG products to its retail clients. In the category of green products, a special place is occupied by car loans to purchase electric vehicles, which help reduce the ecological footprint of the transportation sector – one of the primary sources of greenhouse gases, making a significant contribution to climate change. Eurasian Bank develops socially important financial products, and offers a lending program for pensioners without collateral requirements with attractive terms and conditions. In addition, the Bank introduced cards with


special accounts to pay social benefits, providing protection and convenience to recipients.

In 2023, the volume of green loans issued amounted to KZT 0.16 billion and the volume of social loans amounted to KZT 5.08 billion. The portfolio of related products exceeded the 2022 figure by 24.5%. The total amount of green and social outstanding loans in the reporting year amounted to KZT 5.77 billion, which is 38.0% higher than the 2022 level.

 **0.16** KZT billion
volume of issued green loans
in 2023

 **5.08** KZT billion
volume of social loans in 2023

 **5.77** KZT billion
total amount of green and
social outstanding loans in 2023

 **38%**
increase in the amount of green and
social outstanding loans compared
to 2022

RETAIL GREEN LOANS, KZT BILLION

ARDFM

Indicator	2021	2022	2023
Volume of outstanding auto loans for electric vehicles as of the end of the year	0	0	0.16
Total amount of outstanding loans	0	0	0.13

RETAIL SOCIAL LOANS, KZT BILLION

ARDFM

Indicator	2021	2022	2023
Volume of loans to pensioners as of the end of the year	2.88	4.21	5.08
Share of the total volume of loans issued	2.59%	1.52%	2.09%
Total amount of outstanding loans to pensioners	1.92	4.18	5.64
Share of total outstanding loans	0.57%	1.24%	1.74%

ESG-products for SMEs

ARDFM

Eurasian Bank offers a wide range of services to SMEs. The Bank develops lending programs aimed at stimulating the development of small businesses and local communities and supports entrepreneurial initiatives, offering, in particular, loan programs for individual entrepreneurs and peasant farms. Interaction with this customer cluster stimulates business activity, helping to strengthen regional economies and create new opportunities for society.

In the reporting year, the number of loans issued under programs supporting small businesses and local communities grew by 8% – this is the evidence of both growing interest in entrepreneurship and improved access to financial resources for SMEs.

LOAN PROGRAMS FOCUSED ON THE DEVELOPMENT OF SMALL BUSINESSES AND LOCAL COMMUNITIES

ARDFM

Indicator	2021	2022	2023
Number of credits, units.	3,202	2,537	2,742
- incl. State Programs	401	127	157
Amount of loans, KZT million	72,945.1	198,398.9	253,853.2
- incl. State Programs	6,484.2	2,970.8	6,730.9
Number of overdue and non-performing loans, units.	118	147	143
- incl. State Programs	11	15	10
Amount of overdue and non-performing loans, KZT million	19,183.2	3,261.2	644.1
- incl. State Programs	330.1	1,015.5	32.1

 **9.6** KZT billion

volume of social loans issued to SME
in 2023

In 2023, the volume of social loans issued to SMEs amounted to KZT 9.6 billion. The volume of outstanding social loans increased by 1.5% compared to 2022, reaching KZT 13.6 billion.

TABLE 7. VOLUME OF ISSUED AND OUTSTANDING SOCIAL LOANS TO SME, KZT BILLION

ARDFM

Indicator	2021	2022	2023
Volume of loans granted to IE/PF	6.8	9.5	9.6
Share of the issued loans' total volume	3.1%	2.4%	1.5%
Volume of IE/PF outstanding loans	8.1	13.4 (incl. Privat – 0.2)	13.6 (incl. Privat – 0.2)
Share of total outstanding loans	1.0%	1.1%	0.9%

46 Customer satisfaction

ARDFM

CUSTOMER FEEDBACK PLAYS A KEY ROLE FOR EURASIAN BANK IN STRENGTHENING THE PRINCIPLES OF RESPONSIBLE FINANCE AND BUILDING ITS DEVELOPMENT STRATEGY.

By understanding the needs and expectations of its customers, the Bank seeks to improve the quality of service and develop financial products that meet high standards of sustainable development, the interests, and demands of different categories of customers, and contribute to the expansion of financial accessibility.

The Bank has both direct and remote communication and feedback channels for customers. Direct channels provide customers with the opportunity to receive service at outlets, points of sale, and car dealerships through personal managers. Remote channels include a contact center with the possibility to call the Bank or write their appeal to the support chat. For private banking clients, service is provided both in special outlets and through a personal manager.

Remote communication channels provide special processing mechanisms for customer feedback, including an incident resolution platform and complaints system (Complaint Platform). Using such communication tools allows the Bank to respond to customer and regulator requests promptly.

The Bank regularly conducts surveys of customer satisfaction with the Bank products and services. The subject of the survey, in particular, is the ergonomics of the mobile application, the quality of service in all channels of interaction with customers, as well as the efficiency of feedback. Expanding the ATM network, introducing an early loan repayment option in the application and improving the support chat for prompt customer service were successfully implemented cases in response to customer feedback in 2023.

To analyze customer satisfaction and loyalty, the Bank uses the NPS (Net Promoter Score) index, an indicator that determines the level of customer commitment to a product, company or brand based on the willingness to recommend it. Information for NPS calculation is collected through quarterly surveys and allows the Bank to evaluate and improve the quality of service. Below is the calculated data on NPS indicator in the corporate block by branches for the reporting year.

TABLE 8. NPS INDICATORS IN THE CORPORATE BLOCK BY BRANCHES IN 2023, %

Branch	Quarter I	Quarter II	Quarter III	Quarter IV
Aktau	76%	78%	72%	83%
Aktobe	73%	83%	86%	74%
Almaty	69%	75%	64%	54%
Astana	62%	71%	73%	69%
Atyrau	73%	89%	80%	73%
Karaganda	65%	75%	80%	58%
Kokshetau	79%	81%	83%	88%
Kostanay	71%	89%	93%	78%
Kyzylorda	81%	85%	95%	80%
Pavlodar	61%	81%	68%	69%
Petropavlovsk	82%	88%	90%	90%
Taldykorgan	85%	75%	88%	88%
Taraz	77%	85%	89%	82%
Turkestan	85%	95%	94%	56%
Uralsk	72%	81%	88%	79%
Ust-Kamenogorsk	77%	64%	85%	77%
Shymkent	75%	87%	82%	82%

In addition to the regional analysis of customer satisfaction and loyalty, the Bank conducts a study of NPS indicators for various products within the retail block. The difference in NPS indicators between Quarters I-II and Quarters III-IV is due to the introduction of a new calculation methodology in the second half of 2023:

- Replacement of the 10-point rating scale with a 5-point scale to eliminate customer errors.

- Prioritization of surveys to WhatsApp messenger as the primary measurement channel.
- Introduction of surveys to assess a single

NPS of a product/service without dividing it into separate steps of the customer journey to obtain results that maximize the level of customer loyalty to the Bank.

NPS INDICATORS IN RETAIL BLOCK BY PRODUCTS, %

Product	Quarter I	Quarter II	Quarter III	Quarter IV
DEPOSIT	72%	74%	48%	46%
CASH (Cash Credit)	63%	59%	54%	54%
POS (Product credit)	55%	61%	52%	55%
AUTO (Auto loans)	37%	24%	42%	42%
CREDIT CARD	22%	19%	44%	44%
Debit Card	43%	41%	34%	29%
SmartBank	72%	74%	16%	28%
NPS Retail banking	59%	59%	32%	32%

CSAT (Customer Satisfaction Score) is another of the Customer Satisfaction Score indicators successfully applied by the Bank. CSAT measures the quality of service provided by managers through direct channels, and by Contact Center operators

in the process of remote servicing and feedback processing. The survey on the quality of remote banking services was conducted among active retail customers and legal partners.

CSAT INDICATORS IN THE CORPORATE BLOCK BY BRANCHES FOR IV QUARTER 2023⁸, %

Branch	CSAT
Aktau	64%
Aktobe	63%
Almaty	52%
Astana	54%
Atyrau	56%
Karaganda	68%
Kokshetau	77%
Kostanay	74%
Kyzylorda	95%
Pavlodar	48%
Petropavlovsk	75%
Taldykorgan	84%
Taraz	70%
Turkestan	71%
Uralsk	52%
Ust-Kamenogorsk	63%
Shymkent	69%

Plans for 2024 and the medium term

- Development of a digital lending process for the medium-sized business segment and fast revolving lending in the market (3-5 days).
- Introduction of instant online loans for micro-businesses with approval in 5 minutes and a check of up to KZT 50 million.
- Ensuring a complete digital experience: 100% availability of small business transactional products.
- Introduction of an increased rate of deposits for clients of the Bank's salary projects.
- Further promotion of online channels and transfer of the car lending process to an online format.
- Expansion of deposit programs with increased rates for pensioners.
- Introduction of the Concept of increased bonuses for the purchase of environmentally friendly products.

⁸ No measurements were conducted for Semey and Zhezkazgan branches. Customer surveys at Zhezkazgan branch are included in the Karaganda branch assessment. Semey branch participates in the quality assessment from Quarter I, 2024.

Digitalization and innovation

DIGITALIZATION TODAY IS A KEY AREA OF MODERNIZATION OF BANKING SERVICES, SIGNIFICANTLY IMPROVING THEIR EFFICIENCY, SECURITY AND ACCESSIBILITY. AN IMPORTANT STRATEGIC PRIORITY FOR EURASIAN BANK IS THE PROGRESSIVE TRANSITION FROM TRADITIONAL METHODS OF WORKING WITH CLIENTS TO THE USE OF DIGITAL SOLUTIONS.

49% of customers
prefer to receive services
via mobile application

17-th place
place of SmartBank application
among RoK mobile applications
in Forbes TOP-30 ranking

By developing the strategic direction of digitalization, the Bank focuses on digital interaction with its customers through chatbots, robots, and other technologies and is actively working to improve the stability and customer journey in the SmartBank mobile application for individuals. Optimizing SmartBank has been a priority for Eurasian Bank in 2023 and it has yielded results. The application was ranked 17th among mobile applications of the Republic of Kazakhstan in Forbes TOP-30 rating, annually conducted by Intervale Kazakhstan. Thanks to the application update, the process of registration of new users was reduced from 11 to 3 steps, and also the possibility of returning the transfer to the sender was added.

Today 49% of the Bank customers prefer to receive services via mobile application. Eurasian Bank pays

special attention to the security of all its digital solutions. In particular, the Bank implements reliable authentication and data protection methods, which reduces the risks of fraud and information leakage.

An important achievement in 2023 was the full integration of SmartBank with government digital services. With the implementation of this initiative, the Bank customers were able to pay fines and receive other government services directly through the application.

Among the new services successfully launched by the Bank in 2023 are Forex and rate trading. The Forex platform available in Smartbank mobile application enables individuals to buy and sell currencies at the current exchange rates, which are updated in real time.



IMPLEMENTATION OF DIGITALIZATION PROJECTS IN THE CORPORATE BLOCK

SMS informing service

- SMS informing service on receipts/ expenditures on accounts, including arrests
- SMS informing service on receipt of currency proceeds

Online Account Opening

- Opening an IE account from the Bank's website
- Opening an LLP account from the Bank's website

IE registration

- Service for IE registration as a business entity

Accounting Service

- Service for connecting accounting service from the Bank's website

Remote Service System (RSS)

- Online deposit opening
- Online release of tender guarantees for public procurement
- Self-connection of clients to the system
- Counterparty verification service
- Displaying employee payroll calculations
- Possibility to issue an invoice for payment to a counterparty
- Implementation of public services section

In 2023, Eurasian Bank adapted online services for commodity lending to the broker credit platforms of leading retailers in Kazakhstan and the CIS, while integration with partner marketplaces and aggregators opened up new opportunities for the Bank clients.

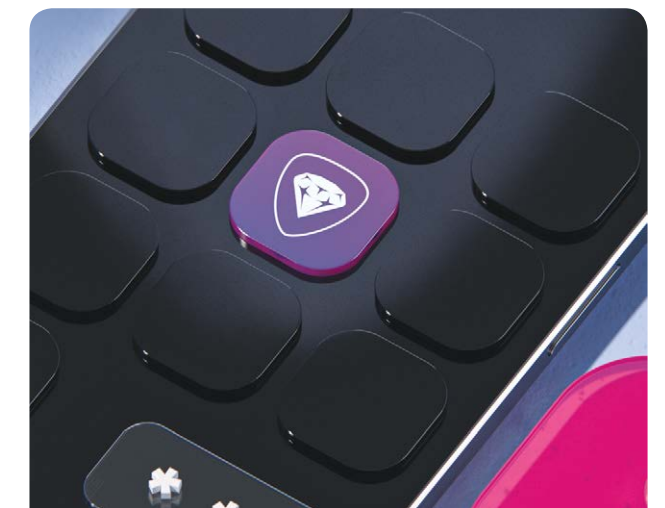
As part of implementing strategic projects in the reporting year, the architecture of the Corporate Data Warehouse (CDW) was redesigned, including the formation of a logical model and structure, and the connection of new systems for loading data into the CDW.

The Bank strengthened its regional leadership position by successfully implementing the digital tenge project. Eurasian Bank was the first in Eurasia to issue a payment card in the Central Bank Digital Currency (CBDC) and conducted the first card transaction using the digital tenge.

In 2023, the Bank conducted the first crypto-fiat transaction between an exchange and a banking client on the Eurasian continent, opening access to legal purchase of cryptocurrencies for tenge to citizens of the Republic of Kazakhstan.

Plans for 2024 and the medium term

In 2024, the Bank plans to continue developing digital solutions, including modernizing systems and introducing new technologies such as signature via EDS and paperless office. The Bank will also continue to work on improving the Bank application and adding new functionality for customers' convenience.





Data privacy and cybersecurity

01
10

ARDFM, GRI 3-3, GRI 418-1

Eurasian Bank regularly introduces new technologies and measures to protect information from unauthorized access and leaks to ensure a high level of data privacy and cyber security.

Two subdivisions of the Bank are responsible for identifying and eliminating data security risks: the IT Security Service and the Risk Management block.

The Bank adheres to a comprehensive approach to security, which includes:

- Introduction and development of specialized technical cybersecurity tools.
- Monitoring of activity in the Bank infrastructure.
- Conducting penetration testing by external specialists and an internal team of pen-testers.
- Annual independent audits and certifications, such as PCI DSS.
- Mandatory regular training of employees on cybersecurity and confidential data protection.

IN 2023, THE BANK'S BOARD OF DIRECTORS APPROVED THE CYBERSECURITY STRATEGY FOR 2023-2025.

