



THE YEAR
OF WORKING
PROFESSIONS



AGROCREDIT
АГРАРЛЫҚ ЕСИЕ КОРПОРАЦИЯСЫ

ANNUAL REPORT 2024

CONTENT

01	ADDRESS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS	4	05	SUSTAINABLE DEVELOPMENT (2-7, 2-8, 2-13, 2-14, 2-16, 2-23, 2-24, 2-26, 2-27, 2-29, 201-1, 201-4, 303-5, 401-1, 402-1, 403-1, 403-5, SASB FN-CB-410a.2)	68	Committees of the Board of Directors	125	09	AUDIT REPORT OF INDEPENDENT AUDITORS	172			
	ADDRESS OF THE CHAIRMAN OF THE BOARD	6					Report on the Activities of the Board of Directors and Its Committees				126	Consolidated statement of financial position as of December 31, 2024, in million tenge	175
	KEY EVENTS AND RESULTS OF THE REPORTING YEAR	10					The Management Board				128	Consolidated statement of profit or loss for the year ended December 31, 2024, in thousands of tenge	177
	02	INFORMATION ABOUT THE CORPORATION					16				The appointment and selection	135	Consolidated statement of changes in equity, in million tenge
About the Corporation		22	Corporation Committees	135	Consolidated statement of cash flows for the year ended December 31, 2024, in million tenge	180							
History		24	Report on the Activities of the Management Board	140									
Mission and vision		28	Remuneration of the Management Board Members	141									
03	BUSINESS REVIEW (GRI 2-6, 201-1)	34	06	CORPORATE GOVERNANCE	108	Subsidiaries and affiliates	143	07	RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM	150			
	Strategic directions of activity	34					Internal Audit (GRI 2-16)				146		
	Business Model	40					08				MAIN GOALS AND TASKS FOR 2025 (GRI 2-1)	168	
	Existing financing programs (SASB FN-CB-240a.1)	42											Organizational structure of the corporate risk management system (CRMS)
Anti-Corruption Compliance and Anti-Corruption Measures (GRI 2-15, 2-25)	48	Identified Risks	154										
04	INDUSTRY ANALYSIS (GRI 2-6)	54	07	CORPORATE GOVERNANCE	108	Enhancement of the Risk Management System	156	08	MAIN GOALS AND TASKS FOR 2025 (GRI 2-1)	168			
	Current situation in the agro-industrial complex	56					Internal control system				164		
	Support for Agricultural Producers as a Driver of Sector Development	63					External audit				166		

APPENDIX		
	Appendix № 1. About the Report	182
	Appendix № 2. Material topics for disclosure in the Annual Report for 2024 of JSC Agrarian Credit Corporation	185
	Appendix № 3. GRI Index	186
	Appendix № 4. Abbreviations	195
	Appendix № 5. Contacts	196

ADDRESS

of the chairman
of the board of directors
JSC Agrarian Credit Corporation



NURBOLAT AIDAPKELOV

Chairman of the Board of Directors
of the JSC Agrarian Credit Corporation

Dear partners and colleagues!

We are pleased to present
to your attention the annual
report of Corporation
for 2024.

Financing of the agro-industrial sector is a key
aspect of the development of agriculture and
related industries. It encompasses various
sources and instruments aimed at supporting
agricultural producers, processors, and other
market participants.

It is important to note that in 2024, all planned
strategic key performance indicators of
Agrarian Credit Corporation JSC (hereinafter –
the Corporation) were achieved.

Efforts to improve access to financing
instruments will continue in 2025. The
Corporation plans to increase the volume of
financing for agro-industrial complex entities
to a record level of 1 trillion tenge.

Priority areas will include agricultural product
processing, infrastructure development, and
the promotion of advanced water-saving
technologies. Special attention will be given to
creating favorable conditions for the development
of small businesses, including access to loans on
preferential terms.

Sufficient financing of the agro-industrial sector
will enable farmers to renew fixed assets and
implement new technologies, thereby increasing
production efficiency and the competitiveness of
their products.

The Corporation pays special attention to the
digitalization and automation of credit processes.
The aim to introduce automated credit application
processes that are as simple and accessible as
possible for farmers is one of the Corporation's
key priorities in the coming year.

It should be noted that in addition to achieving
high results in lending to agro-industrial entities
and effectively managing its investment portfolio,

the Corporation is
systematically improving its
corporate governance system.
This is confirmed by the high
diagnostic score of 94%,

indicating that the Corporation is implementing
and effectively applying a significant number
of international principles and best practices in
corporate governance.

I am confident that our continued cooperation
will contribute to the dynamic and sustainable
development of the agricultural sector in our
country.

Sincerely,
Chairman of the Board of Directors
JSC Agrarian Credit Corporation
Nurbolat Aydapkelov

ADDRESS

of the chairman of the board
JSC Agrarian Credit Corporation



ALMAT ASHIRBEKOV

Chairman of the Management Board
of the JSC Agrarian Credit Corporation

Dear partners and colleagues!

On behalf of the board
of the Corporation, I
express my gratitude to
colleagues and partners
for their cooperation. The
presented annual report
reflects the main results
of the activities of the
Corporation for 2024.

Financial Performance and Agricultural Lending

Over an extended period, the Corporation
has demonstrated positive and stable
growth dynamics.

In 2024, the Corporation continued to show
steady growth in its financial indicators.

As part of building an accessible and
efficient financing system, the Corporation

(including its subsidiary KazAgroFinance JSC)
has significantly increased the volume of lending
over the past three years – from 464 billion
tenge in 2021 to 822 billion tenge in 2024.
Moreover, the actual lending volume in 2024
exceeded the planned target by 1,4 times.

It is worth highlighting that in 2024, the
Corporation developed and implemented a
mechanism for direct subsidization of financial
institutions. This mechanism involves the
Corporation raising commercial funds from the
capital market, receiving government subsidies,
and subsequently providing preferential loans
to farmers (under the Ken Dala 2 program) at an
annual interest rate of 5%. The lending volume
under this program amounted to 181,6 billion
tenge.

Additionally, for the first time in the Corporation's
history, early financing for spring fieldwork
and the 2025 harvest season was launched
(starting in November 2024) under the Ken
Dala 2 program. This initiative was positively
received by domestic farmers, resulting in the
full utilization of the allocated 100 billion tenge
already in December 2024.

An equally important fact is that, under this program
and thanks to joint efforts by the Baiterek National
Managing Holding JSC group, a loan guarantee
mechanism was introduced for the first time, with
the Entrepreneurship Development Fund «DAMU»
JSC providing guarantees covering 85% of the loan
amount. This has facilitated farmers' access to the
Corporation's financial resources.

As of the end of 2024, the
number of supported micro,
small, and medium-sized
enterprises amounted to 14,804,
while the consolidated loan
portfolio increased by 19%,
reaching 1,8 trillion tenge.

This reflects a high level of trust in the Corporation
from investors and partners, as well as growing
demand among agricultural producers for the
financial instruments it offers.

The Corporation's main financial achievement last year was the increase in net profit, which exceeded the 2023 level by 29%. Compared to 2022, the growth was nearly twofold.

This result was made possible by effective asset management, internal process optimization, and the expansion of the lending product line.

The Corporation's efforts to improve its operations were also recognized by international rating agencies. Following an audit, Moody's upgraded the Corporation's rating from Baa3 to Baa2 with a «stable» outlook, while Fitch Ratings raised it from BBB- to BBB, also with a “stable” outlook.

Digitalization of Business Processes

Digitalization is one of the Corporation's top priorities, aimed at improving the quality of services provided and expanding the pool of potential beneficiaries of state support measures.

The key initiatives implemented by the Corporation in 2024 include the following

projects:

- «Online platform for microloan application review», integrated with government databases and over 90 services. The application process consists of three stages and allows for a preliminary decision within 5 minutes;
- «SMART 10 automated lending system», which accelerates the review of loan applications for livestock and crop farming. The review period was reduced from 30 to 10 calendar days;
- «Digital loan file», enabling the automation of borrower document collection and processing;
- «Internal BPM system» development;
- Launch of the independent evaluation portal «BAGALAU.AGRONESIE.KZ»;
- Development of the mobile application «AGROBAGALAU APP»;
- Implementation of the «Online Inspection» tool, allowing the pledge and loan object inspection process to be shortened;
- Implementation of the «Online Signing of Loan Agreements via Biometric Identification» tool;
- Implementation of the «Online Registration of Pledge Agreements» tool.

Outlook for 2025

In 2025, the Corporation plans to increase the volume of financing for agricultural producers through loans and leasing to up to 1 trillion tenge. In accordance with the instruction of the Head of State and the Government of the Republic of

Kazakhstan, up to 600 billion tenge is planned to be allocated for the financing of spring fieldwork and harvesting operations, which will allow farmers to carry out sowing and harvesting efficiently and in a timely manner. The successful early financing mechanism for the next year's spring fieldwork will also continue, enabling farmers to prepare in advance for the sowing campaign, reduce dependency on seasonal risks, and increase productivity.

Also in 2025, a new investment program is planned for implementation, with priorities on processing of agricultural products, application of advanced water-saving technologies, feed production (with the aim of reducing the cost of cultivated feed and, consequently, the final products), production of livestock and crop products, and development of agricultural infrastructure. Special attention will be given to financing the production of socially important food products.

At present, these areas are essential for the further development of the sector and the economy as a whole, and their implementation will ensure sustainable growth of Kazakhstan's agro-industrial complex, enhance the country's food security, and create new jobs in rural areas.

Thus, the implementation of the planned measures in 2025 will become an important stage

in the modernization of Kazakhstan's agriculture into a more sustainable, efficient, and modern economic sector.

In addition, in 2025, the Corporation will continue its work on digital transformation aimed at increasing the transparency, efficiency, and accessibility of the services provided to agricultural producers.

As part of the digital transformation, it is planned to automate the process of post-loan servicing of borrowers, implement the projects «SMART 30» and «SMART 50» to accelerate the review and decision-making on applications from small, medium, and large agribusinesses, develop existing information platforms and solutions, and implement AI technologies.

We believe that our continued cooperation will contribute to the dynamic and sustainable development of the agricultural sector of our country, ensuring the growth of its competitiveness, enhancement of food security, and improvement of the well-being of the rural population.

Sincerely,
Chairman of the Management Board
JSC Agrarian Credit Corporation
Almat Ashirbekov.

The implementation
of the planned measures
in 2025 will be an important
stage in the modernization
of agriculture in Kazakhstan

AGROCREDIT



KEY EVENTS AND RESULTS OF THE REPORTING YEAR

01 The Corporation has developed and launched a new lending program «Ken Dala 2»

In developing this new credit product, the practical experience gained during the implementation of the previous «Ken Dala» program was taken into account. As a result, the new «Ken Dala 2» program offers several significant advantages, including: loan guarantees from the DAMU Entrepreneurship Development Fund covering 85% of collateral requirements; extended loan repayment periods of up to 18 months; expanded financing channels through the Corporation's own branch network and the involvement of regional socio-entrepreneurial corporations. At the same time, the interest rate for the end user has remained unchanged at 5% per annum (APR – from 5% per annum).

In its first year of implementation, the «Ken Dala 2» lending program demonstrated record-high lending volumes. No other product in the Corporation's history has achieved such a strong start. As a result, in 2024, a total of 2 676 agricultural producers utilized the «Ken Dala 2» program for a total amount of 281,6 billion tenge.

02 Farmer Support

In accordance with the instruction of the Head of State, Corporation and its subsidiary KazAgroFinance JSC granted payment deferrals to farmers affected by floods. All payments under the 2024 schedules were redistributed as evenly spread installments from 2025 until the end of the financing term. For projects with loan maturity dates in 2024–2025, loan extensions of up to 24 months were granted, depending on the borrower's field of activity.

In total, under this initiative, the Corporation provided support to 187 farmers in the amount of 675 million tenge, affected by floods, through payment deferrals and debt restructuring. Support was provided to 1,401 farmers in the amount of 56 billion tenge, affected by other adverse weather conditions, also in the form of payment deferrals and debt restructuring.

03 On 16 September 2024, Moody's Investors Service

upgraded the Corporation's international credit rating from Baa3 to Baa2 with a «Stable» outlook (previously, in 2023, the rating was upgraded from Ba1 to Baa3 with a «Positive» outlook).

The assigned rating reflects the Corporation's important role in the state policy of supporting the agro-industrial sector and the availability of state backing, including from its sole shareholder – Baiterek National Managing Holding JSC – which defines the structure of its debt and dividend policies.

MOODY'S
Rating Baa2

FitchRatings
Rating BBB

04 On 17 September, Fitch Ratings also upgraded the international credit rating of the Corporation JSC

from «BBB-» to «BBB» with a «Stable» outlook.

This upgrade reflects Fitch's view of increased interaction between the Corporation and the state, due to its expanding role in providing affordable financing to agricultural producers.

Thus, the simultaneous upgrade of the Corporation's credit ratings by two international agencies demonstrates an increase in the Corporation's reliability as the key operator for supporting the agro-industrial complex of the Republic of Kazakhstan.

06 Achievements of the Reporting Period

The Corporation, including its subsidiary KazAgroFinance JSC, demonstrates stable growth in financing volumes. Over the past three years, the volume of lending increased from 464 billion tenge in 2021 to 822 billion tenge in 2024, representing a 77% growth.

In 2024, with the participation of the Corporation, 29 investment projects worth 23 billion tenge were launched into commercial operation.

Through its leasing operations, the subsidiary KazAgroFinance JSC transferred more than 10,5 thousand units of agricultural machinery to farmers, amounting to 224,2 billion tenge.

05 From 21 October to 13 December, Corporation conducted a debt repayment campaign without penalty interest

The Corporation provides ongoing and widespread support to farmers. As part of this, campaigns for the cancellation of penalties are regularly conducted. In previous years, due to states of emergency and floods, payment deferrals were also granted to agricultural producers.

07 «Taza Kazakhstan. Astana – a model of cleanliness and order»

As part of the national environmental initiative «Taza Kazakhstan», the staff of the Corporation's central office and branches took an active part in a mass tree planting event on the embankment of the rowing canal in the city of Astana and in other regions of the country. Through this initiative, the Corporation's team reaffirms its commitment to the environmental values upheld by Agrarian Credit Corporation, aimed at protecting and preserving the natural environment.

08 «My Heart's Champion»

In August 2024, representatives of the Corporation participated in the annual charity running marathon «Жүрегімнің жеңімпазы» («My Heart's Champion»). This charitable event is held in support of individuals on the waiting list for organ transplants. In addition to professional athletes, the marathon included doctors, donors, and other ordinary citizens.

Volume of lending,
billion tenge

822

10,5
thousand units of
equipment were leased





THE YEAR OF WORKING PROFESSIONS

We present to you three success stories – individuals who, with the support of ACC (Agrarian Credit Corporation), have reached a new level and turned their work into an example of sustainable development.

