

Green Bond / Green Bond Programme / Green Bond Framework

External Review Form

Section 1. Basic Information

Issuer name: "KAZ GREEN ENERGY" LLP

Green Bond or Green Bond Programme Name: Green Bond Framework of "KAZ GREEN ENERGY" LLP

Review provider's name: "Green Investment Group" LLP

Completion date of this form: 25/12/2020

Publication date of review publication: 24/12/2020

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the AIX GREEN BOND RULES and/or GREEN BOND PRINCIPLES (GBP):

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> 2 nd opinion | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (if applicable)

We assess the "KAZ GREEN ENERGY" LLP Green Bond Framework as complying with the Green Bond Principles. "KAZ GREEN ENERGY" LLP shows an excellent level of management, distribution of proceeds, project selection, quality of borrowed funds management, reporting, and information disclosure on ongoing projects of environmental importance. Public distribution is carried out through the publication of the External Review on the Green Investment Group website - www.greeninvest.kz, and can also be carried out through a press release of news services and/or relevant web resources.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (if applicable):

The Issuer declares that the proceeds from green bonds will be directed exclusively to financing or refinancing eligible projects (eligible assets) that bring specific environmental benefits and reduce environmental impact, and can be measured by quantitative and qualitative indicators.

Use of proceeds categories as per AIX GREEN BOND RULES and/or GBP:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Renewable energy | <input checked="" type="checkbox"/> Energy efficiency |
| <input checked="" type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Sustainable management of living natural resources |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water management | <input checked="" type="checkbox"/> Climate change adaptation |
| <input checked="" type="checkbox"/> Eco-efficient products, production technologies and processes | <input type="checkbox"/> Other indicated in GBP (<i>please specify</i>): |
| <input type="checkbox"/> Other indicated in Climate Bonds Taxonomy of the Climate Bonds Standard (<i>please specify</i>): | |

If applicable please specify the environmental taxonomy, if other than AIX GREEN BOND RULES and/or GBPs:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

The implementation of the GBF is monitored by the Committee for Green Projects. Decisions of the Committee for Green Projects are subject to execution by all structural divisions, branches and representative offices of the Issuer. The work process of the Committee for Green Projects is described in the Rules of Work of the Committee for Green Projects of the "KAZ GREEN ENERGY" LLP.

Evaluation and selection

- | | |
|--|--|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (<i>please specify</i>): |

Information on Responsibilities and Accountability

- | | |
|--|---|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input checked="" type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

The GBF states that the proceeds from green bonds would be reflected in a special sub-account, which will track the compliance of projects with acceptable categories. The Management of Proceeds process is described in detail in the Regulation on accounting for green bonds of the "KAZ GREEN ENERGY" LLP and the Rules of work on Committee for Green Projects of " KAZ GREEN ENERGY " LLP.

Tracking of proceeds:

- | |
|---|
| <input checked="" type="checkbox"/> Green Bond proceeds segregated or tracked by the issuer in an appropriate manner |
| <input checked="" type="checkbox"/> Disclosure of intended types of temporary investment instruments for unallocated proceeds |
| <input type="checkbox"/> Other (<i>please specify</i>): |

Additional disclosure:

- | | |
|---|--|
| <input type="checkbox"/> Allocations to future investments only | <input type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements | <input type="checkbox"/> Allocation to a portfolio of disbursements |
| <input checked="" type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (<i>please specify</i>): |

4. REPORTING

Overall comment on section (*if applicable*):

The Issuer states it will disclose information on the use of proceeds from green bonds, areas of investment and the impact of activities on the environment on an annual basis on its official website <https://kge.kz> in the manner specified in the Regulations on Disclosure of Information of "KAZ GREEN ENERGY" LLP.

Use of proceeds reporting:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other <i>(please specify)</i> : |

Information reported:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Allocated amounts | <input type="checkbox"/> Green Bond financed share of total investment |
| <input type="checkbox"/> Other <i>(please specify)</i> | |

Frequency:

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other <i>(please specify)</i> : | |

Impact reporting:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other <i>(please specify)</i> : |

Frequency:

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other <i>(please specify)</i> : | |

Information reported (expected or ex-post):

- | | |
|---|---|
| <input checked="" type="checkbox"/> GHG Emissions / Savings | <input checked="" type="checkbox"/> Energy Savings |
| <input type="checkbox"/> Decrease in water use | <input type="checkbox"/> Other ESG indicators <i>(please specify)</i> : |

Means of Disclosure

- | | |
|--|--|
| <input type="checkbox"/> Information published in financial report | <input checked="" type="checkbox"/> Information published in sustainability report |
| <input checked="" type="checkbox"/> Information published in ad hoc documents | <input type="checkbox"/> Other <i>(please specify)</i> : |
| <input checked="" type="checkbox"/> Reporting reviewed <i>(if yes, please specify which parts of the reporting are subject to external review)</i> : | |

The reporting will include, but not be limited to, the following information:

Green Bonds Proceeds Distribution Report

- Net proceeds received from each green bond;
- The cumulative amounts of funds allocated for each eligible asset;
- Balance of retained earnings at the end of the reporting period.

Environmental impact report

- Volumes of generated electricity;
- Reduction of greenhouse gas emissions;
- The volume of processed solid waste.

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

The External review is prepared using (1) Green Investment Group Methodology on Preparation of External Review on the Compliance of the Issuer's Green Bond Framework to the Green Bond Principles, full informationa about the Methodology is available at: <https://greeninvest.kz>,
And (2) List of reference documents of the "KAZ GREEN ENERGY" LLP available at <https://kge.kz>.

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- | | |
|---|--|
| <input checked="" type="checkbox"/> 2 nd opinion | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |

Review provider(s): "Green Investment Group" LLP

Zhanna Tuyenbayeva

Director of Green Investment Group

Date of publication: 25/12/2020



ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE AIX GREEN BOND RULES

- (i) **Second opinion:** An issuer can seek advice from consultants and/or institutions with recognised expertise in environmental sustainability or other aspects of the issuance of a Green Bond, such as the establishment/review of an issuer's Green Bond framework.
- (ii) **Verification:** An issuer can have its Green Bond, associated Green Bond framework, or underlying assets independently verified by qualified parties, such as auditors. In contrast to certification, verification may focus on alignment with internal standards or claims made by the issuer. Evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria.
- (iii) **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against an external green assessment standard. An assessment standard defines criteria, and alignment with such criteria is tested by qualified third parties / certifiers.
- (iv) **Rating:** An issuer can have its Green Bond or associated Green Bond framework rated by qualified third parties, such as specialised research providers or rating agencies. Green Bond ratings are separate from an issuer's ESG rating as they typically apply to individual securities or Green Bond frameworks / programmes.