The goal is to increase the maturity level of all cybersecurity processes, formulate a roadmap and budget, and identify the following key development areas:

- Data protection and access control.
- Secure development.
- Infrastructure security.

- Incident management.
- Vulnerability management.
- Personnel awareness.

As part of the Bank subdivisions' work in cybersecurity, the Bank modernized its network security system and information leakage countermeasure system in 2023. In addition, the Bank implemented processes to secure containerization systems.

GRI 418-1

In the reporting year, one complaint was recorded regarding a suspected breach of customer data confidentiality, but no actual information leaks occurred.

To identify and minimize risks, the Bank identifies critical systems and periodically reviews their security, constantly updating security procedures and implementing new tools. The Bank develops a strategic plan and approves an annual action plan for efficient risk control and management.

The plans for 2024 and the medium term are as follows

- Implementation of systems to enhance development security.
- Launch a particular cybersecurity training program for administrators and developers.
- Automating data classification and access management processes.
- Strengthening mobile access policies and segmenting networks.

Customer support

Accessibility of financial services

GRI 203-1, GRI 203-2, ARDFM

EURASIAN BANK SUPPORTS FINANCIAL INCLUSION BY ENSURING ACCESS TO BANKING SERVICES FOR ALL CATEGORIES OF CITIZENS AND ALL SOCIAL GROUPS. IN PARTICULAR, THE BANK HAS SUCCESSFULLY ADAPTED ITS EUBANK.KZ CORPORATE WEBSITE FOR PEOPLE WITH DISABILITIES.

For the convenience of visually impaired customers, Eurasian Bank introduced special options for audio functionality and font size control on the screen. Moreover, to comply with the standard ST RoK 3844-2023 The Requirements for accessibility of outlets of financial organizations to provide services to persons with disabilities and other low-mobility groups of population, the Bank carries out significant work to ensure the convenience of outlets, including cash areas.

Improving financial literacy

Eurasian Bank is constantly working to improve financial literacy among the population, aimed at protecting users of financial services and increasing their well-being.

The Bank cooperates with various financial institutions and the Agency of the Republic of Kazakhstan on Regulation and Development of Financial Market (ARDFM) to develop and implement financial literacy programs. As part of this cooperation, market participants share information on new types of fraud and take joint actions to protect customers' interests.

Eurasian Bank provides information support through various communication channels, including corporate publications and internal communication networks. The Bank employees regularly publish articles, tips, and information on various financial fraud schemes on the corporate website in the [Financial Literacy section](#). The Bank outlets use advertising banners and commercials to draw customers' attention to financial security issues. In addition, Eurasian Bank participates in the process of improving financial literacy among employees of large corporate clients.

Supplier relations

GRI 3-3, GRI 204-1

EURASIAN BANK ADHERES TO THE PRINCIPLES OF RESPONSIBLE PROCUREMENT MANAGEMENT, SEEKING BOTH TO IMPROVE ECONOMIC EFFICIENCY AND PROTECT SUPPLIERS' INTERESTS.

The entities responsible for procurement management in the Bank are 3 collegial working bodies reporting to the Bank's Management Board:

- The Budget and Write-off of Fixed Assets and Intangible Assets Committee makes decisions on procurement related to the Bank's administrative and business activities
- The Digital Committee is responsible for procurement for administrative and business needs, as well as for IT and information security procurement that does not affect the entire Bank's IT architecture
- The Technology Committee considers issues of purchasing goods, works and services in the field of information technologies and information security

The Bank's relations with suppliers are regulated by the Instruction on Procurement of Goods, Works and Services, current legislation of the Republic of Kazakhstan, and internal regulatory documents of the Bank.

In the course of procurement activities, the Bank maintains a respectful attitude towards its business partners, ensures objective selection of suppliers to maintain the principles of fair competition, and seeks to develop partnerships with those suppliers who follow high standards of business ethics.

When making purchases, the Bank adheres to the following principles:

- Procurement of rationally necessary goods, works and services.
- Observance of the Bank's interests in relations with suppliers/contractors.
- Openness and transparency of the process.
- Availability of information for potential suppliers about the Bank purchases.
- Equal conditions for all participants-potential suppliers.
- Independence of decision-making.
- Purchase of quality goods, works and services.
- Compliance with the operating and capital expenditures budget.
- Compliance with the legislation of the Republic of Kazakhstan and international law.

The Bank maintains a register of unreliable suppliers to minimize risks in supplier selection, improve supply quality, and increase transparency in the procurement process.

In 2023, the total number of suppliers reached 824, which exceeds last year's values by 15.7% (in 2022 — 712 suppliers). Eurasian Bank is committed to supporting domestic producers of goods and services. In the reporting year, the share of local suppliers in the total number of suppliers reached 93.4%, and the share of purchases from local suppliers in total purchases amounted to 90.9%.



824

total number of suppliers in 2023



93.4%

share of local suppliers in 2023

NUMBER OF SUPPLIERS⁹

GRI 204-1

Indicator	2021	2022	2023
Total number of suppliers	677	712	824
Number of local suppliers	666	663	770
Share of local suppliers	98.4%	93.1%	93.4%

NUMBER OF PURCHASES FROM SUPPLIERS¹⁰, KZT THOUSAND

GRI 204-1

Indicator	2021	2022	2023
Total purchases from suppliers	10,223,506	11,245,250	18,582,141
Total purchases from local suppliers	8,402,912	9,903,378	16,894,768
Share of purchases from local suppliers by sum	82.2%	88.1%	90.9%

Plans for 2024 and the medium term

In the medium term, Eurasian Bank plans to continue to improve its procurement process, including:

- Creating a single database of contracts with an established access system.
- Implementing security mechanisms to protect the confidentiality and integrity of data in the database.
- Improvement and revision of existing supplier requirements.
- Evaluating the efficiency of new vendor requirements and their impact on procurement operations.



⁹ Data on the number of suppliers is presented for Eurasian Bank Head Office and excludes branches.

¹⁰ Data on the sum of purchases from suppliers is presented for Eurasian Bank Head Office and excludes branches.

Social aspect

Human resources management and responsible labor practices	56
Diversity, equality and inclusion	64
Motivation and remuneration of employees	68
Employee training and development	71
Occupational health and safety	76

Contribution to the UN SDGs

1 NO POVERTY

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

GRI indicators

2-7, 2-8, 2-23, 2-24, 2-26, 2-27, 3-3, 202-2, 401-1, 401-2, 401-3, 402-1, 403-1, 403-2, 403-3, 403-5, 403-8, 404-1, 404-2, 405-1, 405-2, 406-1





Human resources management and responsible labor practices

GRI 3-3, GRI 2-23, GRI 2-24, GRI 2-27, ARDFM

AS A SIGNIFICANT EMPLOYER IN KAZAKHSTAN, EURASIAN BANK IS CONSTANTLY IMPROVING ITS APPROACH TO HUMAN RESOURCES MANAGEMENT. THE COMPANY-WIDE HR MANAGEMENT SYSTEM IS FOCUSED ON CREATING A POSITIVE EXPERIENCE FOR EACH EMPLOYEE. THE BANK FULFILLS ITS OBLIGATIONS TO ITS EMPLOYEES AND COOPERATES WITH THEM TO ACHIEVE COMMON GOALS.


The priority of Eurasian Bank’s HR policy is to improve working conditions and comply with social protection standards for employees. The HR policy aims to create a favorable atmosphere for the development of professional skills in the team and expanding career opportunities. The Bank adheres to the legislation of the Republic of Kazakhstan and international norms in the sphere of human rights protection and ensures protection of employees’ rights.

The main corporate values and principles of Eurasian Bank are set out in the Code of Ethics and Business

Conduct. The Bank’s corporate culture is focused on building an efficient and motivated team.

The Human Resources Division of Eurasian Bank is responsible for personnel management issues. The Division is engaged in organizing responsible labor practices, including recruitment and adaptation, performance evaluation, development, and training of employees, as well as ensuring a comfortable working environment. In addition, the Bank has a Personnel Service responsible for personnel administration.

 **5,352** people
headcount of Eurasian Bank at the end of 2023

 **67.7%**
share of women in Eurasian Bank’s personnel structure

The key corporate documents that regulate the social aspect of the Bank are:

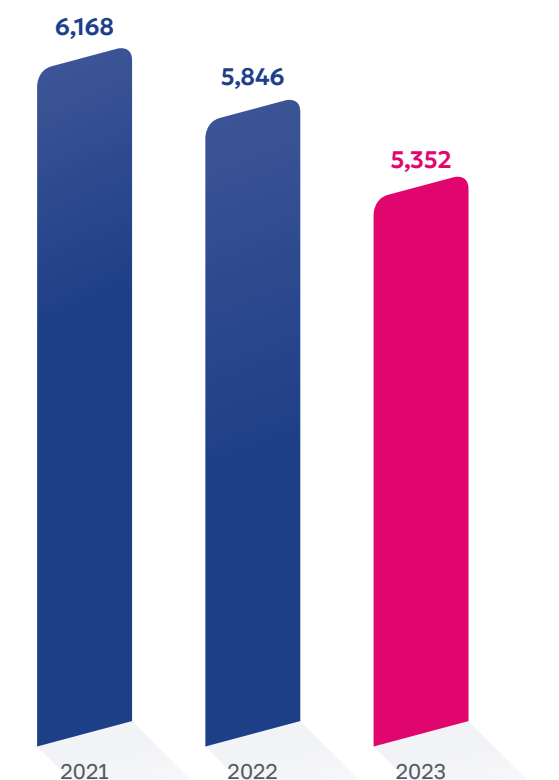
- Rules on recruitment, admission, and adaptation of personnel
- Rules for organizing and conducting personnel assessment
- HR policy
- Rules on selection of trainees/interns, internship organization, traineeship, and study visits
- Policy on appointments, remuneration and remuneration of executive staff
- Policy on remuneration of employees
- Instruction on provision of employee benefits
- Instruction on interaction of subdivisions when making changes to the Bank’s organizational structure and staffing table
- Instruction on organization of training and professional development of employees
- Rules on maintenance of a unified knowledge base, development and actualization of information and training materials by structural subdivisions of the Bank
- Rules of internal labor order
- Rules on formation of personnel reserve
- Instruction on assessment and bonus payment to employees of business support subdivisions

Personnel headcount

GRI 2-7, GRI 2-8

At the end of 2023, the headcount of Eurasian Bank decreased by 8.5% compared to 2022 and amounted to 5,352 people.

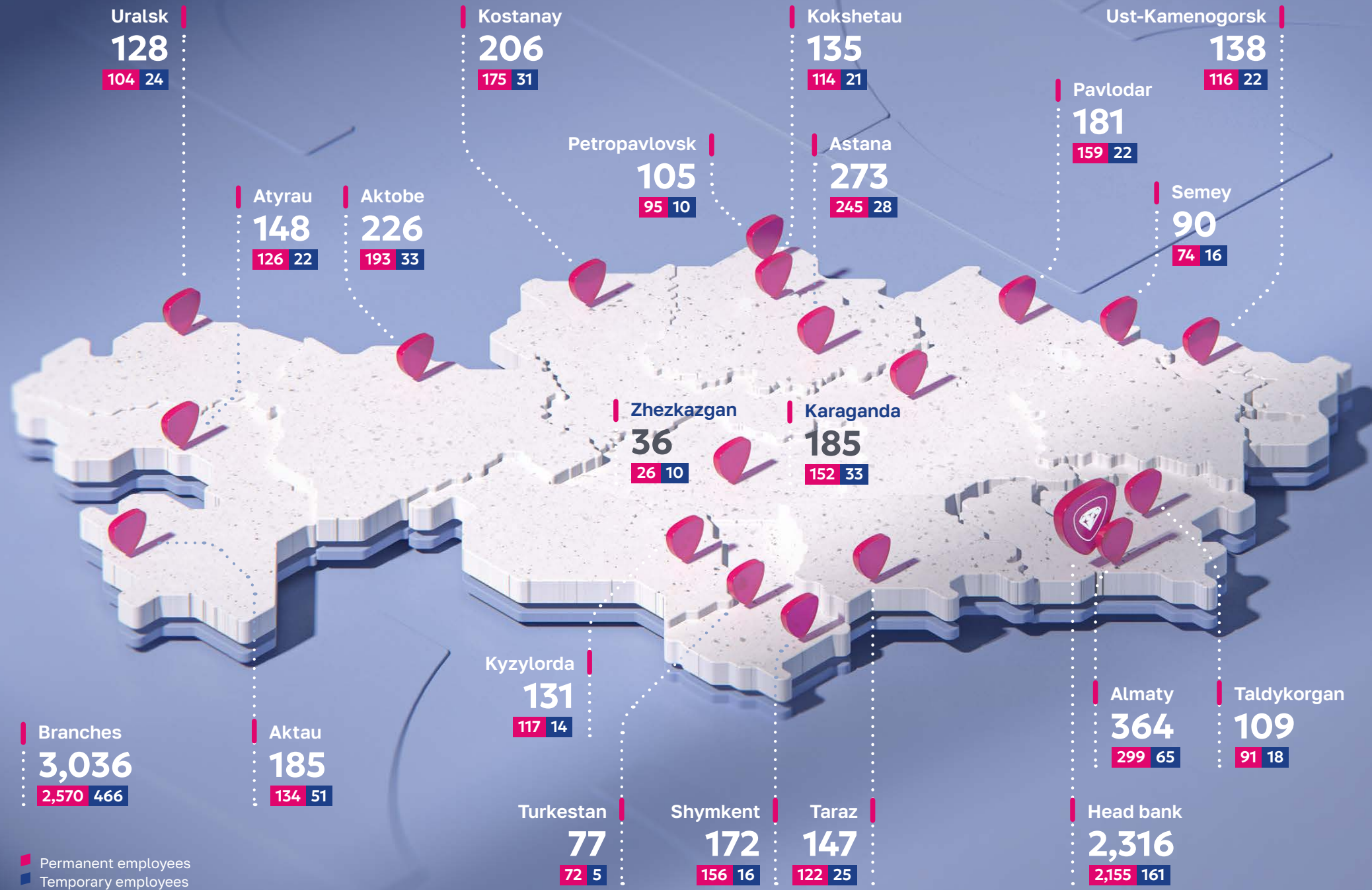
DYNAMICS OF HEADCOUNT OF EMPLOYEES, PEOPLE



 **8.5%**
reduction in headcount of Eurasian Bank’s personnel in 2023

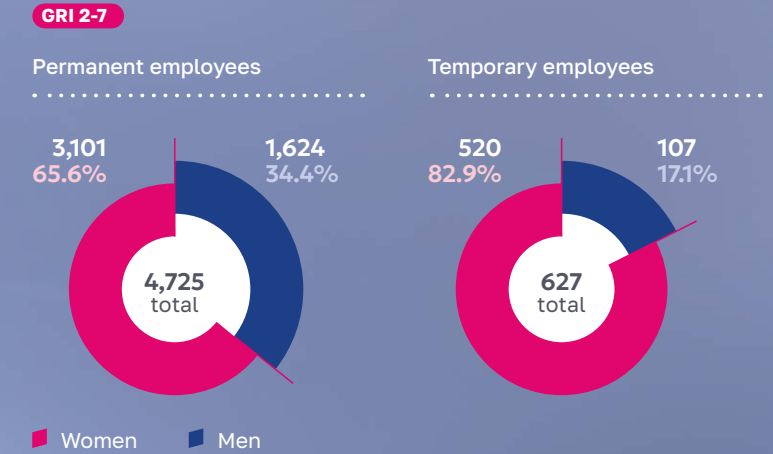
At the end of 2023, the headcount of employees of the Head Bank amounted to 2,316 people. The number of employees in branches, which operate in major cities of the Republic of Kazakhstan, reached 3,036 people. The majority of the Bank personnel works in branches of Astana and Almaty that is directly connected with high population of big cities.