In 2025, Kazakhstan Declares the Year of Skilled Trades

By decree of the President of the Republic of Kazakhstan, the year 2025 has been declared the Year of Skilled Trades. The government is launching a large-scale reform of technical and vocational education to enhance its prestige and appeal among the younger generation.



INFORMATION ABOUT THE CORPORATION

The Corporation plays a key role in the implementation of the Concept for the Development of the Agro-Industrial Complex of the Republic of Kazakhstan for 2021–2030 and the National Development Plan of the Republic of Kazakhstan until 2025. In this context, the indicators of economic impact are considered material.

FINANCIAL RESULTS GRI 201-1

As of the end of 2024, the Corporation's net profit reached a record level of 60 356,61 million tenge, showing a growth rate of 104,2% (net profit for 2023 amounted to 29 555,14 million tenge). This trend is a logical result of the sound and balanced implementation of the Corporation's financial and credit policy, including income management and expenditure control.

Interest income became the key factor behind the Corporation's profit growth, increasing from 151 164,61 million tenge in 2023 to 199 655,27 million tenge in 2024, an increase of 32%. Interest expenses showed a downward trend in terms of impact on profitability, positively affecting the Corporation's net income by reducing the overall cost of borrowed funds.

Interest expenses rose by 28,3%, from 112 219,66 million tenge in 2023 to 144 013,73 million tenge in 2024. This increase is associated with higher costs related to issued debt securities and funds attracted from credit institutions, indicating a growth in borrowing volumes.

« Agriculture is one of the most important sectors for humanity



THE YEAR
OF WORKING
PROFESSIONS

ALIBEK SULTAN

Alibek Sultan, a young agronomist from the Turkistan Region. He proudly continues a family tradition: his grandfather and father devoted their lives to the land, and he has chosen the same path.

Return on Assets (ROA) increased to 3,55% in 2024 compared to 2,16% in the previous year, indicating more efficient use of assets to generate profits. Return on Equity (ROE) also showed a positive trend, reaching 12,82% in 2024

versus 6,83% in 2023. The positive trends in ROA and ROE indicate that the Corporation not only increased its profitability but did so through more efficient use of resources and capital. These changes had a

Dynamics of financial indicators

Indicator	2022	2023	2024
Income, million tenge	150 832,57	228 906,56	295 635,39
Expenses, million tenge	131 297,24	199 351,41	235 278,79
Net profit, million tenge	19 535,33	29 555,14	60 356,61
ROA, %	1,83	2,16	3,55
ROE, %	5,70	6,83	12,82

Revenue structure for 2024

Indicator	2024	%
Cash and cash equivalents	46 294,24	15,65%
Funds in credit institutions	7,52	0,003%
Loans issued to banks	7 541,38	2,55%
Loans issued to customers	145 812,11	49,29%
Investment securities	0,014	
Finance lease receivables	79 507,81	26,88%
Other income	16 472,32	5,57%
Net income from foreign exchange transactions	167,39	0,06%
Total income	295 802,78	100,00%

** according to the consolidated financial statements, in million tenge*

favorable impact on the Corporation’s financial position and strengthened its attractiveness for future investments.

Cost structure for 2024

Indicator	2024	%
Indebtedness to the Shareholder	8 606,69	3,66%
Indebtedness to the Government of the Republic of Kazakhstan	25 266,96	10,73%
Indebtedness to state and budgetary organizations	16 816,88	7,14%
Funds of credit organizations	16 214,00	6,89%
Debt securities issued	77 109,20	32,75%
Expenses on credit losses	54 508,86	23,15%
Staff expenses	14 942,83	6,35%
Other administrative expenses	8 569,69	3,64%
Net losses from modification of financial assets measured at amortized cost	3 924,66	1,67%
Corporate income tax expense	9 486,40	4,03%
Total expenses	235 446,18	100%

** according to the consolidated financial statements, in million tenge*

At the end of 2024, the Corporation’s assets increased by 42,3% and amounted to 1 526 254,66 million tenge. The Corporation’s liabilities in the reporting year amounted to 1 062 092,62 million tenge, which is 65,65% higher than the level of the same indicator in 2023.

The debt-to-equity ratio increased from 2,13 ratio points in 2023 to 3,06 in 2024.

The increase in this ratio is due to the growth of debt securities issued by 372,31% from KZT 170 157,46 million in 2023 to KZT 633 507,17 million in 2024.

Financial stability indicators

Indicator	2022	2023	2024
Assets	1 318 970,01	1 412 101,32	1 991 240,43
Liabilities	903 999,43	961 252,77	1 500 726,29
Capital	414 970,59	450 848,54	490 514,14
Debt/Equity (D/E)	2,18	2,13	3,06

* according to the consolidated financial statements

Factors Affecting Financial Performance

LOW LEVEL OF CAPITALIZATION	HIGH LEVEL OF LIQUIDITY	EFFECTIVE FINANCIAL RISK MANAGEMENT	COMPLIANCE WITH PRUDENTIAL STANDARDS
The share of equity in the Corporation’s balance sheet structure is 24,6% of total assets, indicating a low proportion of own capital. This reflects a high dependency on external financing and a reduced level of financial stability.	The Corporation maintains a sufficient level of liquid assets to ensure stable growth of the loan portfolio and proper fulfillment of its obligations to creditors.	The Corporation has established an effective risk management system that enables timely identification, reliable assessment, and mitigation of credit and liquidity risks.	The Corporation strictly adheres to prudential standards and other regulatory norms and limits applicable to subsidiaries of Baiterek National Managing Holding JSC in the agro-industrial sector, as approved by a resolution of the Management Board of the National Bank of the Republic of Kazakhstan. Systematic work is carried out to ensure full compliance with these established requirements.

Capital Market Fundraising

GRI 201-4

In 2024, the Corporation raised a total of 200,1 billion tenge, including 140,0 billion tenge from budgetary sources.
The funds were used strictly in accordance with their designated purposes, as outlined in the respective program conditions. As of 31 December 2024, the book value of the loans received amounted to 62,6 billion tenge

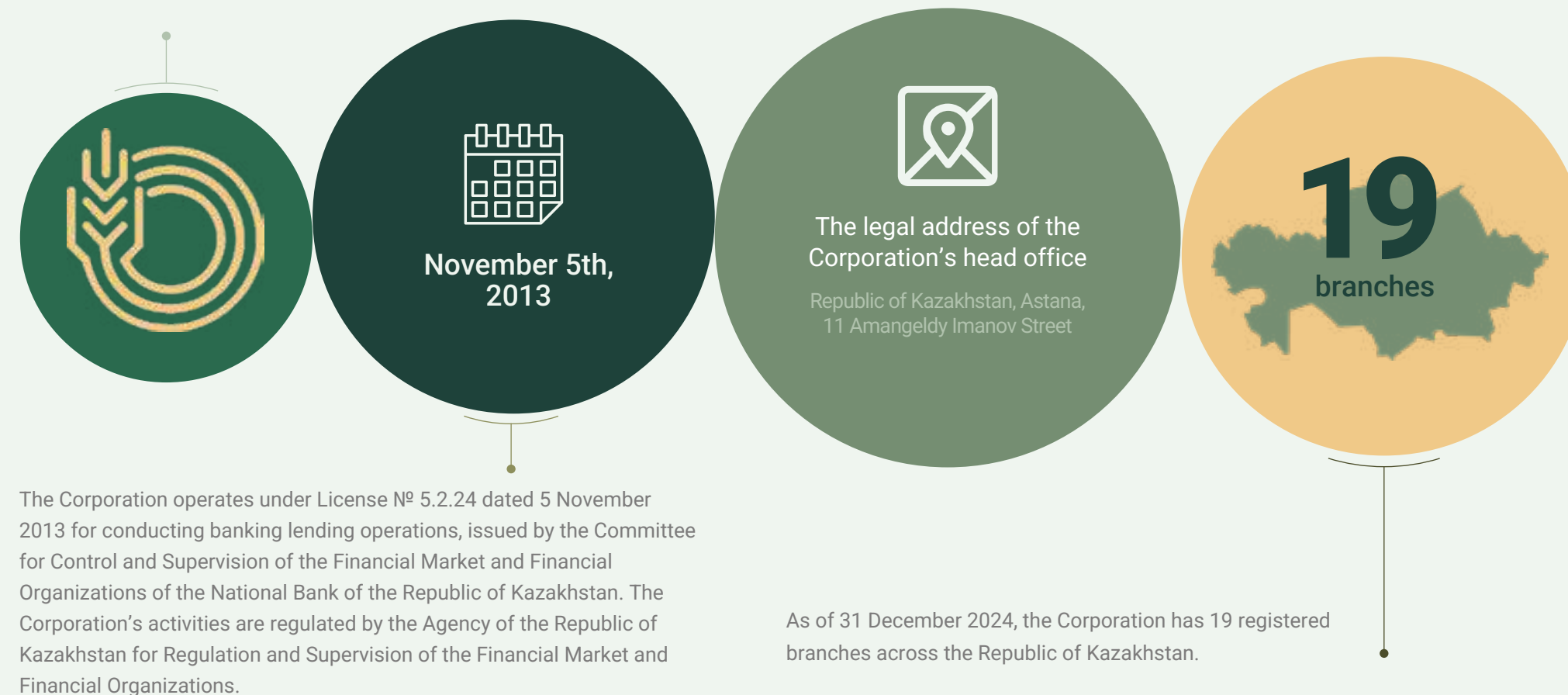


THE YEAR OF WORKING PROFESSIONS

Today, he heads the «Bereke 017» farming enterprise, where wheat, barley, and safflower are cultivated on 650 hectares.

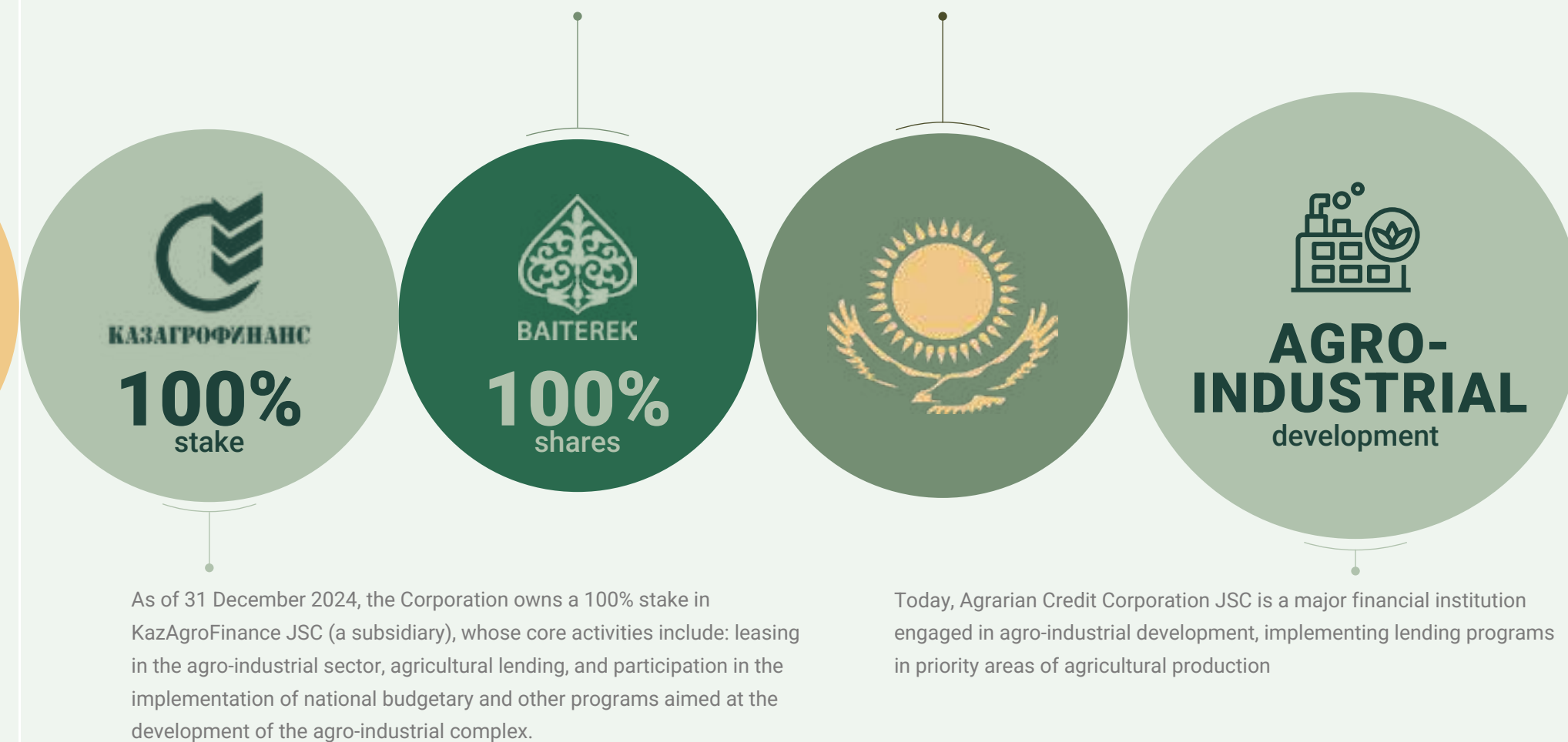
2.1. ABOUT THE CORPORATION

Agrarian Credit Corporation JSC is a quasi-governmental corporation acting as the financial operator of agro-industrial development programs. These programs are implemented through lending schemes provided either directly to agro-industrial entities or via financial institutions.



As of 31 December 2024, Baiterek National Managing Holding JSC owns 100% of the Corporation's shares.

The ultimate owner of the Corporation is the Government of the Republic of Kazakhstan.



As of 31 December 2024, the Corporation owns a 100% stake in KazAgroFinance JSC (a subsidiary), whose core activities include: leasing in the agro-industrial sector, agricultural lending, and participation in the implementation of national budgetary and other programs aimed at the development of the agro-industrial complex.

Today, Agrarian Credit Corporation JSC is a major financial institution engaged in agro-industrial development, implementing lending programs in priority areas of agricultural production

2.2. HISTORY

The Corporation was established by Resolution of the Government of the Republic of Kazakhstan dated 25 January 2001 № 137 “On Issues of Agricultural Sector Lending.”

At the time of establishment, the Corporation’s main objective was to create a network of regional financial institutions – rural credit partnerships – to provide small and medium-sized agricultural producers participating in the credit partnership system with access

to concessional credit resources from the national budget. This project proved successful, and in order to enhance the independence of credit partnerships, the Corporation later withdrew from their founding structure.



