

Application  
to the minutes of the meeting  
Tenge JSC "Supervisory Board Bank"  
from "\_\_\_" \_\_\_\_\_ 2022 No\_\_\_  
Policy

**in the field of sustainable development  
JSCB "Tenge Bank"  
Tashkent - 2022**



**1. Tenge Bank's Sustainable Development Policy (hereinafter referred to as the Policy) is developed in accordance with the laws of the Republic of Uzbekistan, the Development Strategy for 2022-2024 (hereinafter referred to as the Strategy), policies and regulations, as well as the internal regulatory documents of Tenge Bank (hereinafter referred to as the Bank).**

2. The policy was developed taking into account the main global principles, requirements, and rules in the field of ESG (environmental, social, and corporate governance). ESG is a set of Bank management features that facilitate the Bank's participation in addressing environmental, social, and governance issues and sustainable development: the principles of the UN Global Compact and the Principles of Responsible Banking of the UNEP Financial Initiative (UNEP FI).

3. This Policy is the main document that systematizes the Bank's approaches to ESG and sustainable development activities.

4. This Policy was developed taking into account Halyk Group's Mission, Values and Development Strategy, as well as documents regulating various aspects related to ESG and sustainable development.

4. Ushbu Siyosat Halyk Groupning Missiyasi, Qadriyatlari va Rivojlanish Strategiyasini, shuningdek, ESG va barqaror rivojlanish bilan bog'liq turli jihatlarni tartibga soluvchi hujatlarni hisobga olgan holda ishlab chiqilgan.

5. The purpose of this Policy is to define the main principles, goals, directions and objectives of the Bank's ESG and sustainable development activities, describe the management system for this activity, and describe the approaches to working with stakeholders.

6. This Policy is mandatory for all governing bodies, structural subdivisions, and all employees of the Bank when planning and carrying out their activities.

7. This Policy is a public document available on the Bank's information resources.

8. This Policy defines:

- 1) Policy sphere;
- 2) general principles of the Bank's activities in the field of ESG and sustainable development;
- 3) the goals and objectives of the Bank in accordance with ESG standards and sustainable development principles.

9. The following terms and definitions are used in this Policy:

- 1) Bank - Tenge Bank JSCB;
- 2) IRR - internal rules of the Bank;
- 3) Impact - impact on people and local communities, the environment, and the economy as a result of action or inaction, activity, project, program, or policy;
- 4) The UN Global Compact is the largest international initiative in the field of sustainable development, the purpose of which is to introduce ten basic principles in the field of human rights, labor relations, environmental protection, and anti-corruption into the activities of the business community. Including the principles of the UN Global Compact in commercial and business strategies and publicly confirming their obligations are widely recognized indicators of responsible corporate practice and good business reputation, as well as important elements of long-term business sustainability;
- 5) Halyk Group - a group of companies providing in-demand financial and non-financial products and services to meet the various needs of clients - individuals and legal entities in the Republic of Kazakhstan, the Russian Federation, the Kyrgyz Republic, Georgia, the Republic of Tajikistan, and the Republic of Uzbekistan;
- 6) Interested parties - individuals, legal entities or groups of individuals or legal entities who, on the basis of legislation, concluded agreements (contracts) or indirectly (indirectly), influence or may influence the activities of the Bank, its products or services and related actions; interested parties include shareholders, employees, clients,

suppliers, government agencies, subsidiaries, bondholders, creditors, investors, public organizations and the population of the territories where the Bank operates;

7) Sustainable development - a set of organizational principles that ensure the achievement of the company's business goals, ensure the satisfaction of the needs of the company and its stakeholders, ensure well-being for all, and ensure the preservation and development of human and natural resources necessary to meet the needs of future generations;

8) UN Sustainable Development Goals - 17 goals and 169 goals adopted within the framework of the UN 2030 Agenda for Sustainable Development and aimed at eradicating poverty, preserving planetary resources, and ensuring well-being for all;

9) ESG (Environmental, Social and Management) - taking into account environmental, social and management standards, along with financial factors, when making investment decisions;

10) ESG risk (Environmental, Social, and Management) - a type of risk that determines the sustainable development of business within the framework of environmental, social, and corporate management risks.