HEADCOUNT OF EMPLOYEES IN THE HEAD BANK AND BY BRANCHES FOR 2023, PEOPLE



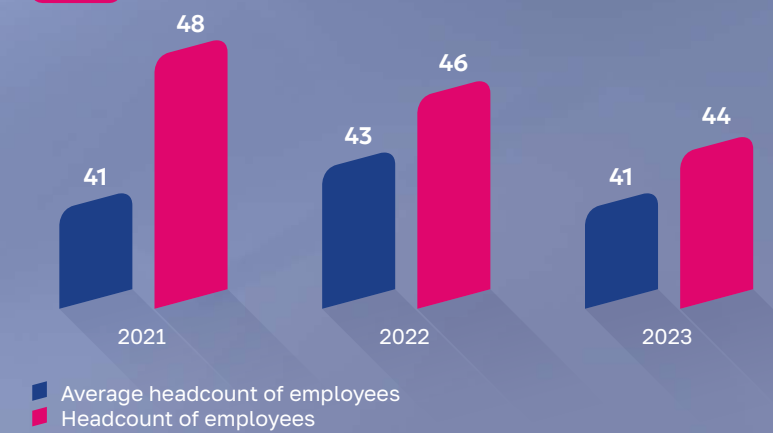
3,036 people
number of employees in branches of Eurasian Bank

NUMBER OF PERMANENT AND TEMPORARY EMPLOYEES FOR 2023, PEOPLE



The Bank subdivisions have 44 workers who are not employees at the end of 2023, mainly engaged in loan collections, and 5 part-time employees working under a civil law contract between the contractor and the Bank.

NUMBER OF WORKERS WHO ARE NOT EMPLOYEES, PEOPLE



NUMBER OF EMPLOYEES BY LENGTH OF WORKING DAY, PEOPLE

Indicator	2021	2022	2023
Number of full-time employees	6,168	5,836	5,347
Number of part-time employees	-	10	5

60 Personnel recruitment

EFFICIENT HR MANAGEMENT IS ONE OF THE KEY FOCUS AREAS OF THE DEVELOPMENT STRATEGY. THE BANK STRIVES TO CREATE A SYNCHRONIZED HR MANAGEMENT SYSTEM COVERING RECRUITMENT, RETENTION, MOTIVATION AND DEVELOPMENT OF EMPLOYEES.

Eurasian Bank recruits personnel in accordance with the established procedure defined in the Rules of Recruitment, Admission and Adaptation of Personnel. All candidates are considered on the same terms. The Bank excludes discrimination on any grounds, including origin, social, official and property status, gender, race, nationality, language, religious beliefs and other factors.

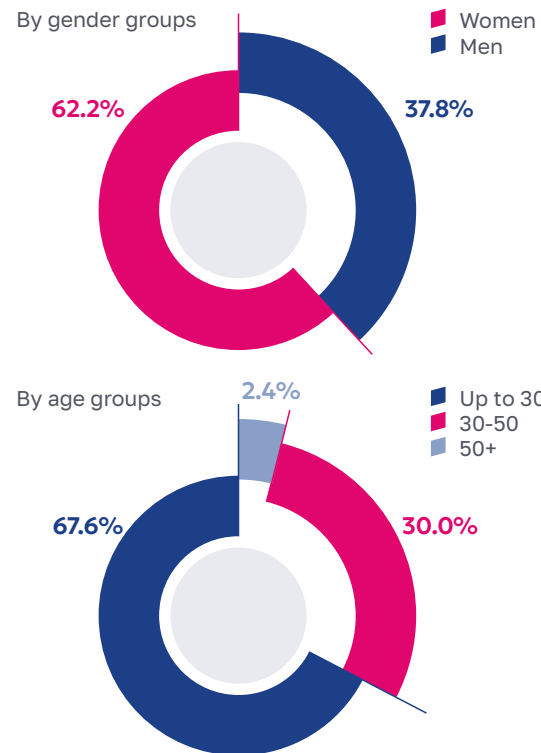
When selecting personnel for vacant positions, the Bank will consider whether a candidate’s professional skills and personal qualities meet the position requirements. Employees of the recruitment subdivision will assess candidates’ knowledge and quali-

fications on a general basis. In case of equal results in the selection of external and internal candidates, preference will be given to the internal candidate.

Eurasian Bank hired 2,146 employees during 2023, of which 812 (37.8%) are male and 1,334 (62.2%) are female. The Bank focuses on supporting young professionals: 68% or 1,450 newly hired employees are under 30 years of age. However, the Bank is also committed to hiring experienced professionals: the number of employees over 50 years of age hired increased by 10% compared to 2022, and their share accounted for 2% of total hiring in 2023.

STRUCTURE OF EMPLOYEES HIRED IN 2023, %

GRI 401-1, ARDFM



TOTAL NUMBER OF EMPLOYEES HIRED IN THE HEAD BANK AND BY BRANCHES IN 2023, PEOPLE

GRI 401-1, ARDFM

Region	Number
Republic of Kazakhstan	2,146
Head bank	976
Branches:	1,170
Aktau	72
Aktobe	80
Almaty	131
Astana	144
Atyrau	45
Zhezkazgan	8
Karaganda	82
Kokshetau	52
Kostanay	87
Kyzylorda	25
Pavlodar	67
Petropavlovsk	56
Semey	49
Taldykorgan	42
Taraz	42
Turkestan	25
Uralsk	30
Ust-Kamenogorsk	68
Shymkent	65

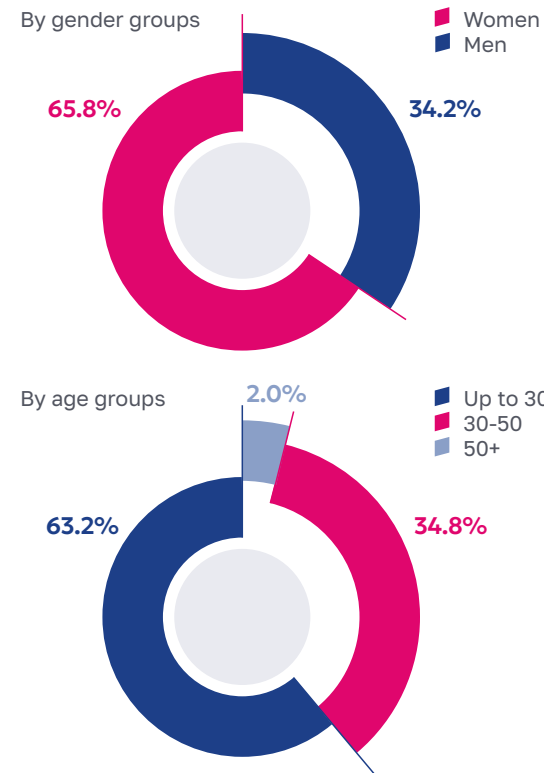
Employee turnover

GRI 401-1, ARDFM

In 2023, the number of employees whose employment contracts were terminated decreased by 19.0% compared to 2022, totaling 2,635. Among them, by gender, women predominate (1,735 or 65.8%), and by age group, the highest number of terminations of labor contracts is observed among workers under 30 (1,667 or 63.2%).



STRUCTURE OF EMPLOYEES WHO QUIT IN 2023, %



TOTAL NUMBER OF EMPLOYEES WHO QUIT IN 2023 FROM THE HEAD BANK AND BRANCHES, PEOPLE

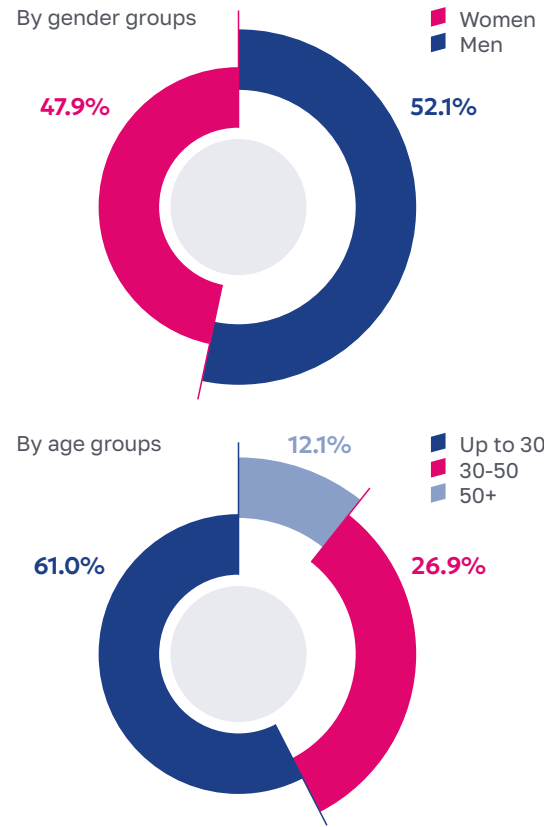
GRI 401-1, ARDFM

Region	Number
Republic of Kazakhstan	2,635
Head bank	1,019
Branches:	1,616
Aktau	102
Aktobe	110
Almaty	182
Astana	195
Atyrau	72
Zhezkazgan	13
Karaganda	106
Kokshetau	78
Kostanay	108
Kyzylorda	58
Pavlodar	88
Petropavlovsk	60
Semey	63
Taldykorgan	63
Taraz	65
Turkestan	38
Uralsk	48
Ust-Kamenogorsk	78
Shymkent	89



STRUCTURE OF EMPLOYEE TURNOVER FOR 2023, %

GRI 401-1, ARDFM



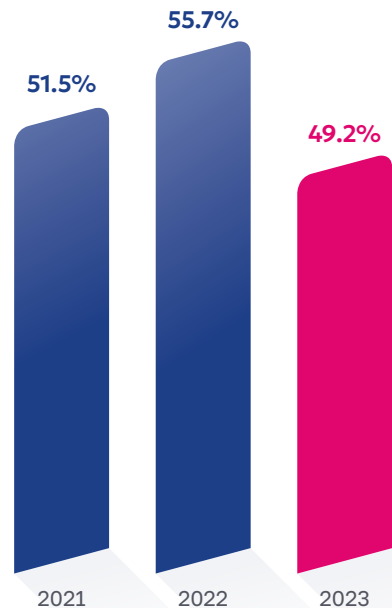
EMPLOYEE TURNOVER IN THE HEAD BANK AND BY BRANCHES FOR 2023, %

GRI 401-1, ARDFM

Region	Turnover
Republic of Kazakhstan	49.2%
Head bank	44.0%
Branches:	
Aktau	55.1%
Aktobe	48.7%
Almaty	50.0%
Astana	71.4%
Atyrau	48.6%
Zhezkazgan	36.1%
Karaganda	57.3%
Kokshetau	57.8%
Kostanay	52.4%
Kyzylorda	44.3%
Pavlodar	48.6%
Petropavlovsk	57.1%
Semey	70.0%
Taldykorgan	57.8%
Taraz	44.2%
Turkestan	49.4%
Uralsk	37.5%
Ust-Kamenogorsk	56.5%
Shymkent	51.7%

DYNAMICS OF EMPLOYEE TURNOVER, %

GRI 401-1, ARDFM



Measures to retain and motivate highly qualified employees positively impacted reducing the employee turnover rate in 2023. The employee turnover rate at the end of the reporting year amounted to 49.2%, which is 11.7% lower than the same indicator for 2022. The main reason is improving working conditions and creating training programs in different areas.

The highest turnover rates are observed in the Bank's branches in Astana and Semey, while the lowest are observed in Uralsk and Zhezkazgan.

11.7%
reduction of the employee turnover rate compared to 2022

GRI 402-1

In case of labor contracts termination due to staff reduction, the minimum notice period is one month per the Labor Code of the Republic of Kazakhstan.

Plans for 2024 and the medium term

The HR Division plans to implement the Personnel Reserve Program for the period from 2024 to 2025 in order to address the following tasks:

- Reducing the time of closing vacancies in key positions.
- Reducing the level of employee turnover.
- Optimization of costs for recruitment and adaptation of new employees.
- Creating prospects and motivation for professional development.
- Maintaining continuity of the work process.
- Investing in personnel development and training.
- Preventing crises when key employees leave.
- Reducing risks in the search and selection process for new candidates.



Diversity, equality and inclusion

GRI 2-27, GRI 406-1, ARDFM

EURASIAN BANK STRICTLY COMPLIES WITH ALL LABOR LAWS OF THE REPUBLIC OF KAZAKHSTAN AND THE TERMS OF EMPLOYMENT CONTRACTS AND RECOGNIZES AND PROTECTS PERSONAL FREEDOMS AND HUMAN RIGHTS. THE BANK PROVIDES EQUAL OPPORTUNITIES FOR CAREER GROWTH AND PROFESSIONAL DEVELOPMENT FOR EACH EMPLOYEE AND OPPOSES DISCRIMINATION ON ANY GROUNDS.

No cases of discrimination on racial, gender, religious, political or social grounds and other human rights violations were recorded during the reporting period.