THE YEAR
OF WORKING
PROFESSIONS

His work goes far beyond sowing and calculations. It involves strategy, precision, and care for the future harvest. Alibek oversees every stage – from plowing the soil to calculating fertilizer rates. Behind his decisions lies the yield – and therefore, bread on people’s tables.



52
investment projects
have been funded

2001

Establishment of the Corporation. The primary objective was to build a credit partnership system (CP), providing agricultural producers with access to concessional financing from the national budget.

2002

The first 18 credit partnerships were created, comprising 833 participants. The first loan issued through a credit partnership amounted to 5 million tenge.

2006

The Corporation began financing a lending program for associations of agricultural producers and rural populations engaged in joint production, procurement, marketing, processing, storage, and transportation of agricultural products, as well as the supply of material and technical resources. A total of 147 socially entrepreneurial corporations were financed that year for a total of 12,25 billion tenge.

2009

THE CORPORATION LAUNCHED A LENDING PROGRAM FOR INVESTMENT PROJECTS FINANCED

by the National Fund of the Republic of Kazakhstan. As a result, 52 investment projects were financed for a total amount of 23,5 billion tenge.

2010

The Corporation began financing programs for enterprises engaged in the processing of agricultural raw materials.



2011

The Corporation was designated as the operator of the «Sybagha» program. The Corporation's role in implementing this program is to promote the involvement of small and medium-sized businesses in the development of beef cattle breeding, increase the share of beef cattle, and foster competition and infrastructure in the cattle reproduction market. Since the program's launch, over 4,0 thousand agricultural producers have been financed for a total of 50,6 billion tenge to purchase 272,3 thousand head of cattle.

2017

Lending processes were optimized: the list of required documents was reduced, and loan application review periods shortened. The financing limit for the branch network was increased to 1 billion tenge.



2019

By Resolution №459 of the Government of the Republic of Kazakhstan dated 28 June 2019, the Corporation was included among the operators of the «Economy of Simple Things» program, responsible for financing the development of the following sectors: crop production, horticulture, livestock (including poultry and pig farming), aquaculture, fishing, and malt production.

The financing
limit has been
increased to
1 billion
tenge

2021

On 18 March 2021, the Corporation became part of the group of companies of Baiterek National Managing Holding JSC. As part of its support measures for agricultural producers, the Corporation granted loan repayment deferrals to borrowers affected by severe drought, totaling 5,1 billion tenge, covering a significant portion of Kazakhstan's territory. On 13 December 2021, the Corporation was reorganized through the merger with the Agriculture Financial Support Fund JSC.

2022

As of 25 July 2022, the Corporation became the sole shareholder of KazAgroFinance JSC, holding a 100% ownership stake. The Corporation joined the United Nations Women's Empowerment Principles (WEPs) initiative. The Corporation received a corporate governance system assessment from the independent audit firm KPMG, scoring 87%, which aligns with the majority of leading practice recommendations.

2023

The Corporation's total volume of financing for the agro-industrial complex reached 554,7 billion tenge, surpassing the levels of previous years.

2024

THE «KEN DALA 2» PROGRAM WAS LAUNCHED TO FINANCE AGRO-INDUSTRIAL ENTITIES FOR SPRING FIELDWORK AND HARVESTING OPERATIONS.

The Corporation, including its subsidiary KazAgroFinance, provided more than 822 billion tenge in support to agro-industrial sector participants in 2024. Moody's Investors Service upgraded the Corporation's international credit rating from Baa3 to Baa2 with a «Stable» outlook (previously upgraded in 2023 from Ba1 to Baa3 with a «Positive» outlook). Fitch Ratings upgraded the international credit rating of the Corporation from «BBB-» to «BBB» with a «Stable» outlook. The Corporation received a corporate governance assessment from an independent audit firm, scoring 94,2%, which is in line with most leading practice recommendations.



2.3. MISSION AND VISION

On 27 December 2023, by decision of the Corporation's Board of Directors, the Development Strategy for 2024–2033 was approved.

According to the Strategy:

MISSION

Mission – to promote the sustainable development of the agro-industrial complex of the Republic of Kazakhstan by establishing an accessible and efficient financing system.

VISION

Vision – to be a key development institution in the agro-industrial sector, operating under an effective business model that supports industrialization, intensification, and diversification of the sector through the development of a sustainable and accessible financing system.

The Corporation conducts its activities in accordance with the following principles:

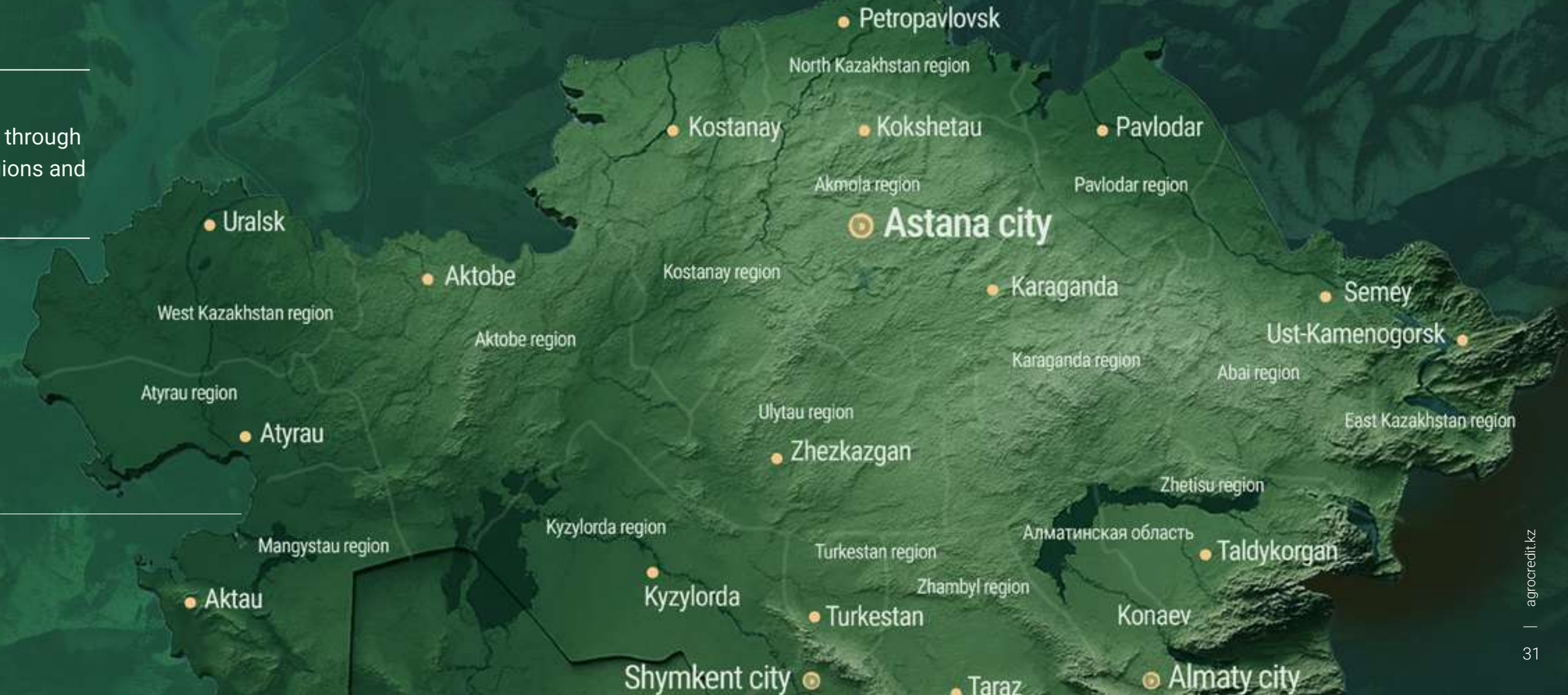


GEOGRAPHIC COVERAGE

The Corporation is represented in all regions of the Republic of Kazakhstan to ensure full execution of its functions. It operates through a well-developed network of regional branches located in all regions and cities of republican significance.

19

The regional network comprises 19 branches





THE YEAR
OF WORKING
PROFESSIONS

ALIBEK SULTAN

The development of the farm was made possible in part by support from the Agrarian Credit Corporation, whose financing enabled the modernization of machinery, expansion of sown areas, and improved operational efficiency.

Alibek believes that a farmer's labor is a blessing of the land. He encourages young people not to fear agriculture – for behind the plow lies a matter of honor.



POINT THE CAMERA TO WATCH
THE FULL INTERVIEW WITH
ALIBEK SULTAN

BUSINESS REVIEW

3.1. STRATEGIC DIRECTIONS OF ACTIVITY

The Corporation performs the functions of a development institution aimed at supporting the subjects of agro-industrial complex through direct lending, development of rural entrepreneurship, microfinancing mechanisms, leasing and cooperation.

The development strategy of JSC Agrarian Credit Corporation for 2024-2033 approved by the decision of the Board of Directors dated

December 27, 2023 № 14, is focused on the implementation of national priorities in the field of agrarian policy and sustainable economic growth.

« We are the creators of the Baisary sheep breed



THE YEAR
OF WORKING
PROFESSIONS

**KENZHEALI
MUGHALBAYEV**

Kenzheali Mughalbayev continues his father's work at the «Nurbolat» farm in Baydibek District, Turkistan Region.

Strategic goals and objectives of the Corporation’s development

FORMATION OF AN ACCESSIBLE AND EFFECTIVE FINANCING SYSTEM

- GOAL 1.1:

Increasing the coverage of agricultural entities with financial services
- TASKS:

1.1.1. Assistance to the institutional development of credit partnerships;
1.1.2. Involvement of STBs and other financial institutions in financing the agro-industrial complex.
- GOAL 1.2:

Development of financing instruments, including through the use of digital solutions
- TASKS:

1.2.1. Development and financing of ready-made agricultural business solutions/projects;
1.2.2. Implementation of digital solutions to support agricultural entities;
1.2.3. Development of an open API for integration by Fintech organizations, subsidy systems, insurance, and government agencies.

1

PROMOTING THE DEVELOPMENT OF A COMPETITIVE BUSINESS

- GOAL 2.1:

Support of priority areas in the agro-industrial complex
- TASKS:

2.1.1. Financing of investment projects, intensive production and high-value-added industries;
2.1.2. Stimulating the development of agricultural ecosystems and farms in rural areas.
- GOAL 2.2:

Promoting technological renewal in the agro-industrial complex
- TASKS:

2.2.1. Increasing the share of renewal of the machine and tractor fleet;
2.2.2. Digital transformation of KazAgroFinance.

2

IMPROVING OPERATIONAL EFFICIENCY

- GOAL 3.1:

Improvement of operational activities
- TASKS:

3.1.1. Business process optimization;
3.1.2. Automation of key business processes.
- GOAL 3.2:

Ensuring financial stability
- TASKS:

3.2.1. Maintaining an optimal level of profitability and liquidity;
3.2.2. Improvement of the risk management system.
- GOAL 3.3:

Improving the quality and transparency of corporate governance
- TASKS:

3.3.1. Improving corporate governance;
3.3.2. Human capital development;
3.3.3. Compliance with the principles of sustainable development.

3

The Corporation’s strategic key performance indicators for 2024

Key indicators of the Company’s Development Plan	Unit of measurement	Forecast for 2024	Actual	Annual performance, %
KI 1. The volume of lending to the AIC within the framework of the Company’s financing programs.	billion tenge	585,0	822,33	140,6
the volume of lending to the AIC within the framework of the Company’s financing programs (ACC)		400,0	598,14	149,54
the volume of lending to the AIC within the framework of the Company’s financing programs (KAF)		185,0	224,19	121,18
KI 2. The volume of investments in fixed assets in the agricultural sector (per year):	billion tenge	320,1	334,55	104,51
in agriculture (ACC)		130,7	109,53	83,80
in agriculture (KAF)		185,0	224,19	121,18
in the food production industry		4,4	0,83	18,90
KI 3. Revenue of enterprises that received support (for the year):	billion tenge	130,3	189,22	145,22
revenue of enterprises that received support (ACC) (per year)		115,2	169,25	146,92
revenue of enterprises that received support (KAF) (per year)		15,1	20,48	135,60
KI 4. The volume of export revenue of enterprises that received support (for the year):	billion tenge	4,6	13,20	284,55
the volume of export revenue by enterprises that received support (ACC) (for the year)		4,4	10,34	232,79
the volume of export revenue by enterprises that received support (KAF) (for the year)		0,2	2,87	1433,50
KI 5. The share of MSME entities that have received financial support to the total number of existing MSME entities in the market	%	2,9	5,0	172,59
The number of supported unique MSME entities through ACC (cons) instruments with accumulation in 2024	Unit	8868	14804	166,94
KI 6. The area of land with the use of moisture-saving technologies for irrigation, according to funded “green” projects (cumulative from 2024)	thousand hectares	1,6	4,58	286,25
KI 7. NPL 90+	%	9,00	8,40	Within the normal range
NPL 90+ (ACC)	%	8,80	9,06	
NPL 90+ (KAF)	%	9,29	7,2	
KI 8. The share of the loan and investment portfolio of total assets	%	73,3	73,58	100,4
the share of the loan and investment portfolio of total assets (ACC)	%	58,7	60,24	102,54
the share of the loan and investment portfolio of total assets (KAF)	%	87,1	86,58	99,37
KI 9. Business process automation	%	100	119,0	119,0

By the end of 2024, strategic targets were not only met but exceeded, demonstrating the effective implementation of the corporate strategy.

Key results:

- The total volume of lending to the agro-industrial complex amounted to 822,33 billion tenge, against a plan of 585 billion tenge – 140,6% execution;
- Investments in fixed capital of the agro-industrial sector through the Corporation and its subsidiary reached 334,55 billion tenge, representing 104,5% of the planned target;
- Revenue of enterprises that received support amounted to 189,22 billion tenge – 145,2% of the plan;
- Support for export-oriented enterprises was achieved at 284,5% of the target;
- The share of SMEs supported by the Corporation reached 5,0%, exceeding the planned value of 1,7%;
- The number of supported SMEs through the Corporation’s instruments amounted to 14 804 units, against the target of 8 868 – 166,9% execution;
- Irrigated areas using water-saving technologies exceeded the plan by 2,9 times – 4,58 thousand ha versus the target of 1,6 thousand ha;
- The level of overdue loans in the credit portfolio (NPL 90+) remained within regulatory limits;
- The share of the credit and investment portfolio in total assets met or exceeded the target;
- Business process automation reached 119% of the target level.

These results confirm the Corporation’s sustained growth in scale of operations, its contribution to supporting the agro-industrial complex, and its high level of achievement in implementing strategic objectives.

3.2. BUSINESS MODEL

The Corporation implements state policy aimed at building an accessible lending system that stimulates the development of competitive entrepreneurship in rural areas. The core operational principle of the Corporation is to provide agricultural producers with access to affordable financial resources.