10. The following abbreviations are used in this Policy:

1) KPIs - indicators that measure the achievement of strategic goals by the Bank or its subdivisions in terms of efficiency and effectiveness. The use of KPIs helps the Bank evaluate its activities and assess the implementation of the strategy;

2) UN (United Nations) - an international organization created to maintain and strengthen international peace and security, as well as to develop cooperation between states;

3) media - mass media;

4) GRI (Global Reporting Initiative) - a global reporting initiative, an international reporting standard for voluntary use by organizations reporting on sustainability;

5) ISO (International Organization for Standardization) - an international organization for the development and publication of international standards;

6) Unagreed guidance - a format for virtual events;

7) SDGs (Sustainable Development Goals) - a set of 17 interconnected goals, developed by the UN General Assembly in 2015 as a "plan for achieving a better and sustainable future for all";

8) UNEP FI (Financial Initiative of the United Nations Environment Programme) - the United Nations Environment Programme, which provides leadership in environmental care and promotes cooperation by creating opportunities to improve the quality of life of nations and peoples without prejudice to the well-being of future generations;

9) WBCSD (World Business Council for Sustainable Development). The organization unites many companies around the world and offers effective business solutions to the most complex problems of sustainable development.

## **Chapter 2. Goal Statement**

11. The Bank recognizes that the development of long-term sustainable business depends on the transition to a new, more sustainable economic model, which is possible through solving global social, environmental and economic problems and ESG transformation.

12. The Bank supports a modern understanding of the need to move from creating present value for shareholders to creating meaningful long-term value for broader stakeholders such as shareholders, employees, customers, counterparties, local communities, and the government.

13. The Bank recognizes the role of fintech companies in transitioning to more sustainable development models through the integration of advanced technologies, environmental and social aspects in all areas of business, processes, effective corporate governance, ESG risk management, and the development of responsible financial practices.

14. The Bank is committed to international and national ESG and Sustainable Development Goals, Standards and Principles, including the UN Sustainable Development Goals, the UN Global Compact, UNEP's Principles of FI for Responsible Banking, and other global initiatives.

15. The Bank's ESG and Sustainable Development Goals are to implement systemic changes in the ESG sector, based on the interests, cooperation, and development of our employees, clients, sole shareholders, investors, partners, and the state, aimed at creating an effective and environmentally friendly economy for society.

### **Chapter 3. Bank's ESG and Sustainability Principles**

16. Based on the Bank's strategy, sustainable development standards and international principles of responsible financing, the Bank adheres to seven principles in its ESG and sustainability activities:

1) Principle 1. The Bank prioritizes creating long-term economic value for all stakeholders: The Bank promotes the creation of an economy that promotes business growth and business development contributes to the well-being of society and the environment. The Bank increases its efficiency and fulfills its economic obligations to a single shareholder and the state, supports the sustainable development of its clients, and promotes the development of large, medium, small, and micro-businesses, including through their integration into the supply chain. The Bank contributes to the development of the regions where it operates, the creation of jobs, participation in the modernization of infrastructure, and assistance in solving social and environmental problems. For this purpose, the Bank supports innovative cooperation and interaction with the participation of all regions, industries, and population groups;

2) Principle 2. In its activities, the Bank ensures respect for human rights, inclusiveness, diversity, and a fair and equal treatment for all: The Bank respects and protects human rights in its activities and supply chain, and sets relevant requirements for counterparties, clients, and business partners. The Bank supports inclusivity, develops a barrier-free environment, and increases access to socially significant financial and non-financial products and services for vulnerable groups. The Bank provides equal opportunities and creates conditions for all employees to realize their potential based on common values, cultural diversity, gender, racial and other equality.