GRI 405-1, ARDFM

Women traditionally make up a significant proportion of employees in the banking industry, and Eurasian Bank is no exception. In the gender structure of the staff, women account for 67.7% of the total

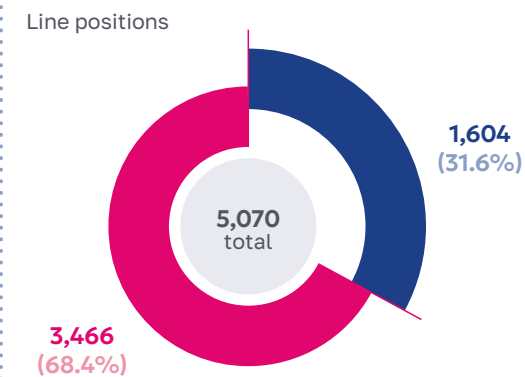
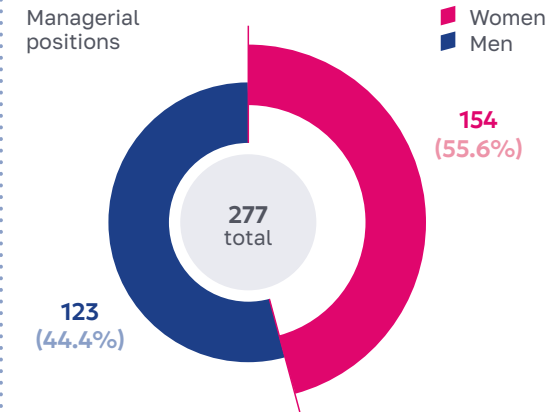
number of employees. The age structure is dominated by the category from 30 to 50 years old (51.9%). At the same time, the share of employees over 50 increased by 12.2% in 2023.

The share of women in managerial positions is 55.6%, while in line positions it is 68.4%. In managerial positions, the share of employees in the age category from 30 to 50 years reaches 79.8%, while in line positions it is 50.4%.



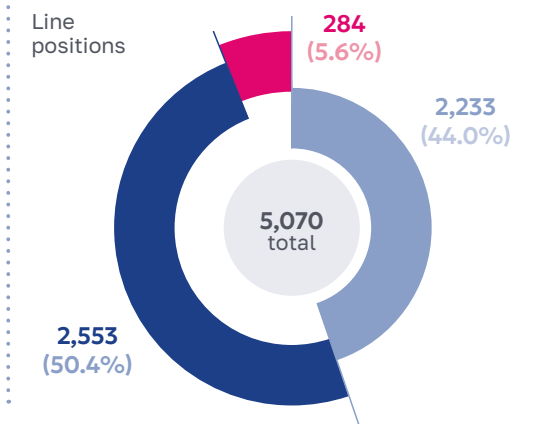
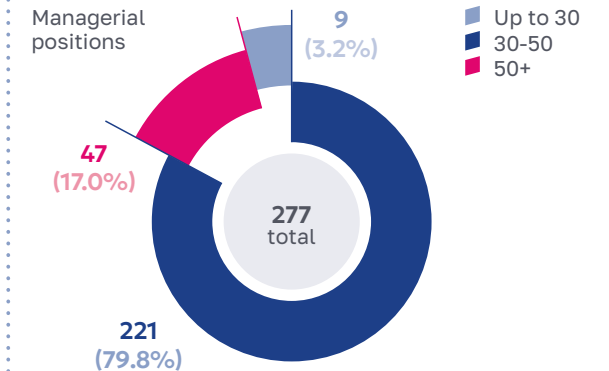
PERSONNEL STRUCTURE BY GENDER GROUPS AT THE END OF 2023 BY EMPLOYEE CATEGORY, PEOPLE

GRI 405-1



STRUCTURE OF PERSONNEL BY AGE GROUPS AT THE END OF 2023 BY EMPLOYEE CATEGORY, PEOPLE

GRI 405-1



DYNAMICS OF HEADCOUNT OF EMPLOYEES BY GENDER AND AGE, PEOPLE

GRI 405-1

Indicator	2021	2022	2023
By gender groups:			
Men	1,903	1,821	1,731
Women	4,265	4,025	3,621
By age groups:			
Up to 30	3,140	2,684	2,242
30-50	2,754	2,866	2,778
50+	274	296	332
Total	6,168	5,846	5,352

STRUCTURE OF GOVERNING BODIES BY GENDER AND AGE GROUPS AT THE END OF 2023, PEOPLE

GRI 405-1, ARDFM

Indicator	Total	Board of Directors		Management Board ¹¹	
		Number	Share	Number	Share
By gender groups:					
Men	8	4	100%	4	80%
Women	1	0	0%	1	20%
By age groups:					
Up to 30	0	0	0%	0	0%
30-50	6	2	50%	4	80%
50+	3	2	50%	1	20%

¹¹ The category includes Chief Accountant and Deputy Chief Accountants.

66 Eurasian Bank strives to provide equal career opportunities for all and makes efforts to promote inclusive employment. In the reporting period, the number of employees with disabilities increased by 22.2% compared to 2022 and amounted to 77 employees.

DYNAMICS OF THE NUMBER OF EMPLOYEES WITH DISABILITIES, PEOPLE

Indicator	2021		2022		2023	
	Number	Share	Number	Share	Number	Share
Managerial positions (managing directors, directors of departments and heads of offices)	3	1.1%	4	1.5%	5	1.8%
Line positions	43	0.7%	59	1.1%	72	1.4%

GRI 405-2

The ratio of women’s base salary to men’s in line positions has remained unchanged for the past several years. At managerial positions, the ratio of women’s average remuneration to men’s increased by 12.5% in the reporting year, from 0.8 to 0.9, and the ratio of women’s bonus to men’s bonus increased by 25.0%, from 0.4 to 0.5.

RATIO OF BASE SALARY AND REMUNERATION OF WOMEN TO MEN

Indicator	2021	2022	2023
Ratio of women’s average salary to average salary of men, incl. ¹² :	0.6	0.6	0.6
- Line positions	0.6	0.6	0.6
- Managerial positions ¹³	0.8	0.8	0.8
Ratio of women’s average remuneration to average remuneration of men, incl. ¹⁴ :	0.6	0.5	0.6
- Line positions	0.7	0.5	0.5
- Managerial positions	0.7	0.8	0.9
Ratio of average monthly/quarterly/annual bonus by gender	0.4	0.4	0.5

22.2%
increase in the number of employees with disabilities in 2023

12.5%
increase in the ratio of women’s average remuneration to men’s average remuneration at managerial positions in 2023

¹² Data according to salaries of full-time employees at the end of 2023.

¹³ Data excluding the Management Board and the Board of Directors.

¹⁴ Data consider all fixed and non-fixed remuneration paid in 2023 on a monthly average basis, excluding vacation payments, compensation, and withholdings.

In 2023, the average salary amounted to KZT 225.4 thousand for women and KZT 397.2 thousand for men at line positions, and at managerial positions – KZT 610.2 thousand for women and KZT 763.1 thousand for men. During the reporting period, there was an increase in the average remuneration of women by 38.3% and men by 29.1% compared to 2022.

DYNAMICS OF BASE SALARY AND REMUNERATION, KZT THOUSAND

Indicator	2021		2022		2023	
	Men	Women	Men	Women	Men	Women
Average salary, incl. ¹⁵ :	290.2	174.5	376.6	220.1	475.0	282.4
- Line positions	228.3	140.8	312.6	175.4	397.2	225.4
- Managerial positions ¹⁶	544.5	424.9	623.3	511.1	763.1	610.2
Average remuneration, incl. :	361.8	220.3	940.4	486.8	1,214.4	673.2
- Line positions	298.2	195.8	836.0	435.2	1,113.3	599.3
- Managerial positions ¹⁷	1,191.0	888.3	2,350.3	1,806.7	2,539.0	2,247.0
Average monthly/quarterly/annual bonus by gender	100.8	42.0	596.0	266.1	762.9	370.7

Eurasian Bank is committed to supporting and promoting local talent and local economic development. In 2023, the share of executives hired from the local community is 77.8%.

DYNAMICS OF THE SHARE OF TOP MANAGERS HIRED FROM THE LOCAL POPULATION, %



25.0%
increase in the ratio of women’s bonus to men’s bonus in 2023

77.8%
share of executives hired from the local community in 2023

¹⁵ Data according to salaries of full-time employees at the end of 2023.

¹⁶ Data excluding the Management Board and the Board of Directors.

¹⁷ Data considers all fixed and non-fixed remuneration paid in 2023 on a monthly average basis, excluding vacation payments, compensation, and withholdings.

Motivation and remuneration of employees



GRI 3-3

IMPROVING THE SYSTEM OF REMUNERATION AND COMPENSATION OF EMPLOYEES IS ONE OF THE KEY OBJECTIVES OF EURASIAN BANK'S HR POLICY.

The remuneration system is reflected in the Employee Remuneration Policy. The policy is based on the principles of internal fairness, external competitiveness, and individual incentives. The Bank pays labor remuneration and other types of material incentives in accordance with the legislation and internal documents.

TO ENSURE SOCIAL PROTECTION OF PERSONNEL, THE BANK PROVIDES BENEFIT PROGRAMS SUCH AS MEDICAL INSURANCE, COMPENSATION FOR SPORTS AND RECREATIONAL ACTIVITIES AND OTHERS, WHICH ARE IMPORTANT INCENTIVES FOR RETAINING QUALIFIED EMPLOYEES.

The Bank uses various forms of financial incentives. The relationship between employee performance evaluation and individual remuneration

Labor assessment

Eurasian Bank conducts labor assessment based on objective data on professional skills, qualification level, labor efficiency, and personal qualities of employees' compliance with job requirements. Employees are assessed in accordance with the Rules for organizing and conducting personnel assessment. The main principles of the assessment include strategic orientation, purposefulness,

is realized through the bonus system. The system provides for payment of individual remuneration in accordance with the assessment of labor productivity and fulfillment of key performance indicators based on individual employee development plans. The Bank's employees are remunerated on an annual, monthly, or quarterly.

Since January 10, 2023, Eurasian Bank has been implementing Eurasian Bank Atlants project, aims to improve the professional level of middle managers in the retail business. The project solves problems related to personnel management, training, and development. Project participants perform monthly tasks both individually and as a team, receiving points on 14 criteria. They also submit reports on their achievements to their regional business coaches. After submitting their reports by the 10th of each month, participants can check their results and see their peers' final scores in the project website's Leaders of the Month section.

comprehensiveness, objectivity, democracy, and confidentiality.

The assessment procedure is used in career planning, filling vacancies, personnel relocation, professional development, material, and non-material incentives, as well as in the development of individual development plans for employees.

Social policy

GRI 401-2

Social policy for employees is an integral part of the HR management strategy and the formation of corporate culture.

EURASIAN BANK IS COMMITTED TO CREATING FAVORABLE WORKING CONDITIONS, PROVIDING SOCIAL PROTECTION FOR EMPLOYEES, AND MAINTAINING THEIR WELL-BEING.

Activities and programs include health insurance, compensation for sporting events, social benefits, retirement benefits and more.

The benefits and compensations included in the social package are defined in the Instruction on Provision of Employee Benefits and apply to both full-time and temporary employees. The Instruction was developed in accordance with the Labor Code of the Republic of Kazakhstan, Internal Regulation Policy, Internal Labor Regulations, and other internal regulatory documents of Eurasian Bank.

Social benefits include:

- Organization of medical insurance
- Provision of medical care
- Reimbursement of fuel and lubricants
- Payment for corporate communication services
- Provision of shuttle service
- Organization of visits to the gym
- Provision of material assistance

Material assistance shall be provided at the discretion of the Chairman of the Management Board, in case of:

- Death of a member of the employee's family (parents, children, spouse)
- Birth of a child
- Illness of the employee requiring expensive treatment
- Damage to the employee's health due to an accident
- Loss/damage to the employee's home due to a natural disaster

GRI 401-3, ARDFM

In 2023, 100% of the Bank employees were eligible for maternity or childcare leave under the Labor Law of the Republic of Kazakhstan. In the medium term, it is planned to introduce statistics on the number of the Bank employees who have taken or returned from maternity/paternity leave.



70 Feedback mechanisms

ARDFM, GRI 2-26

To comply with ethical principles, Eurasian Bank utilizes a mechanism for responding to incidents and reporting violations by employees. The Bank has organized a system for receiving employee complaints and suggestions, which allows it to efficiently detect internal regulations and rules violations. The main feedback channels are HR Help – the Personnel Recruitment and Adaptation unit, and the Security Department.

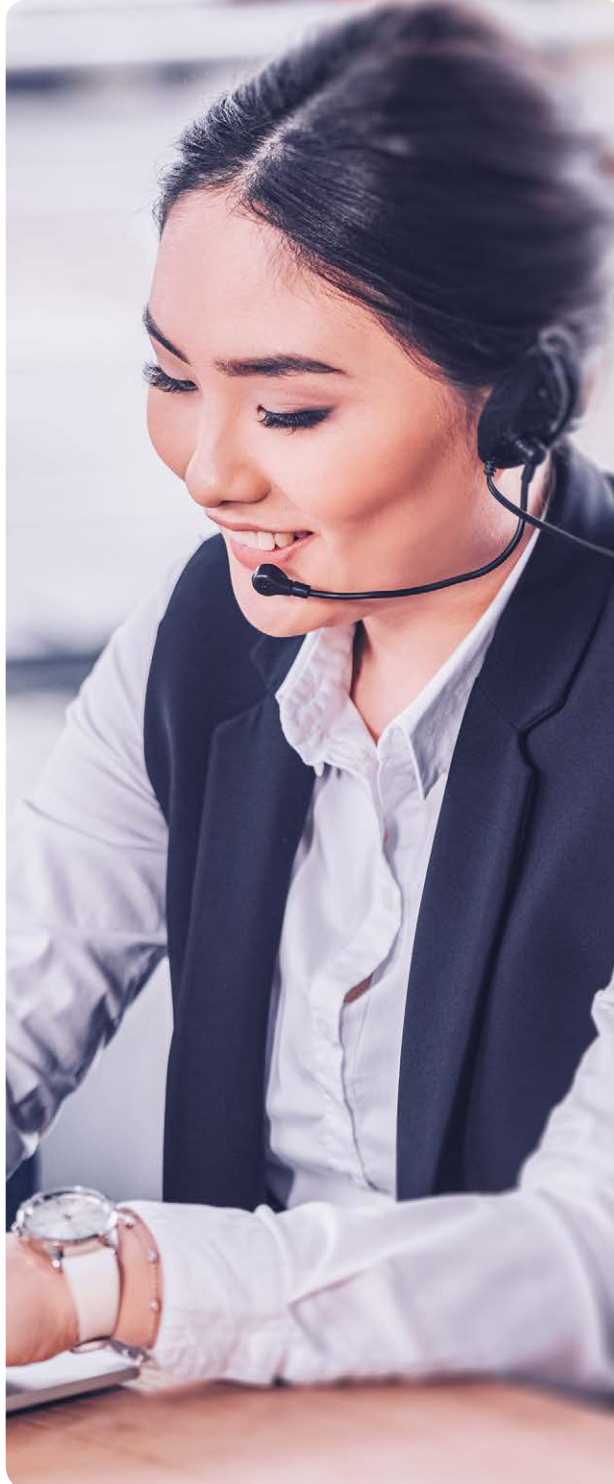
In accordance with the Code of Ethics and Business Conduct, employees should report violations in the Bank activities to their immediate supervisors. If required, the employees may use confidential communication channels:

- Telephone: +7 (727) 244 54 00.
- Multichannel phone: 911.