To reduce dependency on budgetary funds, the Corporation diversifies its funding sources by attracting capital from domestic capital markets. Within its targeted business model, two lines of activity are defined: direct and indirect lending to agro-industrial sector entities.

The Corporation provides financing for investment projects that have a significant socio-economic impact on the agro-industrial complex. Lending to agro-industrial entities is carried out under preferential terms within the framework of state programs, as well as using both own and borrowed funds.

The Corporation also participates in the development of a risk insurance system for the agro-industrial sector, which enhancing the protection of agricultural producers' property interests and improve access to financing for sector participants. The Corporation acts as an operator in the agricultural insurance system, subsidizing 80% of insurance premiums and overseeing the operation of the online insurance information system.

Development of the SMART-AKK Digital Platform: Lending Process Automation.

Throughout 2024, extensive work was carried out under the SMART-AKK project to digitalize lending and client servicing processes.

The implemented activities enabled the creation of a unified platform integrating key automation modules:

- a mobile application channel was developed and launched;
- functionality for online collateral inspections and remote contract signing was implemented;
- scoring, financial analysis, collateral evaluation, and electronic loan file generation processes were automated;
- integration with 90 external services was ensured, including legal and appraisal systems.

As a result of these advancements, the following outcomes were achieved:

- the loan application review period was reduced from 26 to 7 days;
- 70% of technical work on the platform was completed;
- the transition from paper-based to digital document workflows was ensured, including electronic registration and document signing.

A new customer journey was also developed, minimizing client involvement in offline processes and significantly reducing time and administrative costs at all stages of the lending cycle.

SMART-AKK has become a key tool for improving the efficiency, transparency, and accessibility of financial products offered by the Corporation and laid the groundwork for further automation in 2025.



3.3. EXISTING FINANCING PROGRAMS

SASB FN-CB-240a.1

The Ken Dala Program - lending to agricultural enterprises for spring sowing and autumn harvesting.

Financing channels	Loan amount	Remuneration rate	Loan term
<ul style="list-style-type: none">• Credit partnerships;• Microfinance organizations;• Second-tier banks;• Regional investment centers.	From 1 million to 10 billion tenge (for financial institutions)	5% per annum (APR – from 5% per annum) (when lending to borrowers through credit partnerships, regional investment centers, microfinance institutions, and second-tier banks – margin not exceeding 3,5%)	Until 10 March of the year following the year of financing



IN 2024, LOANS IN THE AMOUNT OF 140 BILLION TENGE WERE ISSUED UNDER THIS PROGRAM

The «Ken Dala 2» program - lending to agricultural enterprises for spring sowing and autumn harvesting.

Financing channels	Loan amount	Remuneration rate	Loan term
<ul style="list-style-type: none">• Direct Borrowers;• Credit Partnerships (CPs);• Second-Tier Banks (STBs);• Microfinance Institutions (MFIs);• Regional Investment Centers (RICs);• Socio-Entrepreneurial Corporations (SECs).	For direct borrowers, STBs, MFIs, RICs – up to 25% of the Corporation’s equity; For credit partnerships – no more than 15 billion tenge; For SECs – no more than 75 billion tenge.	5% per annum (APR – from 5% per annum) for direct borrowers; 1,5% per annum (APR – from 1,5% per annum) for CPs, STBs, MFIs, RICs, and SECs (when lending to borrowers through CPs, STBs, MFIs, RICs, and SECs, the margin must not exceed 3,5%)	Until 1 March of the year following the year of financing, for a period of no more than 18 months.



IN 2024, LOANS IN THE AMOUNT OF 281.6 BILLION TENGE WERE ISSUED UNDER THIS PROGRAM.

The Agribusiness program provides loans to credit partnerships, agricultural enterprises for replenishment of working capital, purchase of fixed assets, including modernization of facilities, for construction and installation work and reconstruction.

Financing channels	Loan amount		Remuneration rate	Loan term
	Minimum amount:	Maximum amount:		
<ul style="list-style-type: none">• Direct borrowers;• Credit partnerships;• Leasing companies;• Second-tier banks;• Microfinance organizations;• Regional investment centers;• Social and entrepreneurial corporations.	from 1,000,000 tenge (for NF RK and DKZ – from 50 million tenge).	Investment projects of borrowers/ groups of borrowers – up to 15 billion tenge; Other projects of direct borrowers/ groups of borrowers that are not classified as investment projects – up to 15 billion tenge per project; For credit partnerships (CPs) – up to 10 billion tenge; For socio-entrepreneurial corporations (SECs) – up to 75 billion tenge.	Base rate of the National Bank of the Republic of Kazakhstan (NBRK) plus 7,5% per annum (APR – from the NBRK base rate plus 7,5% per annum) For CPs, MFIs, STBs, EDB, LCs, CICs – NBRK base rate + 3,5% per annum (APR – from the NBRK base rate plus 3,5% per annum) (when lending to borrowers through CPs/STBs/ EDB/LCs/CICs – margin not exceeding 4%; when lending through MFIs – margin not exceeding 10%, excluding the cost of remuneration for the guarantee provided by STBs/ EDB as collateral to MFIs/LCs) Attracted funds (via bond issuance): – For direct borrowers – 5% per annum (APR – from 5% per annum) –For CPs/STBs/MFIs/CICs/SECs – 1,5% per annum (APR – from 1,5% per annum) (when lending to borrowers via CPs/STBs/MFIs/CICs/SECs – margin not exceeding 3,5%)	<ul style="list-style-type: none">• up to 120 months;• for working capital financing – 48 months;• for working capital financing using attracted funds (via bond issuance) – up to 12



IN 2024, LOANS TOTALING 164,49 BILLION TENGE WERE ISSUED UNDER THIS PROGRAM

«Isker» Program – lending for the production and processing of agricultural products; lending to agricultural cooperatives for the organization of service and procurement activities in the meat, dairy, and fruit and vegetable sectors; and support for the development of non-agricultural businesses in rural areas.

Financing channels	Loan amount	Remuneration rate	Loan term
<ul style="list-style-type: none">• Direct Lending;• Credit Partnerships (CPs);• Microfinance Institutions (MFIs).	Up to 8,000 Monthly Calculation Indexes (MCI)	6% per annum (APR – from 6% per annum). For members of low-income and/or large families – 4% per annum (APR – from 4% per annum)	Up to 60 months for all projects; Up to 84 months for livestock projects.

In 2024, loans totaling 12,1 billion tenge were issued under this program



Insurance

The objective of developing the insurance system in the agricultural sector is to enhance the protection of property interests of agricultural producers, including improving access to financing for agro-industrial complex (AIC) entities.

Since January 2020, the system has transitioned from mandatory to voluntary insurance. Amendments were introduced to the Law of the

Republic of Kazakhstan «On State Regulation of Development of the Agro-Industrial Complex and Rural Areas» dated 8 July 2005 № 66-III. The insurance system in the AIC is implemented within the framework of budget program 250 «Enhancing the Accessibility of Financial Services» subprogram 108 «Support for Insurance in the Agro-Industrial Complex». The administrator of this budget program is the Ministry of Agriculture of the Republic of Kazakhstan.

The voluntary insurance system in the AIC provides state support in the form of subsidies covering 80% of the insurance premiums, making insurance policies more affordable for agricultural producers.

As part of state support measures for the insurance system in the AIC, the remaining balance of budgetary funds allocated for subsidizing insurance premiums in 2020–2023 amounted to 3,3 billion tenge as of the beginning of 2024.

The Corporation has been designated as the Operator in the AIC insurance sector and performs the following functions:

Procurement of services to ensure access to and maintenance of the insurance information system. Support for the purpose of ensuring the online insurance process on the information service hosted on the Kezekte.kz platform.

Administration of the process for distributing budget funds by ensuring timely payment of premium subsidies under insurance contracts concluded between the insurer and the policyholder.

Development, examination and approval of insurance products subject to subsidies, including those developed by insurance companies. Organization of the work of the Expert Council of JSC «Agrarian Credit Corporation» on issues of insurance development in the agro-industrial complex.

Currently, 16 insurance products are available in crop and livestock sectors that qualify for partial premium subsidization. These insurance products are developed by insurers licensed to carry out activities in the field of “general insurance.” The new insurance system allows for a wide variety of insurance products, which may be developed in response to market demand by industry, sub-sector, natural hazards, combinations thereof,

economic risks, and so on.

In 2024, a total of 463 insurance contracts were concluded in the AIC sector.

In crop production, 286 contracts covered 564 thousand hectares of cultivated land. The total insurance premium amounted to 3,5 billion tenge, of which 2,8 million tenge was subsidized.

In livestock, 159 contracts insured 43 thousand heads of livestock, and 18 contracts covered 4 580 thousand heads of poultry. The total premium amounted to 0,5 billion tenge, of which 0,4 billion tenge was subsidized.

In total, under all insurance contracts in 2024, insurance companies paid out 0,78 billion tenge in claims due to insured events.

For reference:

By orders of the Chairman of the Management Board of the Corporation:

- Order № 1680-Ө dated 26 February 2024 approved new terms for index insurance products for soil moisture deficit for the 2024 sowing season for grain and oilseed crops.
- Order № 1780-Ө dated 9 April 2024 approved new terms for index insurance products for excess soil

moisture for the 2024 sowing season for grain and oilseed crops.

- Order № 2026-Ө dated 23 August 2024 approved new terms for the soil moisture deficit insurance product for winter crops for the upcoming sowing season.
- Order № 2360-Ө dated 4 December 2024 approved new terms for index insurance products for soil moisture deficit for the 2025 sowing season for grain and oilseed crops.

- Order № 2467-Ө dated 30 December 2024 approved new terms for index insurance products for excess soil moisture for the 2025 sowing season for grain and oilseed crops.

3.4. ANTI-CORRUPTION COMPLIANCE AND ANTI-CORRUPTION MEASURES

GRI 2-15, 2-25

The Corporation places high value on its reputation as a reliable and transparent development institution in the agro-industrial sector and recognizes that clients expect honest, fair, and

impartial execution of its responsibilities and the implementation of public policy. To this end, the Corporation has established an Anti-Corruption Compliance Service, which monitors compliance

with the laws of the Republic of Kazakhstan, anti-corruption standards, internal and external rules and procedures, core ethical business principles, and the corporate governance system.

In line with the requirements of the legislation of the Republic of Kazakhstan on combating corruption, the Corporation has developed a number of internal regulatory documents governing its operations:

- Anti-Corruption Policy;
- Whistleblowing Policy;
- Compliance Policy;
- Anti-Corruption Standards;
- Internal Control Rules for Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT);
- Compliance Risk Management Procedure.



The main functions of the Anti-Corruption Compliance Service include the prevention and detection of money laundering, terrorism financing, and corruption; effective resolution of conflicts of interest; and monitoring of

compliance by employees with the Corporation's code of professional ethics. In order to define procedures for preventing and resolving corporate conflicts and conflicts of interest, to ensure timely identification of their causes and resolution,

and to coordinate actions across all levels of the Corporation, the Rules on the Settlement of Corporate Conflicts and Conflicts of Interest have been approved.

As a socially responsible entity, the Corporation is committed to transparency and a zero-tolerance approach to corruption.

As part of its operations, the Corporation systematically implements anti-corruption efforts through a comprehensive set of activities. The Corporation adheres to the principle of the inevitability of disciplinary measures for employees – regardless of their position – if they commit corruption-related offenses in the course of their duties.

In 2024, the Corporation implemented the following anti-corruption measures:

1. Internal corruption risk analysis was conducted for the period from 01.01.2023 to 31.12.2024.
2. On 11 October 2024, the Corporation successfully passed the second surveillance audit under the ISO 37001:2016 standard.
3. On 5 July 2024, the Corporation's Anti-Corruption Compliance Service conducted a training session involving risk coordinators and internal control coordinators (including alternates in branches and structural units) on the topic: «Risk Management Systems and Combating Money Laundering, Terrorist Financing (AML/CFT), Corruption, and Fraud»
4. Anti-corruption monitoring is conducted on a quarterly basis.
5. Continuous analysis is carried out to assess the quality of responses to complaints received from service recipients and other parties.

3.5. INFORMATION SECURITY

The Corporation operates an Information Security Service (hereinafter – ISS), which functions as part of the Security Department and reports to the Director of the Department.

The activities of the ISS are governed by the “Information Security Policy” approved by Resolution № 1 of the Board of Directors of the Corporation dated 30 January 2021.

The ISS continuously undertakes measures to prevent the leakage of confidential information, improve the protection systems of the information infrastructure, and ensure compliance with information security requirements in accordance with the resolutions of the Management Board of the National Bank of the Republic of Kazakhstan and the recommendations of the Agency of

the Republic of Kazakhstan for Regulation and Development of the Financial Market. Employees of the Corporation bear personal responsibility for maintaining the confidentiality of information and are required to comply with these standards.

Annual activities are conducted in accordance with the plan for minimizing information security incidents, aimed at reducing information security risks. A data loss prevention system is also in operation, which enables timely detection and prevention of potential breaches.

To raise awareness of information security, the ISS conducts annual training for Corporation employees and subsequently assesses their knowledge of the Information Security Policy through testing.

In addition, continuous monitoring of the information system is carried out to prevent unauthorized access. Access requests to the information system undergo multi-level approval and verification to ensure the necessity and justification of such access.



THE YEAR
OF WORKING
PROFESSIONS

His family has been raising sheep for over 30 years, and in 2021 they began breeding a new meat-and-wool sheep breed – Baisary. Today, the farm keeps 3,000 sheep, half of which belong to this new breed.



THE YEAR
OF WORKING
PROFESSIONS

KENZHEALI MUGHALBAYEV



POINT THE CAMERA TO WATCH
THE FULL INTERVIEW WITH
KENZHEALI MUGHALBAYEV

In December 2023, the family officially registered the Baisary breed and received a patent, becoming its authors. These sheep are distinguished by strong builds, well-developed fat rumps, and rapid weight gain—reaching up to 120 kg within a year.

The development of the farm and establishment of a full-fledged breeding base were made possible with the support of the

Agrarian Credit Corporation. The financing allowed them to expand the flock, improve infrastructure, and ensure the sustainability of the business.

Kenzheali proudly speaks about his work. For him, farming is not just a family tradition but a contribution to the development of Kazakh animal husbandry. He believes Baisary is a national achievement.

INDUSTRY ANALYSIS

Agriculture is a strategically important sector of Kazakhstan's economy, ensuring food security, rural employment, and export potential.

Despite its contribution to GDP being approximately 5%, the sector engages a significant portion of the population and plays a key role in the sustainable development of the regions. The industry faces challenges related to climate conditions, deteriorating infrastructure, and limited access to financing.