3) Principle 3. The Bank is environmentally responsible: The Bank prevents, minimizes, or compensates for its negative impact on the climate and other components of the environment by improving the practice of managing environmental and climate risks, taking measures to improve the efficiency of material, energy, and water use, and rational waste management. The Bank participates in the development of a green and circular economy, finances projects to reduce environmental impact, and implements the best available technologies; 4) Principle 4. The Bank develops responsible financing practices and effectively manages ESG risks: The Bank is implementing an integrated business model aimed at achieving positive social and environmental impact while maintaining strong financial indicators. The Bank will increase its long-term sustainability and competitiveness through ESG transformation, development of responsible financing, and comprehensive and systematic management of ESG risks;

5) Principle 5. The Bank is responsible for its influence, complies with all applicable laws and regulations and fulfills its obligations: The Bank operates in strict accordance with the laws of the Republic of Uzbekistan, international law and regulatory environment;

6) Principle 6. The Bank adheres to ethical business practices and implements the best corporate governance practices: The Bank is committed to maintaining and disseminating fair, open, and honest business practices, including ethical marketing and sales practices. The bank prioritizes information security and the protection of clients' personal data, combating corruption, and preventing financial crimes. The Bank develops and implements unified corporate governance standards that take into account ESG factors and are based on best practices.

7) Principle 7. The Bank increases the openness and transparency of information: in its annual sustainability report, the Bank strives to disclose accurate, precise, and reliable information about its activities on the impact on society, the economy, and the environment, and prepares ESG and sustainability reports based on international standards. The Bank actively cooperates with stakeholders, providing information in various formats tailored to their preferences.

### **Chapter 4. UN Sustainable Development Goals**

17. In accordance with the Strategy, the Bank has identified the following UN Sustainable Development Goals:

<b>SDG 2</b>	<b>Eliminating hunger, achieving food security and improved nutrition, and promoting sustainable agricultural development</b> The Bank strives to participate in social assistance activities and charitable projects for those in need, as well as to support the sustainable development of agriculture.
<b>SDG 3</b>	<b>Ensuring a healthy lifestyle and improving well-being for people of all ages</b> The Bank strives to participate in state projects for the development of medicine in the Republic of Uzbekistan (construction of medical centers, production and provision of access to medical equipment and medicines, provision of access to qualified medical care).
<b>SDG 4</b>	<b>Ensuring inclusive and equitable quality education for all and developing opportunities for lifelong learning</b> Comprehensive support in the field of education, including in the implementation of projects and startups for children from low-income families and students. Financing of projects for the construction of schools and kindergartens through public-private partnership (PPP)
<b>SDG 5</b>	<b>Achieving gender equality and empowering all women and girls</b> The bank supports gender equality and provides equal opportunities for every employee. Projects are being implemented to develop and support women's entrepreneurship to increase women's representation in business.
<b>SDG 7</b>	<b>Ensuring universal access to affordable, reliable, sustainable, and modern energy sources for everyone</b> By supporting green energy projects, the bank will help society transition to environmentally friendly fuels.
<b>SDG 8</b>	<b>Promote sustainable, inclusive and sustainable economic growth, full and productive employment and decent work for all</b> Financing of business projects that contribute to the development of a sustainable economy with employment
<b>SDG 9</b>	<b>Creation of sustainable infrastructure, development of inclusive and sustainable industrialization and innovation</b> The Bank strives to participate in financing construction and modernization projects aimed at providing a convenient and innovative infrastructure.
<b>SDG 10</b>	<b>Reducing inequalities within and between countries</b> Along with gender equality, the Bank actively supports inclusivity, ensuring access to its products and services for vulnerable groups and remote communities.
<b>SDG 11</b>	<b>Provide inclusive, safe, resilient, and sustainable cities and communities</b> The bank facilitates the society's transition to environmentally friendly fuel, landscaping, and the development of park areas, and also participates in projects aimed at ensuring the safety of the population using modern equipment.
<b>SDG 12</b>	<b>Ensuring the transition to sustainable consumption and production models</b>

	The bank supports initiatives and projects in the sphere of responsible resource consumption and production, raising awareness among employees.
<b>SDG 13</b>	<p><b>Taking urgent measures to combat climate change and its consequences</b></p> <p>The Bank adheres to the principles of prevention and precautionary measures against negative environmental impacts, promotes the development and dissemination of environmentally friendly technologies.</p>