In addition, Eurasian Bank has the Internal Audit Service to monitor compliance with established procedures and regulations. In case of occurrence or suspicion of violations, employees may report them by calling +7 701 035 32 64.

EACH NOTIFICATION OF VIOLATIONS IS SUBJECT TO MANDATORY REVIEW WITHIN THE ESTABLISHED TIMEFRAME, AFTER WHICH THE COMPLAINANT IS PROVIDED WITH FEEDBACK BY CHOSEN METHOD OF CONTACT.

In 2023, the bulk of complaints were related to general corporate issues and came from employees who were recently hired.



Employee training and development

GRI 2-27, GRI 3-3, ARDFM

EMPLOYEE TRAINING IS A KEY AREA OF EURASIAN BANK HR POLICY, WHICH WORKS TO DEVELOP THE PROFESSIONAL COMPETENCIES OF THE TEAM, WHICH SUPPORTS THE BANK'S DEVELOPMENT AND ENHANCES THE CAREER PROSPECTS OF EMPLOYEES.

The fundamental document in the training and development of personnel of Eurasian Bank is the Instruction on organization of training and professional development of employees. Training is planned in accordance with the legislation of the Republic of Kazakhstan and the Bank's strategic priorities. In 2023, 27 employees in line positions received performance evaluations.

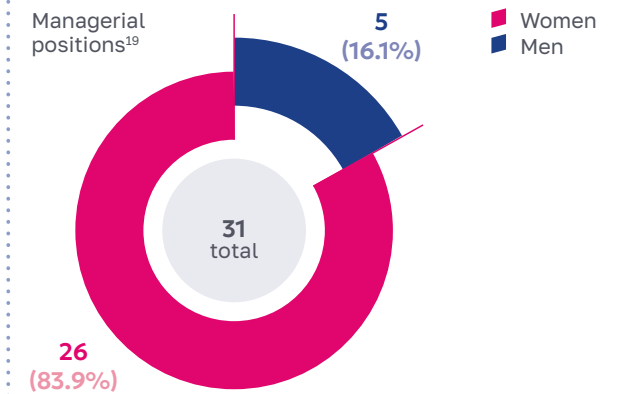
Overall, in 2023, the total number of participants in the Bank's training courses amounted to 18,583, considering cases when the same employee took several courses.

18,583 people
total number of participants in the Bank's training courses in 2023

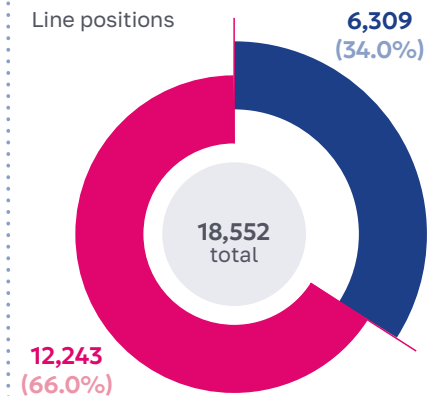
NUMBER OF EMPLOYEES¹⁸ TRAINED BY THE END OF 2023, PEOPLE

ARDFM

Managerial positions¹⁹



Line positions




¹⁸ When calculating the number of trained employees, each completed training course is considered (for example, if 1 employee has completed three types of training, the number of trained employees is 3).

¹⁹ Management positions include the Chairman of the Board of Directors, members of the Board of Directors, Chairman of the Management Board, members of the Management Board, Chief Accountant, Deputy Chief Accountants.

 **46,670** hours
total number of training hours for 2023

 **8.7** hours
on average, 1 employee of the Bank devoted to training courses

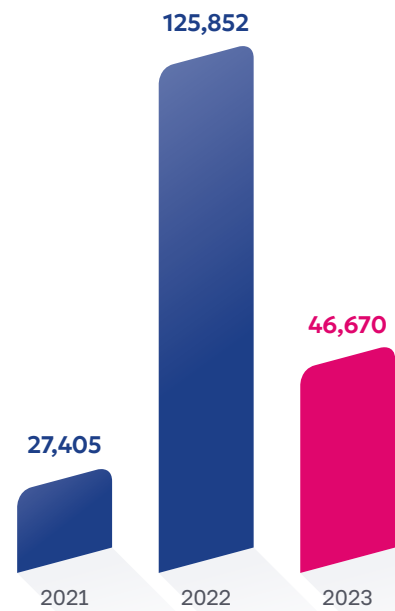
 **86%**
of the total volume of training activities were classroom trainings

 **14,332** sessions
conducted as part of mass remote self-study

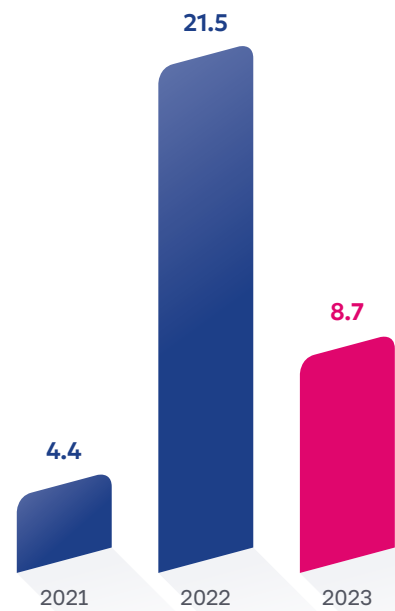
DYNAMICS OF THE TOTAL AND AVERAGE NUMBER OF TRAINING HOURS, HOURS

GRI 404-1, ARDFM

Total number of training hours



Average hours of training per employee per year



NUMBER OF HOURS OF TRAINING BY CATEGORIES OF EURASIAN BANK EMPLOYEES FOR THE REPORTING PERIOD, HOURS

GRI 404-1, ARDFM

Category	Men		Women	
	Total number of training hours	Average number of training hours per employee	Total number of training hours	Average number of training hours per employee
Managerial positions (managing directors, department directors and heads of offices)	94	0.7	836	5.4
Line positions	17,209	10.7	28,531	8.2

GRI 404-2

The Bank provides training in various formats, including webinars, classroom training, work with mentors, and online courses. A wide range of methods represents the live training format: webinars account for 4% of total training activities, business games account for 10%, and classroom trainings account for 86%. In 2023, the Bank implemented mass remote self-study, with 14,332 sessions. Thus, the Bank ensures diversity and accessibility of training for all employees according to individual needs and preferences and supports knowledge consolidation.

Internal training is organized through the Bank Training Center, allowing employees to improve their in Soft and Hard Skills qualifications. The Training Center includes both theoretical classes and post-training support. The Training Center portal contains trainings aimed at developing management skills, personnel motivation, leadership, communication skills and emotional intelligence of employees. The training program includes such trainings as: Management, Intangible motivation, Leadership. Team Roles, Coaching Management Style, Critical Thinking and others. As part of the programs, employees are provided with practical tools and knowledge to improve teamwork, increase productivity and efficiency of interaction with colleagues and subordinates. At the same time, the trainings are aimed at educating managers on efficient HR management

strategies, as well as recruitment, adaptation, motivation, and feedback, which contributes to the creation of more efficient work processes and the development of a positive corporate culture.

For centralized and reliable storage of training information materials, the Training Center manages Eurasian Bank's Unified Knowledge Base. This database is used to post new materials and update information on changes to products or procedures.

External trainings are conducted with the participation of external educational centers and are focused on the needs of specific subdivisions of the Bank.

In 2023, the Bank employees underwent external training in 17 different areas, including participation in conferences and forums, seminars on corporate governance, HR management, personal growth trainings, HR information trainings and many others. A total of 344 live trainings were conducted on 42 topics, including such topics as active sales, webinars on Smartcard product, development of productive communication skills, management basics, personal efficiency, recruitment and adaptation processes, etc. A wide range of training events allows the Bank employees to develop a variety of skills and competencies that contribute to their professional growth and improve their performance.

 **17** areas
external training coverage of the Bank's employees in 2023

 **344** live trainings
were conducted on 42 topics

Training areas and events held in 2023:

- Kaizen (“Engaging and motivating employees in continuous improvement”, “Process mapping”, “Value stream map”, “Problem solving”, “Workspace organization: 5C system”, etc.)
- Computer programs (Excel, Power BI, SQL, Power Point, etc.)
- Conferences and forums in the areas of the Bank structural subdivisions
- Corporate Governance (“Fundamentals of Corporate Governance and Finance”, “Board of Directors and Management Board”, “Internal Audit Service” and “Corporate Secretary”, “Fundamentals of Corporate Governance”, “Role of Corporate Secretary in Companies”)
- Valuation (“Valuation of movable property”, “Valuation of immovable property”, “Valuation of intellectual property, value of intangible assets”, “Valuation of business and rights of participation in business”)
- AML/CFT (“Certification program in the field of combating money laundering and the financing of terrorism”, “Modern compliance in the context of EU and UK sanctions: case studies, ESG”, “Strengthening the financial system of Kazakhstan by increasing resistance to illicit financing”)
- Polygraph (“Advanced training course for polygraphologists”)
- Sales (“Sales skills on the phone”, “Present and sell”)
- “Fire and Technical Minimum”, “Occupational Health and Safety”

Adaptation program

TO OPTIMIZE WORK AND ESTABLISH A SYSTEMATIC APPROACH TO KNOWLEDGE TRANSFER WITHIN THE BANK, A MENTORING SYSTEM HAS BEEN INTRODUCED. A MENTOR IS AN EMPLOYEE OF THE BANK WHO POSSESSES IN-DEPTH KNOWLEDGE, SKILLS AND EXPERIENCE IN THE REQUIRED AREA AND TRANSFERS THEM TO THE MENTEE ON A REGULAR BASIS.

When selecting candidates for mentors, their personal motivation, high communication and qualification skills and work experience are considered, and only senior or leading financial advisors can be mentors.

Various training activities are provided for new employees of the Bank. A mandatory induction training (Welcome training) is organized, which is conducted in a live communication format. The course can be implemented both online in the Teams platform and offline. The Bank provides training through a stand-alone remote system with subsequent testing in two areas. These include the Compliance Course, which is dedicated to combating money laundering and terrorism financing, and the Emergency Situations (ES) Course, which introduces safety requirements and subsequent actions in case of threats or emergencies at the Bank facilities.

In addition, the training program includes courses on information security. They cover the following topics: Safe work with e-mail, Safe passwords – it’s easy!, Internet security, Remote work, mobile devices and removable media, Social engineering, and Fundamentals of information security.

Research of the level of personnel involvement and the level of satisfaction with the Bank’s internal services

In addition to identifying the level of customer satisfaction with the Bank services, important attention is paid to researching the level of personnel satisfaction and engagement. Since 2021, the Bank has been regularly conducting the Voice of the Internal Customer survey, in which employees participate in surveys reflecting their level of satisfaction with internal services. The survey is conducted four times a year and covers more than 2,000 people.

Its main objectives include assessing the state of internal processes and services, implementing measures to improve internal services, developing a service model, cultural change, and motivating employees to provide quality service. As part of the study, all subdivisions of the Bank evaluate each other’s internal services. Evaluation criteria include service delivery time, quality of information, compliance of results with internal customer expectations, and overall satisfaction with the process.

As a result of each survey, the Action Plan is approved, including recommendations in areas of improvement, activities, deadlines for their implementation and responsible persons.

AS A RESULT OF THE ASSESSMENT OF 170 SERVICES IN 15 AREAS, THE OVERALL INDEX IN 2023 AMOUNTED TO 4.8 OUT OF 5.0 MAXIMUM POINTS.

In 2023, the Bank conducted an engagement survey of the Information Technology Block (ITB) to determine the level of involvement of ITB employees in work processes. The Bank approved the Action Plan based on the results of the engagement survey in the Information Technology Block, including recommendations in areas of improvement, activities, deadlines for their implementation and responsible persons. The plan aims to improve practices in the areas of products and services, human resources management and corporate culture.



Plans for 2024 and the medium term

In the medium term, the Bank plans to continue developing its staff through the following programs:

- CEO-2 employee development program at internal and external trainings.
- Training program for the development of flexible skills for all the Bank personnel.
- Atlants-2024 Motivational Program for Financial Advisors for outlets and units of retail business in the Republic of Kazakhstan.
- Mentoring Pilot Program.
- Personnel Reserve Program.

Occupational health and safety



GRI 3-3, GRI 403-1, GRI 403-2, GRI 403-8, ARDFM

Occupational health and safety is a fundamental aspect of ensuring the well-being of employees and maintaining high productivity in the workplace. Eurasian Bank pays special attention to creating a comfortable working environment that includes concern for the safety and health of employees. The Occupational Health and Safety, Fire Safety, Mobilization, Civil Defense and Emergency Situations Unit is responsible for workplace safety issues. All employees of the Bank are covered by the occupational health and safety management system and are informed about safety measures and rules of behavior. Due to the loss of force of the RoK GD on technical regulations on fire safety, the Bank implements its own regulatory documents in the field of occupational health and safety.

The following internal and external documents regulate the Bank's activities in the field of occupational health and safety:

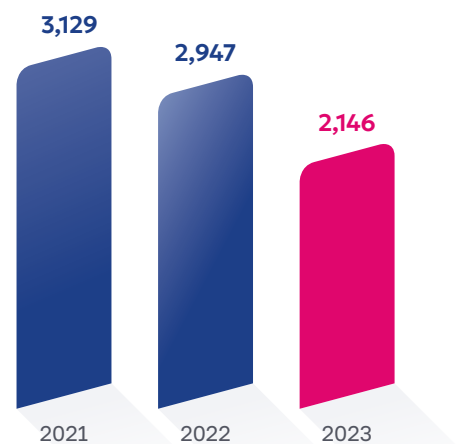
- Occupational Health and Safety Instruction.
- Rules for fire safety and civil protection, as well as the implementation of measures to prevent unlawful acts at the facilities of Eurasian Bank JSC (updated annually).
- Order on Fire Safety (control over execution is vested in the Deputy Chairman of the Management Board supervising the security subdivision).
- Memos to managers (on fire safety audit, on interaction in case of terrorist threats and on organization of health and safety training).