The Corporation plays a critical role in the system of state support for the agricultural sector. Its main objectives include:

- provision of affordable financing to agricultural producers;
- financing of seasonal fieldwork;
- support for investment projects in the agro-industrial complex;

- implementation of subsidy mechanisms and preferential leasing through subsidiary organizations.

The Corporation contributes to the modernization and increased productivity of agriculture, as well as to strengthening the financial stability of farmers and agricultural cooperatives.

« I had to understand the whole system, study it, get used to it »



THE YEAR
OF WORKING
PROFESSIONS

**YERZHAN
KOSSHYGULOV**

Tomatoes grown under the «Dobrogyadka» brand ripen year-round at the Eurasian Green Product greenhouse complex.



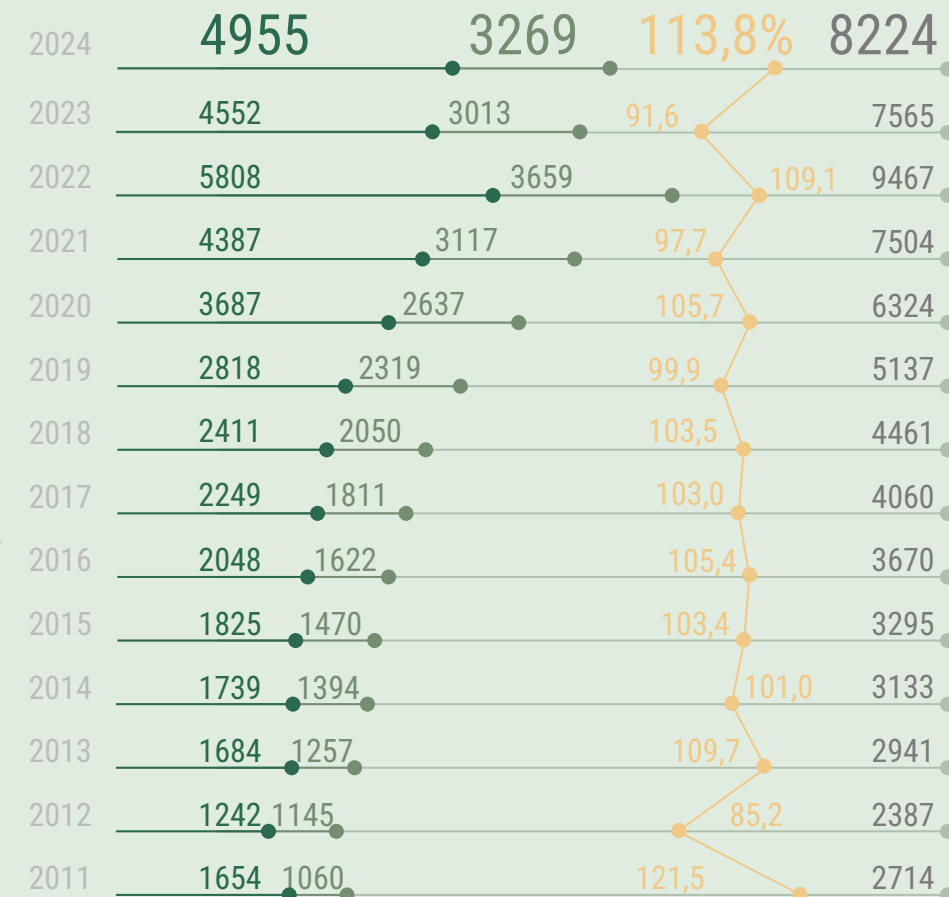
4.1. CURRENT SITUATION IN THE AGRO-INDUSTRIAL COMPLEX

The gross output of agricultural products (excluding services) in all types of farms in Kazakhstan has generally shown a positive trend since 2012.

Dynamics of agricultural production, billion tenge

● Crop production ● Agricultural
● Animal husbandry — Physical volume index, %

* Preliminary data for January–December 2024
Source: Bureau of National Statistics, Agency for Strategic Planning and Reforms of the Republic of Kazakhstan



Against the backdrop of consistent growth in livestock production, crop production remains highly dependent on natural and climatic conditions, which lead to fluctuations in yields of major crops.

The main sown areas in the country are allocated to grain crops, with wheat being predominant. In 2024, wheat accounted for 13,2 million hectares or 79% of grain crops (which is 57% of all sown agricultural areas). Wheat production volumes

exceed national consumption levels, and the surplus is exported. Kazakhstan traditionally ranks among the world's leading exporters of grain and flour.

Despite the positive trends, Kazakhstan's agriculture is characterized by a number of structural problems.

LOW LABOR PRODUCTIVITY

SMALL-SCALE PRODUCTION IN THE AGRO-INDUSTRIAL COMPLEX

THE MAIN CONSTRAINTS IN THE LIVESTOCK SECTOR

CERTIFICATION OF PRODUCTION

1. Low labor productivity is due to low crop yields and livestock productivity, the use of outdated and labor-intensive technologies, and weak innovation activity among sector participants

The country’s agriculture possesses a significant but insufficient fleet of tractors, harvesters, and other agricultural machinery (hereinafter – agricultural machinery).

As of 1 January 2025, according to data from

the Ministry of Agriculture of the Republic of Kazakhstan, there were 569 863 units of agricultural machinery in Kazakhstan, compared to 657 413 units as of 1 January 2024 (a decline of 87 550 units during 2024).

Data analysis indicates that the share of agricultural machinery that is more than 10 years old exceeds 60% for certain types:

Structure of depreciation of agricultural machinery in Kazakhstan

Name	Availability of agricultural machinery in the RK as of 01.01.2025	Number of purchased agricultural machinery in the RK for 10 years	Share of agricultural machinery operated for more than 10 years, %
Tractors	138 887	43 456	68,7%
Grain harvesters	30 866	11 126	64%
Forage harvesters	1 255	325	74,1%
Sowing complexes	5 623	2 339	58,4%
Harvesters	17 086	3 324	80,5%
Planters	70 671	12 909	81,7%

For 2024, the volume of the market of agricultural machinery in the Republic of Kazakhstan amounted to 22,133 units (in 2023, the volume of sold agricultural machinery amounted to 19,627 units, an increase of 2,506 units), including through a subsidiary organization leased 10,543 units of agricultural machinery, thus the share of the subsidiary organization in the market of agricultural machinery is 47.6%.

The market volume of agricultural machinery is

22 133 units

The share of the subsidiary is

47,6%



Modernization of agricultural machinery and the share of subsidiaries in 2024

Name	2024
Availability of agricultural machinery fleet in Kazakhstan, total	569 863
including main types	248 772
Purchased agricultural machinery in Kazakhstan, total	22 133
including main types	11 025
Agricultural machinery purchased by the subsidiary organization, total including main types	10 543
including main types (Tractors, Combines, Seeders, Sowing complexes)	6 061
Share of the subsidiary organization in the purchase of agricultural machinery, total	47,6%
including main types	55,0%

2. Small-scale production in the agro-industrial complex.

In 2024, 44% of livestock and poultry, 61% of cow's milk, 40% of potatoes, 56% of tomatoes and 55% of cucumbers were produced in private subsidiary farms.



THE YEAR OF WORKING PROFESSIONS

Over a hundred specialists work here, and each one is a vital link in the quality chain. Yerzhan Koshygulov is a driver of an electric tractor, responsible for the careful transportation of the harvest.

3. The main constraints in the livestock sector include:

- a low share of breeding stock. For example, in 2024, the share of breeding stock in total cattle (Cattle – C) population was 13%, and in the small ruminant (Sheep and Goats – SR) population 14%;
- concentration of livestock in household farms, where up to 45% of the total livestock population is located, depending on the species;
- a weak reproductive base for the rapid reproduction of highly productive livestock;
- insufficient feed production volumes to meet the needs of the livestock sector.

4. Certification of production in accordance with importing countries' requirements remains a relevant issue.

Given the proximity of major consumer markets such as China and Central Asian countries, the highest export growth potential lies in the production of beef, lamb, and pork.

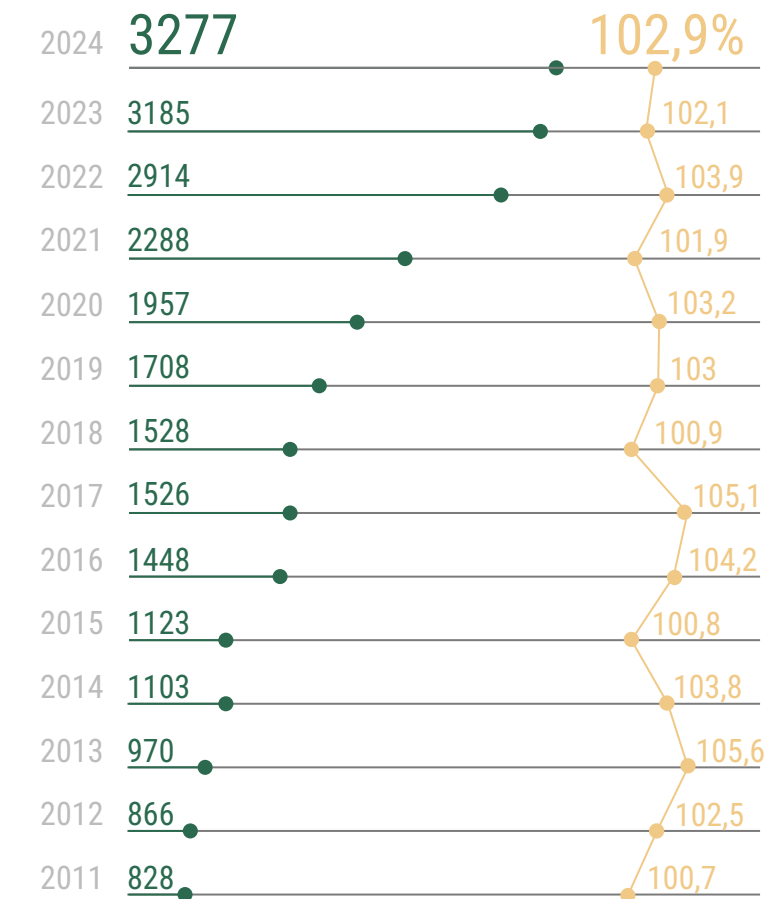
The food processing industry shows stable annual growth in the volume of food production.

Food production, billion tenge

● Food products, billion tenge
● Physical production index, %

* Preliminary data for January–December 2024 (physical production index, % compared to the same period of the previous year)

Source: Bureau of National Statistics, Agency for Strategic Planning and Reforms of the Republic of Kazakhstan



Growth in the sector is supported by government support measures implemented through national development programs, which contributed to an increase in investment in fixed capital by a factor of 3,2 from 2013 to 2024 (from 6 072,0 billion tenge to 19 375,0 billion tenge).

Kazakhstan’s food industry is characterized by increasing competition from producers in the Eurasian Economic Union.

Despite the availability of raw materials such as meat, fat, vegetables, and others, the country shows a high share of imports for a number of food products. In 2024, the import share amounted to 40,8% for sausages, 47,4% for canned meat,

17,2% for vegetable oils, 86,1% for fruit and vegetable preserves, and 27,5% for poultry meat. Import dependency also remains high for cheese and cottage cheese (49,7%) and powdered milk (80,8%)

The competitiveness of domestic food producers is negatively affected by the following factors:

Underdeveloped infrastructure for procurement, transportation, storage, and distribution of raw materials.

Monopolization by retail chains.

Outdated equipment.

Lack of working capital for seasonal raw material purchases.

Low quality of domestic raw materials, which complicates industrial processing.

Low level of adoption of new and innovative technologies.

Presence of low-cost, low-quality imported food products in the domestic market.

4.2. SUPPORT FOR AGRICULTURAL PRODUCERS AS A DRIVER OF SECTOR DEVELOPMENT

The primary category of service recipients in the AIC sector supported by the Corporation consists of peasant and farming households, as well as agricultural enterprises.

As of the beginning of 2025, the following were registered in Kazakhstan as agricultural producers:

1 604 746 household farms, 260 335 peasant and farming households, 18 065 individual entrepreneurs, and 20 992 legal entities.

In total, as of the beginning of 2025, the loan portfolio of the Corporation and its subsidiary consists of more than 78.3 thousand end borrowers,

of which about 56.0 thousand were financed directly and about 22.3 thousand - through funding from the Corporation of second-tier banks (STB), credit partnerships (CP) and microfinance institutions (MFIs), which are the main sources of credit resources for entities in the agro-industrial complex.

In recent years, the Corporation JSC and KazAgroFinance JSC have become the primary lenders in the agricultural credit market.

Volume of agricultural lending by the Corporation (including KazAgroFinance) and second-tier banks, billion tenge

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Corporation (including Subsidiary)	161,2	168,8	224,3	245,7	385,2	448,6	445,7	464,2	528,1	554,7	822,3
STB (net of Corporation funding)	450,6	159,7	198,2	139,2	76,4	88,8	138,2	240,5	246	311,9	301,1
TOTAL	611,9	328,4	422,5	384,9	461,7	537,5	583,9	704,6	768,3	866,6	1 123,4

* data of the BVU excluding funding from the Corporation

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan and Action Plan of NMH Baiterek JSC

Between 2014 and 2024, there was a significant increase in the volume of agricultural lending, with a particularly notable rise in the role of the Corporation and its subsidiary KazAgroFinance JSC. In 2014, the total volume of agricultural lending amounted to approximately 612 billion tenge, of which only 161,2 billion tenge was accounted for by the Corporation. By 2024, this figure had grown to 822,3 billion tenge, while the volume provided by second-tier banks (STBs)

amounted to 301,1 billion tenge, representing about 36% from agro-credit's total. Against the backdrop of declining or stagnating lending activity by STBs (excluding funds received from the Corporation), financing through government instruments has demonstrated steady growth. This trend has become particularly evident since 2020, underscoring the increasing importance of the Corporation as a systemically important institution for supporting the

agricultural sector. It is important to note that the share of agriculture in the structure of the country's GDP has remained relatively unchanged since 2013 (in 2013 – 4,5%, in 2024 – 5% according to preliminary data). At the same time, the share of agriculture in the loan portfolio of STBs as of the end of 2024 amounted to only 3,5%, indicating substantial underfinancing of the sector by commercial banks.

In 2025, it is planned to increase the authorized capital of Baiterek National Managing Holding JSC in order to further increase the authorized capital of Agrarian Credit Corporation JSC by 50 billion tenge, with the aim of developing domestic production, reducing import dependency, and enhancing the export potential of the agro-industrial complex.

At the same time, the Corporation will continue financing investment projects in priority areas, including: processing of agricultural

products and food production (with a focus on socially important food items); development of irrigation systems (sprinkler systems, irrigation infrastructure, and drip irrigation); industrial greenhouses (to reduce seasonal fluctuations in vegetable prices); infrastructure development (packaging, storage, transportation); industrial-scale feed production; and the acquisition of agricultural machinery and equipment.