## Chapter 5. Bank's Sustainable Development Directions

19. The main directions of sustainable development of the Bank are formed taking into account the balance between the economy, society, environment and corporate sustainability, as well as the strategic goals of the Bank and the vision of a single shareholder. The main directions of the Bank's sustainable development are listed below:

1) Responsible financing:

- ❖ Development and implementation of a system for identifying, prioritizing, and managing ESG risks of bank borrowers;
- ❖ Phased implementation of the principles of responsible financing and inclusion of ESG criteria in the decision-making processes for project financing;
- ❖ Integration of ESG risk management processes into the Bank's overall risk management system;
- ❖ Training clients on the principles of sustainable development and responsible financing;
- ❖ Develop products and services that contribute to accelerating the transition to a sustainable economy, expanding access to financial services, and strengthening ethical marketing and trade commitment;
- ❖ 2) Environmental impact:
- ❖ Measurement and monitoring of the Bank's environmental impact, as well as taking measures to improve resource and energy efficiency;
- ❖ Prevention and mitigation of negative environmental impacts during the Bank's operations, including environmental risk management;
- ❖ Consideration of environmental aspects depending on the industry of the borrowers;
- ❖ Supporting important environmental initiatives and projects throughout the country;

3) Company:

- ❖ Creating value for society and stakeholders through projects in various fields, such as education, sports, and culture;
- ❖ Support for women's and youth entrepreneurship, as well as entrepreneurs with disabilities;
- ❖ participation in programs aimed at supporting small, medium, and micro-businesses, developing entrepreneurship, and supporting employment;
- ❖ Improving the well-being of the population of Uzbekistan through the Bank's financial and investment services;
- ❖ Supporting and servicing vulnerable groups;

4) Interested parties:

- ❖ Maintaining and working with various stakeholders in the Republic of Uzbekistan and abroad;
- ❖ To play an active role in improving financial literacy;
- ❖ Transparency of the Bank's reporting on matters relevant to key stakeholders;
- ❖ Improvement of approaches to ESG disclosure;
- ❖ Granting individuals the right to access, correct, and delete personal data, and protecting personal data;

5) Employees:

- ❖ Continuous improvement of approaches to human rights and labor relations;
- ❖ Advanced training of employees and training in in-demand skills;
- ❖ Ensure fair remuneration (financial and non-financial) by monitoring employee satisfaction and conducting regular surveys to track employee satisfaction;
- ❖ Training of authorized personnel on consumer financial protection;

- ❖ Ensuring equal opportunities and observance of gender, racial, ethnic and other equality, including in remuneration;
- ❖ The possibility of using flexible work formats, taking into account the specifics of the business;
- ❖ Engagement of employees at all levels;
- ❖ Conducting training for employees on ESG risks and procedures;
- ❖ Training of employees in ethical standards;
- ❖ Training of employees in compliance with information security standards;
- ❖ mandatory familiarization of employees, as well as third parties involved under service agreements, with the requirements of internal regulations regulating the protection of commercial and banking secrets and other confidential information;
- ❖ Cooperation with educational institutions for the development or implementation of joint curricula;
- ❖ Ensuring legal protection for employees who call the bank's hotline;
- ❖ ensuring healthy and safe working conditions for the prevention of accidents, occupational diseases, and emergencies during the work of bank employees;

6) Corporate sustainability management:

- ❖ Integration of ESG principles into the Bank's corporate governance system to ensure the alignment of the Bank's economic, environmental and social goals for long-term sustainable development, including increasing long-term value for shareholders and investors;
- ❖ Ensuring compliance by employees with the Bank's ethical standards, as well as conducting periodic risk-based audits conducted by the Bank's internal audit team.

## **Chapter 6. Contact with stakeholders**

20. Contact with interested parties is an integral part of the Bank's implementation of this Policy. The Bank believes that achieving the Sustainable Development Goals is impossible without partnership. The Bank's ESG and sustainable development activities are aimed at considering the interests of all stakeholders and creating long-term value. For this purpose, the Bank conducts an open dialogue with all interested parties and determines the most convenient means of communication and communication channels for representatives of interested parties.