The Bank on a regular basis conducts induction training on occupational health and safety in electronic format for all newly hired employees. Each employee is obliged to comply with the norms of the documents regulating the Bank activi-

ties on occupational health and safety issues. The Health and Safety Instruction covers general rules of employee behavior in the premises, requirements to the premises and the Bank's territory, as well as lighting and electrical safety, etc.

In 2023, all 2,146 newly hired employees received induction training.

EMPLOYEES WHO RECEIVED INDUCTION TRAINING, PEOPLE



Efficient organization of the occupational health and safety management system ensures:

- Quarterly notification of the heads of all structural subdivisions of the Head Office and the branch network on primary/repeat briefings.
- Delegation of authority in the field of occupational health and safety to one of the branch deputy directors who has access to all critical areas.

- Sharing experience with the management of the Bank's regional subdivisions. For example, in 2023, practical assistance was provided to the management of the affiliated outlets to Branch No. 6 (Kaskelen-Talgar-Uzynagash) on compliance with fire safety regulations.

Thus, the Bank complies with the algorithm of primary/repeat briefing, as well as reconciliation of persons having access to critical areas. In the event of an accident or suspected occupational disease, employees should contact the head of their subdivision. To identify and respond to risks in a timely manner, the Bank has organized the Ashyk system, through which employees have the opportunity to file a complaint when hazards are detected in the workplace.

Training on occupational health and safety in the workplace

GRI 403-5, ARDFM

To improve skills and subsequently prevent occupational hazards, the Bank conducts occupational health and safety training for all employees, both through its own efforts and through cooperation with specialized training centers. The training is conducted in the Bank through the self-directed distance learning (SDL) and testing system.

In 2023, 4,339 employees received health and safety training. The average number of training hours per employee was 1.6 hours, a decrease of 24.8 hours compared to 2022. In the reporting year, the Occupational Health and Safety Unit developed an inde-

pendent course entitled the Safety Requirements and Actions in case of Threats or Emergencies at the Facilities of Eurasian Bank JSC, as a result of which all the Bank's personnel underwent remote training/testing twice. Training through SDL system is assigned to all new employees before passing the probationary period and once every six months to all current employees of the Bank. In distance training, the course duration is shorter in terms of time and the number is much higher, so the average number of training hours per 1 person has decreased in 2023. With the launch of SDL, the number of employees trained increased from 181 to 4,339.

EMPLOYEES TRAINED ON OCCUPATIONAL HEALTH AND SAFETY ISSUES²⁰

GRI 403-5, GRI 403-8

Indicator	2021	2022	2023
Average number of hours of OHS training per employee, hours	15.4	26.4	1.6
Number of employees trained in occupational health and safety at the workplace, persons	140	181	4,399
Number of people covered by the HSE management system and independently audited/certified ²¹ by a third party, persons	140	181	179

The Bank seeks to conduct external training as well – 179 employees received a certificate from an engaged training center. Training courses cover almost all specialists in various areas within the Bank, including cashiers, IT specialists, etc.

Fire evacuation drills are conducted on a regular basis at the Head Office and in the branch network. Special signs on safe places in case of an earthquake and evacuation assembly points have been placed in the Bank buildings, taking into account the constructions.

²⁰ The 2021 and 2022 data reflect only employees who received external training.

²¹ External training.

78 Health protection

GRI 403-3, ARDFM

EURASIAN BANK RECOGNIZES THE IMPORTANCE OF MAINTAINING AND IMPROVING THE HEALTH OF ITS EMPLOYEES IN THE COURSE OF THEIR EMPLOYMENT AND IS CONSTANTLY IMPROVING ITS CORPORATE HEALTH CARE SYSTEM. THE BANK'S EMPLOYEES UNDERGO A BASIC HEALTH CHECK CONDUCTED BY THE SANITARY AND EPIDEMIOLOGICAL STATION IN ACCORDANCE WITH THE LAWS OF THE REPUBLIC OF KAZAKHSTAN.

The Bank undertakes a number of internal initiatives in the field of personnel health protection, which include the following activities:

- The Bank employees in Almaty have access to a free gym, which can be used by all employees unless there are medical contraindications
- The Bank provides for additional medical insurance for employees in addition to the mandatory medical insurance
- The Bank provides all its buildings with first aid kits in metal cases, which guarantees greater reliability and durability compared to plastic ones
- The Bank regularly informs its employees about non-work-related hazards through an information portal. In addition, informative explanations about tick season, rules of behavior at water bodies and other potential hazards encountered by employees during the vacation period are also carried out

Plans for 2024 and the medium term

To prevent accidents and improve the health, safety and security system, the Bank sets the following goals for 2024:

- Strengthening training activities in the Bank branches.
- Improving interaction with managers, deputy managers of branches on health and safety issues.
- Holding evacuation drills for all branches.



Local community engagement

Socially significant projects	82
Social impact of the Bank's branch network	84

Contribution to the UN SDGs

1 NO POVERTY

4 QUALITY EDUCATION

8 DECENT WORK AND ECONOMIC GROWTH

GRI indicators

3-3, 203-1, 203-2



Socially significant projects

GRI 3-3

EURASIAN BANK IS INVOLVED IN SOLVING PRESSING PROBLEMS OF THE POPULATION THROUGH INSTRUMENTS OF INTERACTION WITH LOCAL COMMUNITIES. THE BANK MAKES A SIGNIFICANT CONTRIBUTION TO SUPPORTING LOCAL COMMUNITIES THROUGH ITS SOCIAL AND CHARITABLE PROJECTS IN THE REGIONS OF THE REPUBLIC OF KAZAKHSTAN, AND ALSO PAYS GREAT ATTENTION TO CHARITABLE WORK AND THE DEVELOPMENT OF CORPORATE SOCIAL RESPONSIBILITY.

Charity

GRI 203-1, GRI 203-2

Eurasian Bank supports the regions where it operates in every way it can. The Bank did not stand aside from the significant events of 2023 that affected local communities.

DURING THE MAJOR FIRES IN THE ABAY REGION, THE BANK WROTE OFF LOANS TO FAMILIES OF THE DISASTER VICTIMS TOTALING KZT 10 MILLION TO SUPPORT THEM IN THEIR TIME OF NEED.

In addition, the Bank set up a function for prompt transfer of donations to fire victims in the Smart-bank mobile application by enabling the National Volunteer Network section. As a result, all employees and customers of the Bank had the opportunity to make a donation in favor of those affected by the tragic events. In addition to financial support, employees of the Bank's branches in the cities of Ust-Kamenogorsk and Semey provided direct assistance in the form of food and essential goods for the residents of the Abay region.

Since 2020, the Bank has been participating in the traditional Road to School charitable campaign, which is aimed at supporting the solution of long-



term problems in the regions. Every year, the Head Bank and all branches provide assistance to schools and children from low-income families. Funds are raised among employees to support educational institutions, as well as to purchase stationery for children.

In 2023, Eurasian Bank supported its employees who need help preparing their children for school. The Bank allocated KZT 8 million for large families raising children with disabilities and for parents raising children alone. As a result of the campaign, 133 employees, mostly from the Bank's branch network, received tangible assistance in preparing children for the new school year.



²² Detailed information on environmental initiatives is provided in the section Environmental protection.

The Bank seeks to support the overcoming of gender stereotypes in society. In March 2023, Eurasian Bank became the general sponsor of the second Almaty forum TechnoWomen Central Asia: "Ozine sen!", which was held at Almaty Management University (AlmaU) with the participation of the Chairman of the Management Board. In addition, the Bank supported a contest among schoolgirls who presented their startups in the IT sphere.

Eurasian Bank supports and participates in various social volunteer initiatives, as well as eco-oriented actions, which can be found in more detail in the section Environmental Projects.²²



Medicine and healthy lifestyle initiatives

GRI 203-1, GRI 203-2

The Bank supports healthcare projects through its products and services and promotes a culture of healthy lifestyles.

In 2023, clients of Eurasian Diamond Club personal private club contributed to saving the lives of 19 children. 1% of the amount of each purchase through a premium metal Visa card was transferred to the Mercy Voluntary Society Fund (Dobrovolnoye Obshchestvo "Miloserdiye"), which allowed to collect more than KZT 43 million of donations.

Eurasian Bank participates in the development of organ donation and transplantology in the country. Approximately 3,000 Kazakhstani people annually stand in line for heart and other vital organ transplants. In August 2023, with the support of Eurasian Bank, a charity race and music festival "You are the Champion of My Heart" organized by the Heart Center Foundation was held in Astana.



43 KZT million
donations collected for the Mercy Voluntary Society Fund (Dobrovolnoye Obshchestvo "Miloserdiye")

Supporting Culture and Arts

Eurasian Bank promotes domestic culture, in particular through its support of Kazakhstan's film industry. In 2023, Eurasian Bank together with Mastercard sponsored the release of the Baidyn kyzyn alamyn romantic comedy, produced by Tiger Films, a production company.



84 Social impact of the Bank's branch network

GRI 203-1, GRI 203-2

DIRECTORS AND EMPLOYEES OF THE BANK BRANCHES INDEPENDENTLY SUPPORT REGIONAL COMMUNITIES THROUGH PARTICIPATION IN SOCIAL AND CHARITABLE INITIATIVES, ENCOURAGING ENTREPRENEURSHIP AND IMPROVING FINANCIAL LITERACY AMONG LOCAL RESIDENTS.

Social and charity projects

The Bank branch in Aktobe supported emergency medical aid workers. In July 2023, household appliances and personal protective equipment were purchased and provided to ambulance substations in 5 districts.

In December 2023, the Bank branch in Kokshetau city organized a holiday with gifts to an orphanage in Saumalkol district.

The branch in Karaganda city together with local government organization No. 2 of Karaganda region organized an excursion trip for children with disabilities to Turkestan city.

Entrepreneurship support

In 2023, the Bank's Karaganda branch together with the Damu Fund and the Division of Entrepreneurship in the Ulytau region organized a conference in Zhezkazgan city on the Bank's existing loan products and programs to support entrepreneurship for businessmen in the Ulytau region.

In April 2023, the director of the Kokshetau branch spoke at the Republican forum for women entrepreneurs Business Lady Aqmola as a representative of the general partner of the forum — Eurasian Bank.

85 Financial literacy

Fraudulent activities are a universal problem both in the world and in the Republic of Kazakhstan. The Bank seeks to address these issues by engaging with local communities to improve financial literacy. Branch managers regularly participate in regional events at the level of akimats and maslikhats in the format of round tables and presentations and speak in the local media.

In December 2023, the Ten Qogam social support center in the city of Turkestan hosted a meeting of Eurasian Bank experts with the population as part of the work on improving financial literacy. In particular, the experts discussed questions about the advantage of deposits, the need for a clean credit history, the advantage of digital money, as well as the mechanism of protection from fraudsters. Additionally, information was provided on the bonus system, advantages of debit and

credit cards. At this meeting, the Bank employees paid special attention to the issues of customer data protection and prevention of fraudulent actions on the part of third parties. Materials about this event, as well as about many other events of the Bank, were posted in local media and social networks of the region. In addition, the Bank periodically publishes on its website and social media pages information on new types of fraud and warnings on preventing fraud.

The Bank branch in Turkestan and the education unit of Turkestan city signed an agreement to improve financial literacy of school and pre-school employees.

All branches of the Bank participate in the activities of the Regional Police Department to counteract financial fraud.

Interaction with local communities

The Bank activities on interaction with local communities in the regions where it operates are regulated by the Rules on Provision of Banking Services and Consideration by Banks, Organizations Performing Certain Types of Banking Operations of Customers' Applications Arising in the Process of Provision of Banking Services approved by Resolution of the Board of the National Bank of the Re-

public of Kazakhstan dated July 28, 2017 No. 136. The Bank has determined authorized persons for interaction with individuals and legal entities.

Preliminary appointment for personal reception with the authorized persons is made by phone: **+7 (727) 259 79 00 (extension 3220).**

Plans for 2024 and the medium term

The Bank is implementing a number of projects and initiatives aimed at interaction with the local community and its activities are not limited to this. The Bank's future plans include expanding cooperation with major foundations and organizations. Eurasian Bank plans to support the [Karyzsyz Qogam project](#), which is aimed at improving financial literacy and, as a result, reducing the level of indebtedness of the population.

In addition, it is planned to support the following charitable and socially significant initiatives:

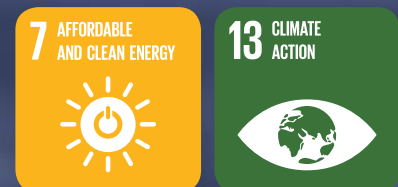
- Charity raffle within the framework of the Bolashak Bright project of the [Bolashak Corporate Foundation](#).

- Collection in support of the Warmth charity fund, focused on organizing the collection of clothes for people in difficult life situations.
- Providing assistance in the form of office equipment (laptops, printers, computer desks and chairs) to the public association "Society of Persons with Disabilities "Jomart Jurek" to create jobs for persons with disabilities.
- Joint project with the Alliance of Women's Forces in Kostanay region on the Financial Literacy and Security topic.
- Promotion of volunteering culture among the Bank employees.

Ecology

Environmental protection	88
Energy efficiency	90
Climate change	92
Water consumption	94
Waste	95

Contribution to the UN SDGs



GRI indicators

2-25, 2-27, 3-3, 302-1, 302-3, 302-4, 303-3, 305-1, 305-2, 305-4, 306-1, 306-2, 306-3, 306-4



Environmental protection



Management approach

ARDFM, GRI 2-25, GRI 3-3

Eurasian Bank does not have a significant impact on ecosystems due to the nature of its business, but the Bank can contribute to addressing environmental issues through its economic activities. The Bank mitigates indirect environmental impacts by managing its loan portfolio and implementing responsible finance and sustainable investment principles. Carbon-intensive industries are not a focus of the Bank's loan portfolio. In terms of direct impacts, the Bank is making efforts to reduce its carbon footprint and rationalize the use of natural resources.

Specific environmental issues such as energy efficiency, water consumption and waste generation are monitored by the Banks Administrative and Economic Activity Controlling Division (AEA). The Bank strictly complies with the provisions of the environmental legislation – in 2023, the supervising environmental authorities did not record any violations for imposing penalties and fines.

Environmental projects

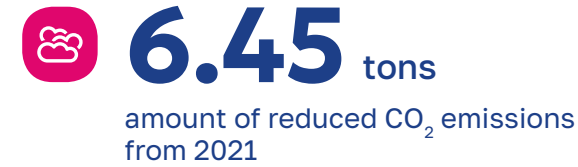
THE BANK CONTRIBUTES TO THE PRESERVATION OF NATURAL RESOURCES AND IMPROVEMENT OF THE ENVIRONMENTAL SITUATION BY SUPPORTING AND IMPLEMENTING ENVIRONMENTAL PROJECTS.