The Corporation's business process automation efforts will continue in line with best practices

and financial service standards.

Overall, the Corporation will maintain its focus on financing agricultural producers and supporting rural development. The pace of agricultural and agro-industrial sector financing will be sustained based on the level of funds allocated through the national planning system.

In addition to the above-mentioned measures, special attention should be given to the renewal of agricultural machinery.

The growth of agricultural lending by STBs is constrained by the following factors:

1. Conservative assessment of sectoral risks in agricultural production, partly due to weak risk assessment methodologies, limited experience in financing agricultural projects, and defaults by large grain holding companies.
2. Lack of effective instruments for hedging agricultural risks.
3. Low liquidity of collateral in rural areas, particularly due to underdeveloped markets for land and land use rights, which represent the main collateral for many agricultural producers.
4. Shortage of long-term funding sources in tenge, which are necessary for financing projects with extended payback periods.
5. Higher interest rates on loans compared to those offered by the Corporation.
6. High costs associated with the development and maintenance of a regional presence in rural areas.

According to the Address of the President of the Republic of Kazakhstan, Kassym-Jomart Tokayev, to the people of Kazakhstan titled

«The Economic Course of a Just Kazakhstan» dated 1 September 2023, it is necessary to increase the annual renewal rate of agricultural machinery to 8–10% to enhance the efficiency of the agro-industrial complex. Achieving this target, along with the renewal of specialized machinery and equipment through leasing, will ensure access to modern technologies for agricultural producers, increase labor productivity, and reduce production costs—key drivers of sectoral development.



THE YEAR
OF WORKING
PROFESSIONS

YERZHAN KOSSHYGULOV



POINT THE CAMERA TO WATCH
THE FULL INTERVIEW WITH
YERZHAN KOSSHYGULOV

He ensures the tomatoes are delivered in perfect condition – undamaged, clean, and flawless. He doesn't just transport boxes; he treats every tomato like a treasure. At first, it was not easy.

«I had to understand the whole system, study it, get used to it.» Yerzhan recalls. «But once I learned, I started truly enjoying my work.»

The greenhouse complex was built with the support of Agrarian Credit Corporation, which provided financing as part of the government

program for agro-export development. This enabled the launch of a modern facility, the implementation of advanced technologies, and stable employment for over a hundred people.

Work like Yerzhan's requires honesty, precision, and responsibility. Thanks to people like him, Kazakhstani products are successfully exported, and the brand earns consumer trust. In his work, there is no room for chance – only dedication, attention, and love for the craft.

SUSTAINABLE DEVELOPMENT

2-7, 2-8, 2-13, 2-14, 2-16, 2-23, 2-24, 2-26, 2-27, 2-29, 201-1, 201-4, 303-5, 401-1, 402-1, 403-1, 403-5, SASB FN-CB-410a.2

According to the definition provided by the Food and Agriculture Organization (FAO) of the United Nations, agribusiness is considered a “collective entrepreneurial activity carried out from farm to fork.” In other words, it encompasses the entire production chain from farmer to consumer, creating a broad and diversified stakeholder structure.

When analyzing direct economic indicators – such as profitability, production diversification, and productivity growth – it is also essential, in the context of a sustainability report, to assess the Corporation’s indirect impact on the socio-economic development of regions. This includes considering aspects of food and environmental security, as well as the effects on

local communities and natural resources such as land, water, and biodiversity. As part of the Kazakhstan – 2050 strategy, the government of the Republic of Kazakhstan established a new agency responsible for the country’s water resources. The agro-industrial sector is undergoing a comprehensive transition toward water-saving technologies.

In accordance with the Development plan of JSC «National Managing Holding Baiterek,» approved by Government Decree №. 849 dated 30 November 2021, priority is given to projects aligned with the UN Sustainable Development Goals and those that have a substantial impact on the sustainable socio-economic development of Kazakhstan.



To ensure a system of safety management in line with the UN Global Compact and the UN Principles for Responsible Investment, the Corporation incorporates the following SDGs into its agricultural financing activities:

SDG 6:

Ensure availability and sustainable management of water and sanitation for all;



Since these Sustainable Development Goals are embedded in the national planning system documents (Kazakhstan – 2050 Strategy, JSC «National Managing Holding Baiterek» Development plan), the Corporation finances

SDG 7:

Ensure access to affordable, reliable, sustainable, and modern energy for all, including through the use of solar, wind, and hydropower sources;



agricultural projects aimed at minimizing environmental and social risks and reducing harmful impacts on the environment. These projects focus on the development and adoption of resource-saving technologies, sustainable

SDG 12:

Ensure sustainable consumption and production patterns, including the responsible use of natural resources such as water and soil, prevention of land degradation, and enhancement of soil fertility and water conservation.



water use, measures to combat land degradation, the use of organic fertilizers, agrotechnical treatment of pasture lands, and the creation of new jobs to improve rural incomes.

The Corporation is a member of the National ESG Club, actively promoting sustainable development principles in Kazakhstan.



The Corporation has an up-to-date version of its Environmental and Social Policy, which mandates the integration of environmental, social, and governance (ESG) factors in the evaluation of

investment projects. The Policy includes a provision for the possible rejection of projects that do not align with ESG principles, as stipulated in the Corporation’s internal regulations. During the project appraisal stage, a preliminary assessment is carried out to determine the client’s adherence to responsible lending principles. This approach is designed to minimize environmental and social risks and enhance the resilience of the Corporation’s project portfolio.

A dedicated «Sustainable Development» section is available on the Corporation’s official website, containing detailed information on the Corporation’s sustainability-related activities.

Furthermore, the Corporation has adopted a Green Finance Policy (approved by the Board of Directors at an in-person meeting held on 30 April 2024, Minutes № 5).

This Policy is unique for both the Corporation and its subsidiary, as it covers the full cycle of green finance activities – from project selection to external evaluation and annual reporting. It establishes clear and transparent mechanisms

for the use of green instruments, such as green bonds and green loans, with mandatory alignment to the approved Taxonomy, the performance standards of the International Finance Corporation (IFC), and the requirements of the European Bank for Reconstruction and Development (EBRD).

A key feature of the Policy is the integration of sustainable development principles, including ESG and the United Nations Sustainable Development Goals. The Policy requires applicants and borrowers to manage environmental and social risks and to consider stakeholder engagement during project implementation. Special attention is given to transparency in the investment process and social accountability – only those projects that contribute to improving living conditions and protecting the environment are eligible for financing.

The Policy also provides for the possibility of obtaining external certification under international standards, including the Climate Bonds Standard, in cooperation with the Green Finance Centre of the Astana International Financial Centre (AIFC).

The Policy is subject to regular updates to reflect changes in legislation and international best practices. It applies not only to the Corporation’s operations but also to its subsidiaries, ensuring a unified approach to green finance within the framework of the entire joint-stock company «National Management Holding «Baiterek».

Sustainability management within the Corporation is integrated into the overall governance framework. The Board of Directors provides strategic oversight and monitors the implementation of sustainability principles.

The Strategic Planning and Risk Committee is responsible for coordinating sustainability activities. The Management Board approves the relevant action plan on sustainable development.

Structure of sustainable development management in a corporation



The head of the structural unit overseeing sustainability is accountable for ensuring the proper implementation of the Policy.

The structural divisions of the Corporation implement measures in the field of sustainable development. The heads of the relevant structural divisions are personally responsible for the implementation of measures in the field of sustainable development in accordance with their competencies. The structural divisions of the Corporation provide information on the results

of the implementation of measures in the field of sustainable development, as well as information for inclusion in the annual report and the report on the sustainable development of the Corporation. At the request of the structural unit in charge of activities in the field of sustainable development, proposals are made, if necessary, to improve the Corporation’s activities in this area.



5.1. CORPORATE POLICY IN THE FIELD OF SUSTAINABLE DEVELOPMENT

As part of the implementation of the Sustainable Development Policy, the Corporation's Management Board approved the Sustainable Development Action Plan, which incorporates ESG factors (a set of principles of environmental performance and protection, social responsibility, and sound corporate governance, based on internationally recognized standards). ESG factors ensure alignment between the Corporation's economic, environmental, and social objectives to support long-term sustainable development.

Role of the highest governance body in overseeing the management of impacts (GRI 2-12, 2-14).

By Resolution № 12 of the Board of Directors dated 19 July 2021, the Sustainable Development Policy of JSC «Agrarian Credit Corporation» was approved. Every year, as part of the annual report, the Corporation provides information on the implementation of the Policy to all stakeholders.

In 2024, the Corporation conducted a non-financial information audit / sustainability verification. The audit included an independent assessment of the Corporation's non-financial disclosure and sustainability practices for compliance with leading international standards and national ESG disclosure and SDG-related legislation.

The independent assessment reviewed the degree to which sustainability principles were integrated into the Corporation's activities. An Audit and Verification Report was provided with recommendations for improving non-financial disclosure and sustainability practices over the next three years.

Based on the results of the audit, the independent firm issued recommendations for improving business processes in the following areas: greenhouse gas (GHG) emissions disclosure, ESG risk management, reporting quality enhancement, and the overall strengthening of ESG practices.

GRI 2-12, 2-13, 2-14, 2-16, 2-17, 2-18

DELEGATION OF RESPONSIBILITY FOR MANAGING IMPACTS **GRI 2-13**

Within the Corporation, the responsibility for monitoring the implementation of the Sustainable Development Action Plan is assigned to the Department of Strategic and Corporate Development. Reports are submitted to the Corporation's management on a quarterly basis.

COMMUNICATION OF CRITICAL CONCERNS TO THE HIGHEST GOVERNANCE BODY **GRI 2-13**

Critical concerns are communicated to the top management of the Corporation in writing and on an urgent basis.

5.2. STAKEHOLDERS, ENGAGEMENT, AND ASPECT

GRI 2-29

The Corporation recognizes the importance of its impact on the economy and environment and strives for effective implementation of its Development Strategy for 2024–2033 and/or

development plan. It ensures alignment of its economic, environmental, and social objectives to achieve long-term sustainable development, maintaining a balance of stakeholder interests.

A responsible, thoughtful, and rational approach to stakeholder engagement contributes to the Corporation's sustainable development.

The Corporation identifies three stakeholder groups based on areas of influence:

Area of authority and responsibility

Sole Shareholder, governance bodies, management, and staff.

Area of direct influence

government agencies, investors, financial institutions, suppliers, partners, clients, consumers, auditors, and consulting organizations.

Area of indirect influence

population, public organizations, media, and competitors.

Sustainable development at the Corporation is ensured through three key components:

ECONOMIC:

Ensuring financial stability, safeguarding the interests of the shareholder and investors, improving process efficiency, increasing investment in the development of advanced technologies, and boosting labor productivity.

1

ENVIRONMENTAL:

Minimizing impacts on biological and physical natural systems, optimal use of limited resources, adoption of environmentally friendly, energy- and material-saving technologies, development of eco-friendly products, and the minimization, processing, and disposal of waste.

2

SOCIAL:

Adherence to principles of social responsibility, including occupational safety and health protection, fair remuneration and respect for labor rights, individual employee development, implementation of social programs for staff, creation of new jobs, sponsorship and charitable activities, and environmental and educational campaigns.

3

To define the list of stakeholders, the extent of their influence, and their areas of interest, the Corporation developed a Stakeholder Map, approved by the Management Board of the Corporation on 8 November 2021 (Minutes № 53).

Forms of Engagement

The main forms of engagement with stakeholders include: joint projects, memoranda of cooperation, joint working groups, corporate reporting, meetings, consultations, publications, interviews, and more.

Areas of Engagement

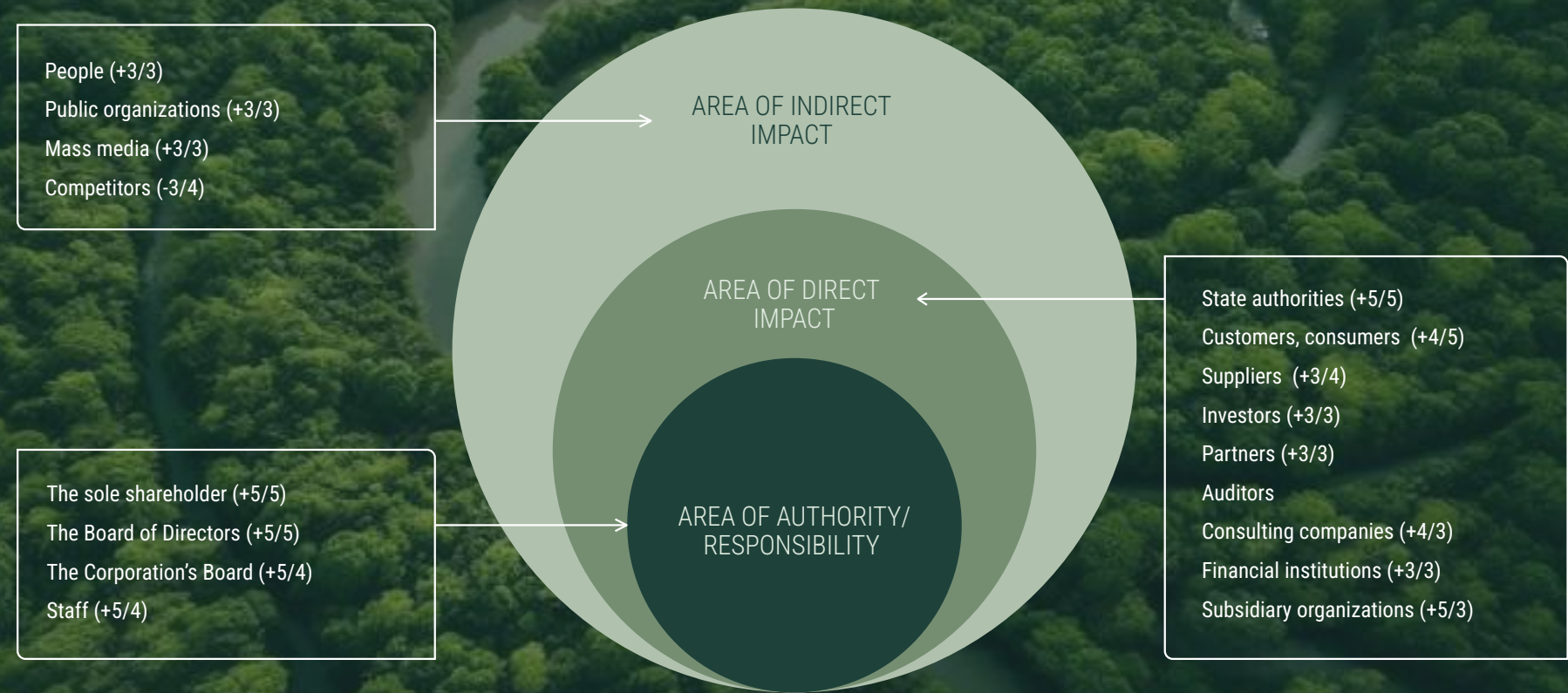
The key areas of stakeholder engagement include: strategic planning, financial activities, project management, procurement of goods, works, and services, legislative work, operational activities, and media relations.