21. In interaction with interested parties, the Bank adheres to the following approaches:

- 1) Risk minimization: minimizing the negative consequences of doing business for stakeholders;
- 2) maximize profit: invest in projects that bring profit to the sole shareholder of the Bank, as well as contribute to the social and economic development of the Bank's clients;
- 3) Systematicity and integration: ensuring effectiveness and a unified approach to managing corporate social responsibility and sustainable development issues;
- 4) Comprehensive: The Bank cooperates with stakeholders in three areas of sustainable development: economics, ecology, and social policy;
- 5) Social impact: focusing on both specific social groups and society as a whole;
- 6) Openness and efficiency: Ensuring the transparency of the Bank's activities by providing relevant, reliable and substantive information to stakeholders, as well as timely and promptly responding to criticism and comments from stakeholders;
- 7) Accountability: Responsibility for obligations to stakeholders and the public.

22. Based on existing approaches and practices, the Bank identifies 11 stakeholder groups that are important to the Bank and subject to the Bank's influence:

- 1) Sole shareholder. The bank is a joint-stock company. The influence of the sole shareholder is determined by the current legislation of the Republic of Uzbekistan and the Republic of Kazakhstan (since the sole shareholder of the Bank is a legal entity registered in the Republic of Kazakhstan - JSC "Halyk Bank of Kazakhstan") and current corporate governance practices. Close cooperation with a single shareholder, respect and protection of their rights and legitimate interests is an important condition for increasing the market capitalization of the Bank. The Bank's

interaction system with a single shareholder is designed to maintain information transparency in accordance with best international practices, expand existing communication channels, and increase investment attractiveness;

2) Officials - elected members of the Supervisory Board and the Management Board of the Bank. The Bank's Supervisory Board is the collegial governing body of the Bank and carries out general management of its activities, except for issues stipulated by the current legislation of the Republic of Uzbekistan and the Bank's Charter. The Bank's Management Board, as the executive body of the Bank, carries out the Bank's operational management in accordance with the Bank's strategy and management system.

3) Clients. Corporate and retail clients are consumers of the Bank's financial and non-financial products and services. The bank serves a large retail customer base consisting of representatives of different ages and interests. The bank strives to maintain its position even in the most remote areas. The bank acts as a bank for many enterprises and organizations striving to fulfill its role in the country's economic stability and development. In addition, the Bank promotes the development of large, medium, small and micro-businesses.

4) Employees. Caring for employees is the main goal of the Bank, since employees constitute the main asset of the Bank, communicate directly with clients, and form the Bank's reputation. In addition, the Bank's employees ensure the implementation of strategic goals and objectives.

5) Counterparties. Counterparties represent the Bank's supply chain, through which the Bank's indirect influence as an organization is carried out;

6) Government and regulatory bodies of the Republic of Uzbekistan. The Bank is a major taxpayer, striving to participate and become a partner in the implementation of state projects and programs. Regulatory bodies overseeing activities in the markets for financial and non-financial products and services, including compliance with the Bank's regulatory requirements, create the basis for the Bank's activities, which the Bank strictly adheres to;

7) Local communities and non-profit organizations. The Bank's extensive branch network and distribution of products and services cover all regions of the Republic of Uzbekistan. The Bank actively cooperates with the local population;

8) Mass media. The media contribute to reflecting the Bank's activities in the media space, facilitating effective communication with stakeholders, and disseminating information necessary for the successful implementation of ESG and sustainable development programs and projects;

9) Financial market participants. As a financial institution, the Bank is closely connected with financial market participants - other financial industry companies, exchanges, insurance companies, intermediaries (consultants, brokers, consultants) and financial and ESG analysts. This cooperation will allow for the effective realization of the potential of financial institutions to develop responsible financial practices and stimulate sustainable development.

10) International organizations in the field of ESG and sustainable development. International organizations and initiatives in the field of ESG and sustainable development, including their representative offices in Uzbekistan, influence the current agenda and act as partners and driving forces for the Bank's development in this area.