One of such projects is the green office concept implemented by the Strategic Communications and Marketing Department. In cooperation with Eco Network, the Bank installed boxes for separate waste collection in its offices: waste paper, glass, plastic and aluminum. The Bank conducted training seminars on separate waste collection to raise awareness among employees. In 2023, this initiative was extended to 4 more branches of the Bank. Over the entire period of the campaign, starting from 2021, Eurasian Bank offices saved 75,926 liters of water, 12,445 kW of electricity, reduced CO₂ emissions by 6.45 tons, and saved 38 trees from being cut down.²³

Eurasian Bank is the only bank in the Republic of Kazakhstan that, together with the international payment system Mastercard, issues an Eco-card made of recycled plastic. Eco-card allows every Kazakhstani to support greening and sorting of garbage in the country by paying for purchases. The Bank allocates 0.5% of bonuses from non-cash transactions for using the Eco-Card to the Eurasian Environmental Fund (EEF) for the implementation of eco-projects. Additionally, the Bank awards 0.5% of bonuses to the client for contactless payments.



²³ Results of cooperation with Eco Network as of May 2024.



In 2023, Eurasian Bank received the PLUS Award in the category “Best ESG Initiative in Finance” for the issue and promotion of the Eco-Card. In addition to issuing the Eco-card, the Bank presented a unique NFC-poster, through which holders of payment cards of any bank could send one or more payments of KZT 500 to plant a tree with a single touch. Thus, for the last two years with the help of this project five alleys of different trees, about 200 trees were planted in Astana, Almaty,

Ust-Kamenogorsk, Kyzylorda and other cities of the country.

In April 2023, in Almaty on the eve of International Earth Day, Eurasian Bank employees together with the Alma-Qala social movement planted 15 Sivers apple trees on Panfilov Street, the city's historic pedestrian street, and supported a volunteer clean-up day at Almaty School No. 125 in the Almagul Micro-District, where 50 trees and 57 shrubs were planted.



90 Energy efficiency

GRI 3-3

Energy efficiency and reduced energy consumption play a significant role in lowering the Bank’s carbon footprint and reducing operating costs. The Bank’s wide network of branches requires significant amounts of electricity and heat. The Bank minimizes energy consumption through energy efficiency measures and employee outreach.

Total energy consumption in 2023 amounted to 71,782.8 GJ, which is 3.9% lower than in 2022. The bulk of energy consumption in the Bank’s offices is electric power. Fuel resources are consumed by vehicles, diesel generators and the Bank’s boiler houses. From 2022, the Bank has stopped using coal for heating to reduce its carbon footprint.





CONSUMPTION OF FUEL AND ENERGY RESOURCES, GJ²⁴

GRI 302-1

Type of energy resource	2021	2022	2023
Liquid fuels, including:	13,591.3	12,354.6	11,935.7
- Gasoline	13,527.9	12,053.0	11,832.7
- Diesel fuel	63.4	301.6	103.0
Coal	267.0	-	-
Natural gas	5,208.9	4,643.8	3,823.8
Electricity	38,576.3	35,660.7	35,550.9
Thermal energy	23,705.7	22,020.4	20,472.4
Total	81,349.2	74,679.5	71,782.8

The Bank’s energy intensity amounted to 0.169 GJ/KZT million and decreased by 33.7% compared to 2022 due to revenue growth and lower energy consumption.

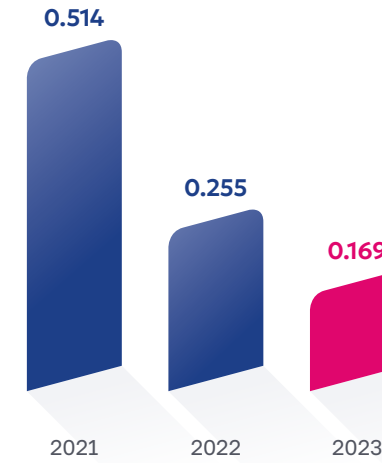
 **71,782.8** GJ
total consumption of energy resources in 2023

 **3.9%**
reduction of energy resources consumption in 2023

²⁴ To calculate energy consumption, we used the Methodology for the formation of fuel and energy balance and calculation of certain statistical indicators characterizing the energy sector (approved by the order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan No. 160 dated August 11, 2016).

ENERGY INTENSITY, GJ/KZT MILLION

GRI 302-3



ARDFM

Eurasian Bank follows the principles of sustainable development and diligently reduces energy consumption by introducing advanced technologies and energy efficient solutions. As a result of the initiatives implemented, the reduction in electricity consumption amounted to 109.8 GJ for the year. In 2023,

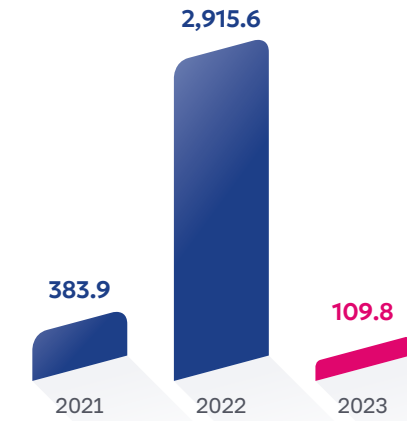
Plans for 2024 and the medium term

The Bank plans to continue its efforts to reduce energy consumption in the medium term, including optimizing the use of energy resources, upgrading equipment and introducing advanced technologies to improve energy efficiency.


 **0.169** GJ/
KZT million
Bank’s energy intensity in 2023

REDUCTION OF ENERGY CONSUMPTION AS A RESULT OF ENERGY SAVING INITIATIVES, GJ

GRI 302-4



the Bank replaced incandescent and mercury-containing lamps with LED technology, which reduced electricity consumption and reduced the negative environmental impact of lamp disposal. In addition, the Bank replaced the air conditioning system with an inverter system.

 **33.7%**
reduction of the Bank’s energy intensity in 2023

Climate change

ARDFM

CLIMATE CHANGE IS NOT ONLY AN ENVIRONMENTAL ISSUE, BUT ALSO A MAJOR ECONOMIC AND SOCIAL CHALLENGE. THE BANK ASSISTS THE GLOBAL COMMUNITY IN COMBATING CLIMATE CHANGE AND PLANS TO EXPAND LENDING TO ENVIRONMENTALLY SUSTAINABLE PROJECTS AND ACTIVITIES WITHIN THE FRAMEWORK OF RESPONSIBLE FINANCE PRINCIPLES.

Rising global temperatures, increased frequency and severity of extreme weather events, and long-term changes in climate patterns could lead to widespread disasters. The changes affect all sectors, including the financial sector, altering market dynamics, asset values and the overall risk profile.

Eurasian Bank’s loan portfolio is dominated by segments such as automotive, retail and warehousing,

which are less exposed to climate risks. Eurasian Bank plans to integrate climate risk management and financial assessment into its Development Strategy, in line with ARDFM recommendations. The Bank aims to adapt its operations to climate change, support clients in the transition to a low-carbon economy and contribute to a sustainable future. Adaptation will enable the Bank to capitalize on new climate change opportunities and meet stakeholder expectations.



Greenhouse gas emissions

ARDFM, GRI 3-3

Eurasian Bank’s carbon footprint is very small. However, the Bank plans to gradually introduce greenhouse gas emissions management into its operations and is taking measures in this area in accordance with international practices and national regulatory requirements.

In 2023, Eurasian Bank calculated direct and indirect greenhouse gas emissions (Scope 1 and Scope 2) for the first time. Eurasian Bank’s carbon footprint²⁵ was 7,586.0 tons CO₂-eq. Greenhouse gas emissions were calculated in accordance with the IPCC Guidelines for National Greenhouse Gas Inventories and the List of Benchmarks in Regulat-

ed Sectors of the Economy by Order of the Acting Minister of Ecology, Geology and Natural Resources of the Republic of Kazakhstan No. 260 dated July 19, 2021.

The volume of direct emissions of Scope 1 amounted to 1,165.1 tons of CO₂-eq. The main source of emissions (853.6 tons of CO₂-eq.) – own fleet of vehicles. Stationary fuel combustion was carried out in boiler plants for heat generation and in diesel generators for electricity generation, providing power supply to the Bank’s offices. To reduce GHG emissions, the Bank implements energy efficiency and resource consumption reduction measures.

DIRECT GHG EMISSIONS (SCOPE 1) BY CATEGORY AND SUBSTANCE IN 2023, TONS CO₂-EQ.

ARDFM, GRI 305-1

GHG emission source category	CO ₂	CH ₄	N ₂ O	Total emissions
Mobile combustion	832.1	11.0	10.5	853.6
Stationary combustion	311.1	0.2	0.2	311.5
Total	1,143.3	11.2	10.7	1,165.1

Separate from direct emissions, indirect emissions from purchased electricity and heat amounted to 6,420.9 tons CO₂-eq. The majority of emissions (84.0%) were emissions from electricity consumption by the Bank’s offices. Due to the introduction of the Single Power Purchaser from

July 1, 2023, companies can only apply the location-based method to calculate indirect energy emissions of GHG Scope 2. To successfully apply the location-based method, national coefficients defined by the Benchmark List are used.²⁶

INDIRECT GHG EMISSIONS (SCOPE 2) IN 2023, TONS OF CO₂-EQ.

ARDFM, GRI 305-2

Types of energy	Volume of GHG emissions
Electricity	5,395.5
Thermal energy	1,025.5
Total	6,420.9

GRI 305-4

The GHG emission intensity of Scope 1 and 2 was calculated in relation to revenue and totaled 0.0178 tons CO₂-eq/million KZT.

²⁵ The sum of direct (Scope 1) and indirect (Scope 2) GHG emissions for 2023 was considered.

²⁶ List of benchmarks in regulated sectors of the economy, approved by the order of the Vice-Minister of Ecology, Geology and Natural Resources of the Republic of Kazakhstan dated July 19, 2021 No. 260.

Water consumption



Management approach

GRI 3-3, GRI 2-27

IN THE CONTEXT OF GLOBALLY GROWING WATER SCARCITY, EURASIAN BANK IS COMMITTED TO THE PRUDENT AND SUSTAINABLE USE OF WATER.

The Bank does not draw water from natural sources, but obtains it from municipal water supply systems. Meters have been installed in the offices to accurately record water consumption. For 2023, Eurasian Bank had no violations of water laws.

Water is consumed by the Bank's offices for household needs. Total water consumption in the reporting year amounted to 39.2 ML, which is 2.5% lower than last year. The Bank does not withdraw water from deficit regions.

TOTAL VOLUME OF WATER WITHDRAWAL, THOUSAND M³ (ML)

GRI 303-3

Indicator	2021	2022	2023
Fresh water ²⁷	25.7	29.5	28.1
Other water	10.5	10.6	11.1
Total	36.2	40.2	39.2

The Bank does not discharge water into surface and underground natural sources. The used water is supplied to the centralized sewerage network. In order to reduce the consumption of water re-

sources, the Bank takes measures to install fittings with separate water discharge to drain cisterns and to ensure that there are no leaks.



²⁷ Fresh water includes cold water and the other includes hot chemically purified water.

Waste



3.5 tons

volume of waste sent for recycling and reuse in 2023

6.6%

decrease in office paper use in 2023, compared to 2022

GRI 3-3, GRI 306-1, GRI 306-2, ARDFM

Efficient waste management reduces the environmental footprint and resource consumption, which in the long term will allow Eurasian Bank to reduce operating costs. The Bank's offices generate a small amount of waste, the majority of which is paper and municipal solid waste. Paper is collected separately for recycling and reuse. The AEA controlling division collects data on waste generation volumes and controls their transfer to specialized organizations.

Eurasian Bank adheres to the principles of responsible waste management and regularly holds campaigns and events to reduce waste and collect waste. In 2023, 3.5 tons of waste was sent for recycling and reuse, of which 1.8 tons was waste paper. The amount of recycled waste more than doubled compared to the previous year. This was influenced by the Bank branches in Kokshetau, Atyrau, Aktobe and Ust-Kamenogorsk joining the project, as well as increased awareness of the Bank's employees.

TOTAL VOLUME OF WASTE SENT FOR RECYCLING, TONS

GRI 306-4

Indicator	2021	2022	2023
Reuse:	0.8	1.5	3.5
waste paper	0.6	1.0	1.8
glass	0.1	0.3	0.9
plastic	0.1	0.2	0.8

The Bank is actively pursuing the process of digitalization and transition to paperless production. The volume of office paper used in 2023 amounted to 167,600 A4 packages, which is 6.6% less than in 2022.

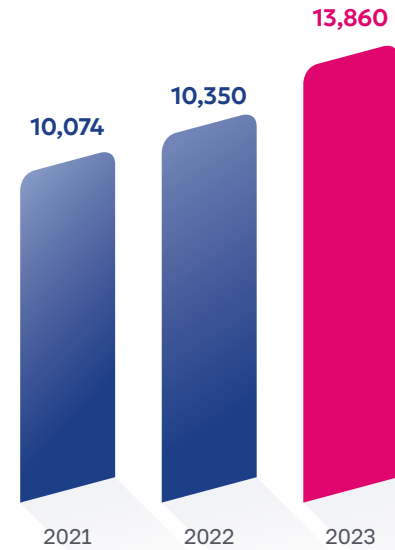
ACTUAL PAPER CONSUMPTION

Indicator	2021	2022	2023
Quantity of used office paper, A4 packages	185,900	179,400	167,600
Weight of used A4 office paper, tons	464.8	448.5	419.0

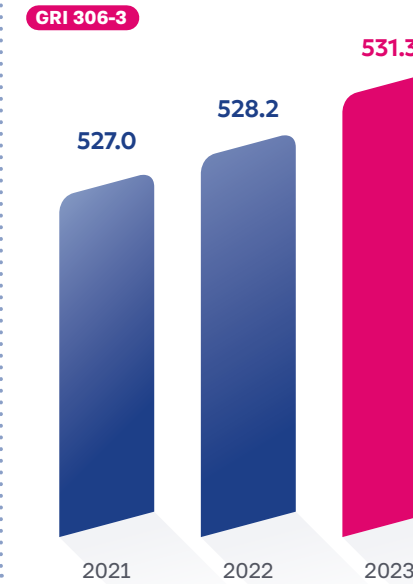
96 A MAJOR ECO-CAMPAIGN UNITING EMPLOYEES IS THE HOLDING OF VOLUNTEER CLEAN-UP DAYS. IN OCTOBER 2023, THE TEAMS OF ALL BRANCHES AND THE HEAD OFFICE OF EURASIAN BANK HELD VOLUNTEER CLEAN-UP DAYS IN ALL REGIONS OF THE COUNTRY. MORE THAN 600 WORKERS JOINED THE ACTION, WHO COLLECTED 7.5 TONS OF WASTE AND PLANTED 30 TREE SEEDLINGS.