Assessment of Impact Significance

The level of stakeholder influence is assessed using a two-axis scale (x/y), where:
x = -5 to +5 (with step 1 or finer) reflects the degree of stakeholder support/opposition toward the Corporation (-5: maximum opposition, +5: maximum support); y = 0 to 5 (with step 1 or finer) reflects the stakeholder's influence on the Corporation.

STRATEGIC DEVELOPMENT	definition of the Corporation's long-term priorities and strategic development directions through the adoption of state and sectoral development programs, as well as the development and approval of the Corporation's strategic documents
OPERATIONAL ACTIVITY	continuous daily activities related to managing the Corporation's routine, standardized processes
REGULATORY FRAMEWORK	adoption of regulatory acts that directly or indirectly govern various aspects of the Corporation's operations
QUALITY OF PROJECT AND/OR BUSINESS PROCESS MANAGEMENT	the level of competence and efficiency of the Corporation's staff and Management Board in delivering project and/or business process management services
OPERATIONAL RESULTS	quantitative indicators of the efficiency of the Corporation's operational activities
REPUTATION	prevailing public perception regarding the quality, merits, and shortcomings of the Corporation

Map of stakeholders and degree of influence on the Corporation's interests



Stakeholder Map and Degree of Influence on the Interests of the Corporation:

Level of engagement	Engagement methods
Consultation: two-way interaction; stakeholders respond to questions	Questionnaires, focus groups, stakeholder meetings, public meetings, seminars, feedback provision via communication channels, advisory councils
Negotiation	Collective negotiations based on the principles of social partnership
Involvement: two-way or multi-party interaction; mutual learning and capacity building, with stakeholders and the organization acting independently	Multilateral forums; consultation panels, consensus-building process, joint decision-making process, focus groups, feedback schemes
Collaboration: two-way or multi-party interaction; joint learning, knowledge sharing, decision-making, and action-taking	Joint projects, joint ventures, partnerships, joint stakeholder initiatives
Empowerment: stakeholders (where applicable) participate in governance	Integration of stakeholder engagement issues into management, strategy, and operational activities

Effective stakeholder engagement enables the Corporation to:

- Combine resources (knowledge, human capital, finance, and technology) to address challenges and achieve goals;
- Assess the external environment, including market developments, and identify new strategic opportunities;
- Improve business processes;
- Promote a policy of openness and transparency in its operations.

(The strategy for engaging with each stakeholder, as well as the tools of influence, are defined independently by the Corporation's structural units based on the specifics of their activities.)

Key Sustainability Aspects and Risks for the Corporation

In line with its mission, the Corporation contributes to the sustainable development of the agro-industrial complex (AIC) of the Republic of Kazakhstan by establishing an accessible and effective financing system through the involvement of private financial institutions and the enhancement of competencies among AIC entities.

Accordingly, the Corporation has identified its internal and external stakeholders to assess the materiality of various aspects of its operations – economic, environmental, and social.

To build a sustainability management system, the Corporation's Board of Directors approved the Sustainability Policy by Resolution № 12 dated July 29, 2021.

The Sustainability Policy of Agrarian Credit Corporation JSC reflects the Corporation's

commitment to systematic and long-term development focused on maintaining a balance between economic, environmental, and social aspects. The document emphasizes adherence to international sustainability standards and active engagement with all stakeholders.

Among the primary objectives of the Policy are reducing potential negative impacts on the environment and society, and increasing the positive outcomes of the Corporation's activities. Special attention is given to encouraging borrowers to properly manage environmental and social risks, including taking public opinion into account during project implementation.

One of the priority areas is the broad integration of sustainability principles into all aspects of operations: from environmental initiatives and safe working conditions to social responsibility. This is aimed at ensuring sustainable economic

growth in the regions where the Corporation operates, while respecting the interests of all involved parties.

The Policy establishes a commitment to consider the potential impacts of projects when making financing decisions, to set relevant requirements for borrowers, to monitor their compliance, and to ensure transparency and openness of processes. In addition, the document highlights the Corporation's adherence to ESG principles – environmental, social, and governance criteria that underpin its investment activities.



5.3. ENVIRONMENTAL ASPECT

In line with the Corporation's vision, it aims to become a key development institution for the agro-industrial complex (AIC), with an effective operational model that promotes industrialization, intensification, and diversification of the AIC through the development of a sustainable and accessible financing system.

As the financial operator of strategically important agricultural development projects, the Corporation is responsible for ensuring the efficient use of public and attracted resources, including natural resources involved in the expansion and diversification of the AIC – such as land reclamation, phytosanitary measures, changes in crop structure, increased livestock concentration on farms, and more.

Therefore, in addition to financial performance indicators, the Corporation pays attention to promoting green technologies, digitalization, and

the transition of the AIC to resource-efficient programs.

Considering that the Corporation's internal operations are not directly linked to environmental impact, its role in the environmental dimension must be evaluated through the lens of a financial intermediary.

Contribution of the Corporation to the Environmental Aspect

In 2021, following the principles of sustainable development, the Corporation approved a Sustainability Policy developed in accordance with the terms of the UN Global Compact and the UN Principles for Responsible Investment. According to the Policy, projects financed by the Corporation

GRI 303-5, SASB FN-CB-410b.1, SASB FN-CB-410b.4

must comply with environmental protection legislation, including the Environmental Code of the Republic of Kazakhstan.

As part of the implementation of the Sustainability Policy and in line with international reporting standards (GRI 305, Greenhouse Gas Protocol), the Corporation assesses the impact of its activities on the climate system based on three emission levels: Scope 1, Scope 2, and Scope 3. Given the specifics of its operations – the absence of its own production infrastructure and a focus on financial intermediation in the agricultural sector – Scope 3, which reflects the impact through financed projects, is the most relevant for evaluating the environmental footprint. Nevertheless, to ensure a comprehensive approach, the Corporation monitors and analyzes resource consumption and emissions associated with internal administrative processes.

Scope 1 – direct emissions:

Due to the nature of its activities, the Corporation does not have a significant direct impact on the environment. The main resources consumed by the Corporation are electricity, thermal energy, and water.

Scope 2 – indirect emissions from energy consumption:

According to the Sustainability Policy, the Corporation applies principles and methods of efficient resource use that best ensure the prevention of adverse environmental impacts.

In its operations, the Corporation aims to reduce excessive resource consumption and to minimize the existing negative environmental impact by reducing paper usage for office needs through the implementation of an electronic document management system and duplex printing practices.

The Corporation holds a number of facilities on its balance sheet, which in 2024 incurred the following volumes of energy resource consumption:

Resources	2022	2023	2024
water consumption	287,45 m³	2 703,19 m³	1 220 m³
electric power	243 926 kW	102 124 kW	70 097 kW
thermal energy	894,36 Gcal	247,0018 Gcal	261,69 Gcal

The Corporation’s energy consumption is limited to the needs of administrative buildings, including electricity and thermal energy. In 2024, the following energy consumption was recorded:

– For assets on the Corporation’s balance sheet:



ELECTRICITY, kWh

70 097

THERMAL ENERGY, Gcal

261,69

These resources are used exclusively to support the operation of office infrastructure. Measures to improve energy efficiency are being implemented in parallel, including digitalization of internal processes, transition to electronic document management, and the introduction of duplex printing practices, which help reduce paper and energy consumption.

When calculating greenhouse gas emissions under Scope 2, the boundary included buildings under the Corporation’s management. The calculation was made using the location-based method of assessing indirect greenhouse gas emissions in accordance with the GHG Protocol. Based on the results of the assessment for 2024, the total volume of Scope 2 GHG emissions amounted to 46,61 tons of CO₂ equivalent.

The Corporation undertakes energy reduction measures through process digitalization, implementation of electronic document management, and reduction of paper-based workflows.

In the context of financing investment projects of agribusiness entities, the Corporation conducts expert reviews of design and estimate documentation, taking into account mandatory state environmental expertise and the required approval from the authorized environmental protection body in accordance with the legislation of the Republic of Kazakhstan.

The Corporation intends to comply with and integrate environmental, social, and governance (ESG) sustainability factors into its financing decision-making processes for agribusiness entities, as well

as into its overall operations.

As part of its sustainability initiatives, the Corporation plans to:

- Contribute to achieving the UN Sustainable Development Goals (SDGs)
- Promote responsible financing
- Support responsible procurement
- Develop a unified HR policy
- Increase operational transparency

In fulfilling its mission as a financial development institution to promote the sustainable development of the agro-industrial complex (AIC), the Corporation has initiated the integration of sustainability principles into its operations, including the adoption of internal regulations outlining approaches to financing green projects.

Total Scope 2 emissions in 2024 were as follows:

- 29,86 tons CO₂e – from electricity consumption
- 16,75 tons CO₂e – from thermal energy consumption

TOTAL, tons CO₂e:

46,61

Scope 3 – other indirect emissions:

The Corporation’s head office is located in a leased office space in the «Nursaúlet» Business Center. According to the lease agreement, the landlord independently bears the costs of energy consumption. Resource consumption proportional to the occupied area amounted to:

Resources	2022	2023	2024
water consumption	2 514,6 m³	3 175,3 m³	3 215 m³
electric power	286 337 kW	318 686 kW	343 035 kW
thermal energy	363,95 Gcal	388,65 Gcal	365,0 Gcal

Given that under the terms of the lease the energy consumption at the head office is paid for by the landlord, the related energy consumption is classified as Scope 3.

The Corporation’s energy consumption is limited to the needs of administrative buildings, including electricity and heat. In 2024, the energy consumption is as follows:

– For the central office (leased premises):



ELECTRICITY
kWh

343 035

HEAT ENERGY,
Gcal

365,0

The Corporation’s primary environmental impact is realized through the financed projects in the agricultural sector.

Green projects account for 18% of the Corporation’s investment portfolio.

«Green» refers to projects aimed at improving the efficiency of natural resource use, reducing negative environmental impacts, enhancing energy efficiency and conservation, mitigating and adapting to climate change.

In 2024, the Corporation supported 90 green projects, focused on:

- implementation of drip and sprinkler irrigation systems;
- development of greenhouse complexes;
- establishment and expansion of intensive orchards.

Supported «green» projects

Region	Number of projects	Cost of projects, mln. tenge	Loan amount, mln. tenge
Abay	2	2 794,00	2 052,00
Akmola	6	2 923,50	2 606,36
Aktobe	7	2 127,22	1 773,53
Almaty	16	18 506,55	13 887,67
Shymkent	3	2 297,65	1 939,00
Zhambyl	13	7 106,34	5 109,92
Zhetysu	5	14 615,45	11 244,95
West Kazakhstan	6	1 097,62	867,60
Karagandy	3	1 374,50	1 144,70
Kostanay	2	650,35	551,78
Kyzylorda	5	724,60	583,40
Pavlodar	6	5 017,06	3 849,70
Turkestan	7	5 925,44	5 278,70
Total	81	65 160,28	50 889,31



SUPPORTED
«green» projects

81

Green projects supported in 2024

Region	Number of projects	Project cost, million tenge
Abay	1	2 711
Akmola	2	1 722
Almaty	1	189
Zhetysu	1	146
Karaganda	1	770
Kyzylorda	1	444
Pavlodar	3	1 392
Total	10	7 373

In 2024, 10 investment projects were financed for a total of 2,7 billion tenge as part of support for «green» projects in the agricultural sector. The geography of the projects covers many regions of Kazakhstan, including Abay, Almaty, Akmola, Pavlodar, Karaganda and other regions.

Key focus areas of the projects include:

- Production of fruit, vegetable, industrial, and oilseed crops using irrigation systems
- Development of high-density greenhouse farming
- Establishment and modernization of intensive orchards

Loan amount, million tenge	Financing amount 2024
1 982	548
1 403	637
94	22
88	88
366	329
376	56
1 163	1 060
5 473	2 742

The total area of the implemented projects exceeds 3,000 hectares, and the aggregate design capacity for agricultural production is more than 84,000 tons per year.

Support for such initiatives demonstrates a sustained focus on:

- Improving resource efficiency (through drip and sprinkler irrigation)
- Import substitution by increasing domestic production of fresh fruit and vegetable products
- Environmental sustainability, including reduced water losses and increased yield per unit area

Loan provision and investment support by the Corporation (and other institutions) contribute not only to the modernization of agriculture but also to the formation of sustainable agrarian infrastructure in the regions. This strengthens national food security and creates new jobs in rural areas.

The Scope 3 impact includes:

- Reduced water loss
- Decreased emissions through higher yields and reduced transportation costs
- Minimization of soil degradation
- Promotion of sustainable agriculture

Thus, Scope 3 represents a key component of the Corporation’s environmental profile, reflecting its contribution to sustainable development through financial mechanisms and investment policy. A comprehensive calculation of this component is planned in the near future to assess its environmental impact.

At the same time, in 2025 the Corporation is developing a Methodology for calculating young greenhouse gases, within the framework of which the collection, processing and publication of information on greenhouse gas emissions will be carried out.

5.4. SOCIAL ASPECTS

In 2024, the Corporation placed considerable emphasis on enhancing its social performance and actively supported employee-led initiatives.

HUMAN CAPITAL DEVELOPMENT:	SOCIAL MILESTONES:	MATERIAL IMPROVEMENTS:	CORPORATE EVENTS:	NON-MATERIAL RECOGNITION:
<ul style="list-style-type: none">30 employees were promoted in accordance with meritocracy principles;Over 500 employees completed professional development training.	<ul style="list-style-type: none">24 employees got married;76 employees welcomed the birth of a child.	<ul style="list-style-type: none">Employee salaries were increased by an average of 35%;120 employees received financial assistance upon request.	<ul style="list-style-type: none">The Corporation organized sports tournaments in football, table tennis, chess, and held internal intellectual competitions.	<ul style="list-style-type: none">1 employee was awarded the badge of honor «Best Worker in Agriculture»;5 employees received anniversary medals for the 10th anniversary of the Holding;3 employees were awarded the «30 Years of Tenge» medal;14 employees received certificates of honor and letters of appreciation.

The Corporation is consistently committed to strengthening the social dimension of its operations by investing in human capital, ensuring equal access to training, supporting gender balance, and increasing employee engagement. This social focus is reflected in the implementation of training programs, the development of regional

infrastructure, and the creation of a sustainable and growth-oriented work environment.

As part of the professional development program for credit division specialists, a comprehensive training initiative was conducted to enhance competencies in managing credit transactions, including both investment and working capital

financing in the agricultural sector.