11) Professional community. The Bank will involve specialists in the field of ESG and responsible finance, as well as in more specific thematic areas, in the development and implementation of its programs and projects. Their opinions will be taken into account and included in the Bank's overall ESG and sustainable development agenda.

23. Interaction with the main stakeholders of the Bank is carried out through the following channels:

Key stakeholders	Methods/channels of interaction
Sole shareholder	Meeting of the Board of Directors of Halyk Bank of Kazakhstan JSC
	Submission of materials for decision-making by the sole shareholder
	Information messages and written requests via email and/or telephone
	Letters
	Annual and interim financial statements
	Annual reports and sustainability reports

	Publications on the Internet resources of the Financial Statements Depository
	Press Releases
	Corporate website
<b>Officials</b>	Bank Supervisory Board/Board Meeting
	Submission of materials for decision-making by the Bank's Supervisory Board/Board
	Information messages and written requests via email and/or telephone
	Official correspondence
	Management and financial reporting
	Press Releases
	Corporate website
<b>Customers</b>	Contact center
	Internet banking, as well as the Bank's mobile application
	Corporate website
	Ad campaigns
	Social media
	Press Releases
	Annual reports and sustainability reports
	Assessment of customer satisfaction with service quality
	Sections
	SMS notifications
<b>Workers</b>	Study of the level of employee satisfaction and the socio-psychological climate in the departments
	Corporate mail
	Hotline (hotline)
	Annual reports and sustainability reports
	Internal communications and announcements
	Education
	Volunteering and volunteer activities
	Corporate events

Interaction with other stakeholders of the Bank is carried out through external and internal corporate communication channels of the Bank.

## 7 Chapter. ESG and Sustainability Management

24. The ESG and Sustainability Management System includes strategic and operational planning processes, a system of objectives and KPIs, including KPIs for management, monitoring, performance evaluation, configuration and reporting. For the successful functioning of the ESG and the sustainability management system, continuous efforts are required in three main approaches:

1) Permanent involvement of stakeholders:

The Bank takes into account the interests of a wide range of stakeholders, including vulnerable groups, when planning and managing ESG and sustainability activities to take into account socially significant goals and improve the quality of decision-making. This cooperation is carried out through open dialogue and participation in joint projects in a manner convenient for representatives of interested parties;

2) Providing communication support and conducting information campaigns:

Adhering to the principle of information transparency, the Bank regularly informs all target audiences about its plans and activities, actively interacts with the media, conducts communication campaigns, and reports on progress in the field of ESG and sustainable development;

3) Conducting educational and awareness-raising programs in the field of ESG and sustainable development:

The Bank promotes awareness, knowledge, and skills development on ESG and sustainable development issues among its employees, as well as clients and partners. Through training and awareness-raising programs, the Bank plans not only to increase overall awareness but also to create opportunities to acquire specialized skills and competencies necessary for ESG transformation at various levels.

25. To implement this Policy, the Bank develops and annually updates the ESG and Sustainable Development Action Plan, ensuring the integration of principles into all business processes and including monitoring of the implementation of the Policy provisions by the authorized bodies of the Bank. The Action Plan contains specific goals, programs, projects, and initiatives aimed at achieving the ESG and Sustainability Goals reflected in the Policy. Progress in the implementation of the ESG and the Sustainability Action Plan is regularly assessed, included in the KPI system, and reflected in the Bank's Sustainability Report.

26. The purpose of the Bank's ESG and Sustainable Development Management System is:

- 1) ensuring sustainable development of the Bank and Halyk Group, i.e., balanced long-term development, taking into account environmental, social, managerial, and economic parameters, aimed at minimizing negative impacts, effectively managing ESG risks, and identifying growth opportunities and new opportunities in interaction with society and the environment;
- 2) compliance with regulatory requirements and obligations, including legal requirements and voluntary obligations, enshrined in legislation and international treaties and documents;
- 3) development of the Bank's capacity to create maximum value for all stakeholder groups through the implementation of this Policy;
- 4) strengthening relations and developing cooperation with stakeholders for sustainable development at all levels.