Special attention is paid to the disposal of hazardous waste. The Bank transfers spent mercury-containing lamps to ECO Almaty LLP, and in order to reduce the amount of hazardous waste, replaces mercury-containing lamps with LED technology.

ENVIRONMENTAL PROTECTION COSTS (WASTE DISPOSAL), KZT THOUSAND



TOTAL VOLUME OF NON-HAZARDOUS WASTE GENERATION, TONS



The total volume of non-hazardous waste generation amounted to 531.3 tons in the reporting year, which is 0.6% more than in 2022. Specialized organizations completely remove this volume of waste for disposal and disposal.

The disposal of the Bank's equipment, including monitors, computers, laptops, printers, etc., is carried out by a third-party organization in accordance with the requirements of sanitary-epidemiological, veterinary-sanitary, environmental and other norms and rules of the Republic of Kazakhstan.

In 2023, the cost of waste disposal amounted to KZT 13,860 thousand, an increase of 33.9% compared to the previous year.



Plans for 2024 and the medium term

The Bank plans to increase the scale of the Green Office Program, as well as minimize paper consumption and increase the volume of waste transferred for recycling.

98 Annexes

Annex 1. About the Report

GRI 2-3

Eurasian Bank strives to ensure a high level of transparency in its activities and aims to ensure full and effective disclosure of information to all involved parties. This report for 2023 is the first Sustainability Report of the Bank (hereinafter – the Report). The report focuses on key environmental, social and managerial aspects of sustainable development and reflects the activities of Eurasian Bank from January 1 to December 31, 2023.

Since 1998, the Bank has regularly published annual reports describing operational and financial activities, as well as certain aspects of social and management practices. Annual reports published in electronic form since 2012 are posted on the Bank corporate website at the link: <https://eubank.kz/about/for-investors/>. The decision to develop a separate report on sustainable development activities is due to the Bank's desire to increase the level of information disclosure in this area.

GRI 3-1

As part of the preparation of the Report, Eurasian Bank used an approach to identify material topics recommended by the GRI standard 2021.

Key stages of selecting material topics

- At the first stage, the Bank conducted an analysis of its activities in the field of sustainable development, analyzed the requirements of rating agencies in the field of ESG, conducted a comparative analysis of disclosed material topics in six similar banks, and also performed an analysis of the requirements of ARDFM and KASE.
- At the second stage, an updated list of significant topics was prepared based on the results of interviews with representatives of the Bank and on the basis of an expert analysis of the preliminary list of material topics.
- The third stage was the formation of an agreed list of material topics.

This Report has not undergone an external certification procedure, however, the Bank is aware of the importance of this process for confirming information in the field of sustainable development and is considering the possibility of its implementation in the future.

The Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) standards and reflects the Bank's contribution to achieving the UN Sustainable Development Goals, as well as takes into account certain requirements of the Guidelines on Disclosure of Information in the field of Environmental, Social and Corporate Governance (ESG) for banks and other financial organizations of the Agency of the Republic of Kazakhstan for Regulation and Development of the financial market and the requirements of KASE.

The sustainability report is reviewed by the authorized body of the Bank and brought to the attention of interested parties by publishing on the corporate website.

APPROACH TO THE IDENTIFICATION OF MATERIAL TOPICS

1. Context analysis and impact identification

- Analysis of the Bank's ESG activities
- Analysis of the requirements of rating agencies in the field of ESG (S&P Global Ratings, MSCI ESG Ratings)
- Benchmark analysis of significant topics disclosed by six similar companies
- Analysis of ARDFM and KASE requirements

A preliminary list of material topics

2. Impact assessment and identification of a list of material topics

- Conducting interviews with representatives of the Bank
- Expert analysis of the preliminary list of material topics

Refined list of material topics

3. Final formation of the list of material topics

- Coordination of the list of material topics by the party responsible for sustainable development

Agreed list of material topics

GRI 3-2

As a result of the analysis, the Bank has identified the following material topics:

Aspect	Nº	Material topics
Environmental aspect	1	Energy efficiency
	2	Greenhouse gas emissions
	3	Waste
Social aspect	4	Accessibility of financial services and financial literacy support
	5	Human resources management and responsible work practices
	6	Employee training and development
	7	Diversity, equality and inclusion
	8	Occupational health and safety
	9	Local community engagement
	10	Sustainable finance
Governance (economic) aspect	11	Data privacy and cybersecurity
	12	Economic value creation
	13	Supplier relations
	14	Anti-corruption

Report boundaries

GRI 2-2

The boundaries of the Sustainability Report include the activities of the Head Office and branches of Eurasian Bank, except where otherwise indicated. For significant topics whose boundaries differ from the established ones, additional explanations are provided in the Report. The indicator of the created

direct and distributed economic value is presented according to the audited consolidated financial statements, the boundaries of which include Eurasian bank JSC and its subsidiaries – Eurasian Project 1 LLP and Eurasian Project 2 LLP.

100 Annex 2. GRI content index

101

Statement of Compliance Eurasian bank JSC has prepared a Sustainability Report for 2023 (from January 1 to December 31) in accordance with GRI Standards

GRI 1: Foundation 2021

Sectoral standard not applicable

GRI Standard	Indicator	Section in the Report/Comment	Exceptions		
			Indicator	Reason	Explanation
GRI 2: General Disclosures 2021					
GRI 2. General Disclosures 2021	1. The organization and its reporting practices				
	2-1 Organizational details	General information and structure of the Bank			
	2-2 Entities included in the organization's sustainability reporting	Annex 1. About the Report			
	2-3 Reporting period, frequency and contact point	Annex 1. About the Report Annex 4. Contact information			
	2-4 Restatements of information		The indicator is not disclosed	Not applicable	Due to the absence of a report for the previous year, it is not possible to revise the information for previous reporting periods
	2-5 External assurance	-			
	2. Activities and workers				
	2-6 Activities, value chain and other business relationships	Geography of the operations			
	2-7 Employees	Human resources management and responsible work practices			
	2-8 Workers who are not employees	Human resources management and responsible work practices			
	3. Governance				
	2-9 Governance structure and composition	The Board of Directors and its Committees			
	2-10 Nomination and selection of the highest governance body	The Board of Directors and its Committees			
	2-11 Chair of the highest governance body	The Chairman of the Board of Directors is not the Chairman of the Management Board.			
	2-12 Role of the highest governance body in overseeing the management of impacts		The indicator is not disclosed	In the reporting year, the Bank's governance body was not assigned the functions of overseeing the impact management	
	2-13 Delegation of responsibility for managing impacts		The indicator is not disclosed	In the reporting year, the Bank had no practice of delegating responsibility for impact management	
	2-14 Role of the highest governance body in sustainability reporting		The indicator is not disclosed	In the reporting year, the Bank's governance body was not assigned the functions of overseeing the impact management	
	2-15 Conflicts of interest	The Board of Directors and its Committees			
	2-16 Communication of critical concerns	The Board of Directors and its Committees			

GRI Standard	Indicator	Section in the Report/Comment	Exceptions		
			Indicator	Reason	Explanation
GRI 2. General Disclosures 2021					
	2-17 Collective knowledge of the highest governance body		The indicator is not disclosed	In the reporting period, there was no training for members of the Board of Directors on issues in the field of sustainable development	
	2-18 Evaluation of the performance of the highest governance body	The Board of Directors and its Committees			
	2-19 Remuneration policies	Remuneration of governance bodies			
	2-20 Process to determine remuneration	Remuneration of governance bodies			
	2-21 Annual total compensation ratio		The indicator is not disclosed	The information is confidential	
	4. Strategy, policies and practices				
	2-22 Statement on sustainable development strategy	Message from the Chairperson of the Management board			
	2-23 Policy commitments	Sustainable development management approach			
	2-24 Embedding policy commitments	Human resources management and responsible work practices			
	2-25 Processes to remediate negative impacts	Environmental protection			
	2-26 Mechanisms for seeking advice and raising concerns	Motivation and remuneration of employees Annex 4. Contact information			
	2-27 Compliance with laws and regulations	Water consumption Human resources management and responsible work practices Diversity, equality and inclusion Employee training and development The Board of Directors and its Committees			
	2-28 Membership associations	Participation in associations			
	5. Stakeholder engagement				
	2-29 Approach to stakeholder engagement	Stakeholder engagement			
	2-30 Collective bargaining agreements		The indicator is not disclosed	The practice of concluding a Collective agreement shall not apply	
Process to determine material topics					
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Annex 1. About the Report			
	3-2 List of material topics	Annex 1. About the Report			
Economic performance					
GRI 3 Material Topics 2021	3-3 Management of material topics	Creating economic value			
GRI 201 Economic performance 2016	201-1 Direct economic value generated and distributed	Creating economic value			
Market Presence					
GRI 202 Market Presence 2016	202-2 Proportion of senior management hired from the local community	Diversity, equality and inclusion			
Indirect Economic Impacts					
GRI 3 Material topics 2021	3-3 Management of material topics	Interaction with local communities			

GRI Standard	Indicator	Section in the Report/Comment	Exceptions		
			Indicator	Reason	Explanation
GRI 203 Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Charity Initiatives in the field of medicine and healthy lifestyle Accessibility of financial services and financial literacy support Social impact of the Bank's branch network			
GRI 203 Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Charity Initiatives in the field of medicine and healthy lifestyle Accessibility of financial services and financial literacy support Social impact of the Bank's branch network			
Procurement Practices					
GRI 3 Material topics 2021	3-3 Management of material topics	Interaction with suppliers			
GRI 204 Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Interaction with suppliers			
Anti-corruption					
GRI 3 Material topics 2021	3-3 Management of material topics	Anti-corruption			
GRI 205 Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Anti-corruption			
Energy					
GRI 3 Material topics 2021	3-3 Management of material topics	Energy efficiency			
GRI 302 Energy 2016	302-1 Energy consumption within the organization	Energy efficiency			
	302-3 Energy intensity	Energy efficiency			
	302-4 Reduction of energy consumption	Energy efficiency			
Water resources					
GRI 3 Material topics 2021	3-3 Management of material topics	Water consumption			
GRI 303 Water and Effluents 2018	303-3 Water withdrawal	Water consumption			
Emissions					
GRI 3 Material topics 2021	3-3 Management of material topics	Climate change			
GRI 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate change			
	305-2 Energy indirect (Scope 2) GHG emissions	Climate change			
	305-4 GHG emissions intensity	Climate change			
Waste					
GRI 3 Material topics 2021	3-3 Management of material topics	Waste			
GRI 306 Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste			
	306-2 Management of significant waste-related impacts	Waste			
	306-3 Waste generated	Waste			
	306-4 Waste diverted from disposal	Waste			
Employment					
GRI 3 Material topics 2021	3-3 Management of material topics	Human Resources Management and Responsible Labor Practices			
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	Human Resources Management and Responsible Labor Practices			
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	Motivation and remuneration of employees			

GRI Standard	Indicator	Section in the Report/Comment	Exceptions		
			Indicator	Reason	Explanation
Human Resources Management					
GRI 3 Material topics 2021	3-3 Management of material topics	Human Resources Management and Responsible Labor Practices			
GRI 402 Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Human Resources Management and Responsible Labor Practices			
Occupational health and safety					
GRI 3 Material topics 2021	3-3 Management of material topics	Occupational health and safety			
	403-1 Occupational health and safety management system	Occupational health and safety			
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational health and safety			
GRI 403 Occupational Health and Safety 2018	403-3 Occupational health services	Occupational health and safety			
	403-5 Worker training on occupational health and safety	Occupational health and safety			
	403-8 Workers covered by an occupational health and safety management system	Occupational health and safety			
Training and Education					
GRI 3 Material topics 2021	3-3 Management of material topics	Employee training and development			
	404-1 Average hours of training per year per employee	Employee training and development			
GRI 404 Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Employee training and development			
Equal Opportunity					
GRI 3 Material topics 2021	3-3 Management of material topics	Diversity, equality and inclusion			
GRI 405 Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, equality and inclusion			
	405-2 Ratio of basic salary and remuneration of women to men	Diversity, equality and inclusion			
Non-discrimination					
GRI 3 Material topics 2021	3-3 Management of material topics	Diversity, equality and inclusion			
GRI 406 Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Diversity, equality and inclusion			
Local communities					
GRI 3 Material topics 2021	3-3 Management of material topics	Interaction with local communities			
Customer Privacy					
GRI 3 Material topics 2021	3-3 Management of material topics	Data privacy and cybersecurity			
GRI 418 Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data privacy and cybersecurity			

108 Annex 3. Glossary

AEA	Administrative and economic activities
AFK	Association of Financiers of Kazakhstan
AIFC	The Astana International Financial Centre
ALM	Asset-Liability Management
AML/CFT	Anti-money laundering and combating the financing of terrorism
ARDFM	The Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market
ATM	Automated Teller Machine
ATNK	The Association of Taxpayers of New Kazakhstan
CBDC	Central Bank Digital Currency
CDW	Corporate Data Warehouse
CIS	Commonwealth of Independent States
CSAT	Customer Satisfaction Score
EEF	Eurasian Environmental Fund
EFC	Eurasian Financial Company
ERG	Eurasian Resources Group
ESG	Environment, social and government
GD	Government Decision
GHG	Greenhouse gases
GJ	Gigajoule

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IE	Individual entrepreneurship
IE/PF	Individual entrepreneurship/ Peasant farming
IMS	Instant messaging system
IPCC	Intergovernmental Panel on Climate Change
IT	Information technologies
ITB	Information Technology Block
JSC	Joint-stock company
NCE “Atameken”	The National Chamber of Entrepreneurs of the Republic of Kazakhstan “Atameken”
NPS	Net Promoter Score
OHS	Occupational health and safety
PCI DSS	Payment Card Industry Data Security Standard
POS	Point of sale
RoK	Republic of Kazakhstan
SDG	Sustainable Development Goals
SDL	Self-directed distance learning
SME	Small and medium-sized enterprises
SWIFT CSP	Society for Worldwide Interbank Financial Telecommunications' Customer Security Programme (CSP)
UN	United Nations
VaR	Value at risk

110 Annex 4. Contact information

GRI 2-3, GRI 2-26

Eurasian Bank values feedback, therefore, if you have any questions or suggestions regarding the 2023 Sustainability Report, please contact us via the available communication channels below.



**Eurasian
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