27. The mechanisms of the Bank's ESG and sustainable development management system are:

- 1) strategic and operational planning: development and implementation of this Policy and the Action Plan for its implementation, including the development and improvement of the methodology for evaluating and selecting ESG initiatives;
- 2) setting goals and deadlines for achieving them by areas and goals of activity;
- 3) Development of internal rules and procedures necessary for the implementation of the Policy and Action Plan;
- 4) identification of the resources necessary to achieve these goals;
- 5) Definition of roles and distribution of responsibilities for ESG and sustainable development activities in independent structural subdivisions and retail outlets of the Bank. Making the necessary changes to the organizational structure;
- 6) monitoring, control, and assessment of the implementation of the Action Plan and the achievement of target indicators;
- 7) preparation of reports at all levels in accordance with approved standards and requirements;
- 8) organization of regular communication and promotion of the ESG agenda;
- 9) organization of regular interaction with interested parties;
- 10) development and implementation of educational programs for stakeholders;
- 11) making adjustments and improvements to improve operational efficiency based on accumulated experience and changing conditions;
- 12) Expansion of knowledge, competencies and practical skills of members of the Bank's Supervisory Board and executive body, as well as heads of independent structural units on ESG and sustainable development issues, including climate management.

28. The Bank strives to create an effective corporate governance system covering all areas of activity. In accordance with best practices and international standards, ESG and sustainability management functions are integrated into the corporate governance architecture. The Bank seeks to develop a multi-level ESG and sustainability management framework:

- 1) The Supervisory Board determines approaches to the integration of sustainability factors into the Bank's strategy, integrates and promotes the implementation of relevant procedures and practices in the work of the Supervisory Board, defines the commitments of committees established under the Supervisory Board on sustainable

development issues in relevant functional areas, and establishes mechanisms for determining and monitoring the Bank's key thematic indicators. In accordance with the internal rules of the Bank, the Supervisory Board is responsible for approving the documents of the highest level (except for internal regulatory documents, the approval of which falls within the competence of the sole shareholder of the Bank) containing this Policy. The Bank's Supervisory Board oversees the implementation of the Development Strategy, including issues related to the implementation of the ESG agenda;

- 2) The Bank's Management Board develops and approves the ESG and Sustainable Development Action Plan, and also monitors its implementation by the Bank's business units;
- 3) The independent business unit of the Bank, responsible for the implementation of ESG initiatives, is the main coordinating unit that implements a systematic approach to ESG and sustainable development management, manages the implementation of the action plan based on corporate standards, provides expert support to other business units in the field of ESG, and is responsible for monitoring and reporting in this area;
- 4) The Risk Management Service coordinates the ESG risk management process, develops and provides proposals for identifying and assessing ESG risks within the framework of this Policy;
- 5) independent business units participating in the ESG agenda - responsible for the Bank's business areas - implement thematic ESG initiatives and provide targeted assistance to the target audience;
- 6) The Bank's trading points participating in the ESG agenda provide regional support and implement regional ESG initiatives, including pilot projects.

## **Chapter 8. Monitoring and reporting**

29. In order to strive for openness and transparency and to take into account the interests of stakeholders, the Bank recognizes the importance of monitoring and reporting on various aspects and outcomes in the areas of ESG, GRI and sustainable development.

30. The Bank's annual ESG and Sustainability Report is published on the Bank's corporate website in Uzbek, Russian, and English, ensuring its accessibility to a wide range of stakeholders worldwide.

31. The external environment, regulatory requirements, and stakeholder requirements may change over time. Accordingly, the Bank will monitor individual aspects and goals in the field of ESG and sustainable development and, if necessary, adjust them, adapt this Policy to the current situation and take into account ongoing changes, as well as update strategic documents.

## **Chapter 9. Final area**

32. This Policy is subject to approval by the Supervisory Board of the Bank at the request of the Bank.

33. If one or more provisions of this Policy become invalid due to changes in the legislation of the Republic of Uzbekistan, the remaining provisions of this Policy shall not be affected to the extent that they do not contradict the legislation of the Republic of Uzbekistan.