The training was delivered in a blended format:

- On-site sessions – for in-depth project analysis and peer-to-peer experience sharing;
- Remote modules – to broaden access and ensure convenience for regional staff.

KEY TRAINING TOPICS INCLUDED:

- Specifics of financial analysis for small and medium-sized enterprises in agriculture;
- Methodology for evaluating the effectiveness of investment projects in the agribusiness sector;
- Project defense at the credit committee: justification logic, objection handling, and decision-making;
- Consolidation of financial data for affiliated companies.

Knowledge retention was monitored through regular testing, covering:

- Awareness of regulatory documents and internal procedures;
- Application of financial analysis tools in real-life scenarios

More than 320 employees took part in the training events (including staff from the credit and monitoring departments, as well as chief regional specialists):

76 employees received training in investment analysis;

238 employees were trained in financial analysis and consolidation of financial data across affiliated companies;

All 320 employees participated in testing, with an average score of 85%.

In 2024, the Corporation also supported 10 social projects

Supported «social» projects in 2024.

Nº	Project Name	Loan amount, mln. tenge	Region of realization
1	Irrigation system for agricultural crops	1 982,0	Abay region
2	Irrigation system for agricultural crops	88,4	Zhetysu region
3	Irrigation system for agricultural crops	1 129,8	Akmola region
4	Irrigation system for agricultural crops	213,5	Akmola region
5	Creation, expansion and modernization of poultry farms	4 873,0	Mangistau region
6	Creation of meat processing complexes	933,2	Mangistau region
7	Rice processing	205,2	Kyzylorda region
8	Processing of fruits/vegetables	803,0	Almaty region
9	Blueberry farm	94,2	Almaty region
10	Production of fruit and vegetable crops using irrigation systems with a production capacity of 804 hectares	397,7	Pavlodar region
Total			

In 2024–2025, a number of significant social projects in the agro-industrial complex were implemented and supported. These initiatives aimed to develop processing, improve irrigated land, modernize livestock facilities, and promote the cultivation of high-margin crops.

Key focus areas included:

Establishment and modernization of irrigation systems,
supporting sustainable agriculture amid climate risks and water scarcity.

Development of agricultural product processing –
including rice, fruit, and vegetables – to increase value-added and generate new regional employment.

Investment in livestock
and meat-processing infrastructure (e.g., poultry farms, meat plants), contributing to food security and sectoral diversification.

Support for niche and innovative directions,
such as a blueberry farm and production across 804 hectares in Pavlodar region, which demonstrate sectoral expansion and resilience.

The total cost of the projects reaches tens of billions of tenge, including one of the largest projects (Nº 10) is being implemented with an investment volume of more than 485 million tenge, which indicates a high degree of trust in the financing mechanisms and the importance of such initiatives.

Thus, support for these projects has a comprehensive effect: it promotes regional development, increases employment, strengthens food independence and creates conditions for sustainable economic growth both in the region and in agriculture as a whole.

Flood Relief Measures for Farmers by the Corporation and KazAgroFinance

In 2024, under the directive of the Head of State, Baiterek National Managing Holding JSC implemented emergency support measures for farmers affected by floods through the Corporation and its subsidiary KazAgroFinance JSC.

The support measures included:

- Loan repayment deferrals: 2024 payment schedules were shifted to future periods with even distribution over the loan term starting from 2025;
- Loan term extensions up to 24 months, depending on borrower activity type, excluding spring fieldwork/harvest loans;
- Spring fieldwork and harvest loans: restructuring applications to be reviewed after harvest completion;
- Waiver of penalties and fines for flood-related payment delays;
- Simplified application procedure, with a minimal document package and expedited processing timeline.



These actions alleviated financial pressure on affected agricultural producers and helped preserve their operational stability under emergency conditions.

Equal Working Conditions and Career Opportunities

One of the fundamental values of the Corporation, as defined in the Code of Business Ethics approved by the decision of the Board of Directors of the Corporation dated June 30, 2021, № 11, is human resources. The Corporation's performance directly depends on the professionalism and safety of its employees.

It should be noted that the Corporation has established equal working conditions and career opportunities for both men and women. The Corporation offers training programs, opportunities for professional development, as well as flexible working arrangements to help employees achieve their personal and professional goals.

The Corporation has joined the UN initiative on women's empowerment and is registered on the official website of The Women's Empowerment Principles (WEPs).

As of the end of 2024, the Corporation's headcount totaled 773 employees, of which

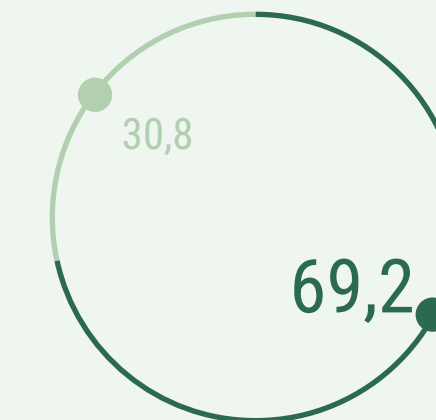
men make up 56.4% and women 43.6%. Women constitute 28.6% of middle management (12 out of 42), and among executives not included in the Management Board, they account for 33.3% (1 out of 3). One out of seven positions on the Board of Directors is held by a woman, which reflects the beginning of gender diversity formation at the strategic management level. Despite the absence of women on the Management Board,

there is a positive trend in the presence of women in managerial positions, especially at the middle level, which creates potential for their further involvement in top-level governance.

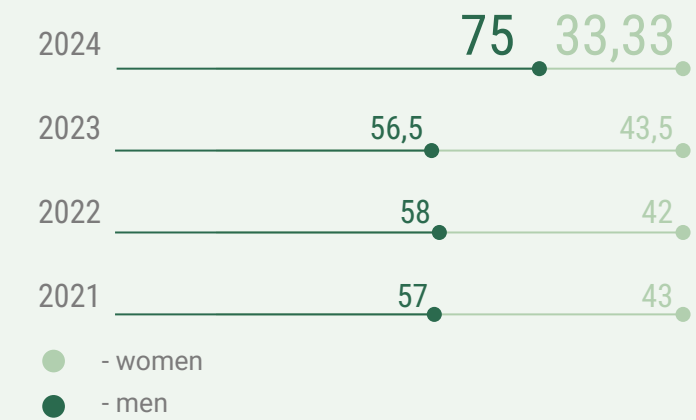
As of 2024, the average age of the Corporation's employees was 39 years.

There were no part-time, temporary, or hourly-paid employees in the Corporation.

Personnel structure by gender groups, %



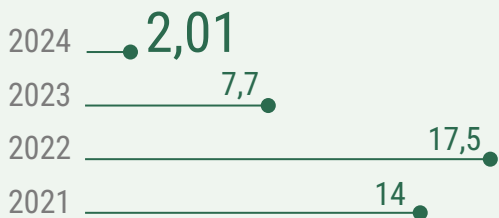
Gender statistics, %



Staff turnover

In 2024, voluntary staff turnover was 2.01%.

Employee turnover, %



Staff turnover rate for the last 4 years – 10,3%

Information on staff turnover by gender and age groups:

By gender groups:

Men: 12 employees.

Women: 4 employees.

By age groups:

Under 30 years old - 2 workers.

30-40 years old – 6 workers.

40-50 years - 6 workers.

50-60 years old - 2 employees.

Over 60 years old - 0 employee.

Information on staff turnover by gender and age groups in 2024:

	By gender groups		By age group				
	men	women	up to 30 years old	30-40 years old	40-50 years old	50-60 years old	over 60 years old
Staff turnover rate, %	75	33,33	12,5	37,5	37,5	12,5	

In order to reduce the rate of staff turnover, the following activities are carried out:

- material and non-material incentives for qualified employees;
- a stable economic environment;
- a healthy psychological atmosphere;
- career growth opportunities;
- training.

As of December 31, 2024, there were 73 people on

maternity leave (69 women and 4 men). During 2024, 19 people were supposed to return from maternity leave, 19 of them returned, 0 quit.

As part of the implementation of educational activities, 50 courses with a total of 1 518 academic hours were held. The training was attended by 632 participants (including repeat participants), of whom 434 were unique trainees, of whom 133 were administrative and management personnel and 301 were production personnel working in

branches. The average duration of one course was 25,3 academic hours. On a per-participant basis, a participant received an average of 2,4 hours of training, and the average training load per person amounted to about 3,5 academic hours.

Among the participants, 56.7% were men and 43.3% were women. These data indicate a balanced involvement of both genders in educational programs and a sustained interest in professional development.

Average number of teaching hours

Indicator	Value
Total trainees, people.	434
Men, people.	246
Women, people.	188
Administrative and managerial personnel, people.	133
Production personnel, people.	301
Number of courses taken	60
Total number of academic hours	1 518
Average duration of one course (hours)	25,3
Average number of hours per participant	2,4

Occupational Health and Safety

One of the priorities of the Corporation is labor safety and the health of its employees.

The Corporation's activities relate to the financial sector, therefore cases of occupational injuries are practically excluded. In the reporting period, no accidents, occupational diseases, or deaths were registered.

The Corporation complies with the legislation of the Republic of Kazakhstan in the field of labor protection and fire safety. The Security Department includes one staff unit of a fire safety and labor protection manager and one unit (under an outstaffing agreement), whose functional responsibilities include monitoring the compliance of the Corporation's employees with the Occupational Safety, Labor Protection and Fire Safety Instruction for the employees of JSC «Agrarian Credit Corporation», approved by the decision of the Management Board of the Corporation dated December 29, 2021 № 63, as well as the Order of the Chairman of the Management Board of the Corporation № 1585-Ө

dated January 22, 2024 «On the appointment of responsible employees for ensuring fire safety, the procedure for ensuring control over fire safety and labor protection in JSC «Agrarian Credit Corporation» .

On May 4, 2024, in accordance with the work plan of the Security Department for 2024, a seminar was held in the Corporation on the topic «Business continuity of the Company, fire safety, labor protection and compliance with safety rules» with the participation of representatives of authorized bodies.

On May 17, 2024, the Corporation's employees were tested on their knowledge of the Occupational Safety, Labor Protection and Fire Safety Instruction for the Corporation's employees. When facts of non-compliance by lessors with technical and fire requirements were identified in the premises rented by the head office and branches of the Corporation, appropriate acts were drawn up for all identified violations and sent to the lessor for taking corrective measures.

On September 20, 2024, additional training was conducted for all employees of the Corporation on business continuity issues of the Corporation, fire safety, labor protection, and safety rules, within which the Corporation's employees were acquainted with the algorithm of actions in case of emergency situations.

On September 27, 2024, a training exercise on the operational evacuation of employees from the building was held in the head office of the Corporation. Similar events were held in all branches of the Corporation. Based on the work performed, the Security Department forms a quarterly report.

In 2025, work will continue to ensure safe working conditions taking into account the requirements of state standards of rules and guidance documents on standardization, sanitary norms and rules. It is planned to involve all employees of the Corporation in active participation in labor protection and health safety work.

5.5. GRIEVANCE HANDLING PROCEDURES

The Corporation categorically excludes the use of repressive measures in response to reports of existing or planned violations and guarantees confidentiality and anonymity.

All incoming appeals are assessed according to approved criteria relevant to the subject matter of the appeal.

According to the Rules for documentation, document management, and the use of electronic document management systems, approved by the decision of the Corporation's Management Board dated July 15, 2022,

received documents are initially reviewed by a responsible employee of the structural unit of the Corporation responsible for records management.

Appeals are distributed among the Corporation's management depending on the addressee and, according to the order on the distribution of duties, the expediency of control and deadlines for execution are determined. Appeals from individuals and legal entities, including those sent by state authorities concerning corruption and fraud, are forwarded to the structural unit responsible for compliance and control within the Corporation to ensure confidentiality.

An appeal that does not contain a signature, postal address of the applicant, or does not allow identification of the author is considered anonymous and is not subject to consideration. However, exceptions are made if an anonymous appeal contains information about planned or committed crimes, threats to national or public

security, or provides documents, including photo and video evidence, indicating possible corruption or fraud.

The Corporation takes appropriate corrective actions depending on the adverse impact or complaint received. The effectiveness of communication channels is assessed through diagnostics of corporate culture, including employee engagement and interaction, responsiveness to crisis situations, operational efficiency, and the achievement of the Corporation's strategic development goals.

5.6. CODE OF BUSINESS ETHICS

The Corporation’s Code of Corporate Ethics is developed in accordance with the current legislation of the Republic of Kazakhstan, considering recognized international standards of business conduct and corporate governance, based on the Charter, model documents of the National Management Holding Baiterek JSC, including the Corporate Governance Code and other internal documents of the Corporation. The Code reflects the Corporation’s vision and understanding of the principles of business ethics and corporate values.

Core values of the Corporation:

1. Responsibility: for intentions and actions;
2. Professionalism: high preparedness to perform professional duties;
3. Team: collaboration to achieve higher results from joint activity;
4. Integrity: honesty within the Corporation and with its partners;
5. Social responsibility: accountability for the impact of the Corporation’s activities on stakeholders in the public sphere.

On June 29, 2022, the Corporation’s Code of Business Ethics № 11 of June 30, 2021, was supplemented with clause 70 – «Employees of the Corporation shall annually undergo testing on the knowledge and understanding of the main principles of this Code, as established by the internal regulatory documents of the Corporation.»

In its activities, the Corporation:

1. Complies with the legislation of the Republic of Kazakhstan, decisions of the Sole Shareholder, and other documents related to the Corporation’s activities;
2. Ensures respect for the rights, honor, and dignity of every individual and citizen, regardless of their origin, social, official and property status, gender, race, nationality, language, religious beliefs, place of residence, or any other circumstances;
3. Strives for all relationships with stakeholders to be mutually beneficial;
4. Provides equal opportunities for employees to improve their professional qualifications, encouraging self-education and professional development in accordance with training and development programs;
5. Ensures the remuneration of employees based on qualification level, complexity and quality of performed work, as well as achievement of key performance indicators;
6. Takes all necessary measures to ensure occupational safety and health of employees, in accordance with legislation, and creates safe working conditions;
7. Ensures confidentiality of information within the limits established by the legislation of the Republic of Kazakhstan and internal documents of the Corporation;
8. Creates conditions for open and trusting dialogue between executives and employees of the Corporation;
9. Evaluates and encourages employee initiatives and suggestions that may bring a positive effect to the Corporation;
10. Does not allow granting any privileges or benefits to individual officials and employees unless it is based on legal grounds, while ensuring equal opportunities for all;
11. Is responsible for making decisions free from conflict of interest at all levels, from officials to any employee involved in decision-making.

GRI 2-26

To ensure compliance with the principles of business ethics and regulate labor and social disputes within the Corporation, an Ombudsman has been appointed.

The Ombudsman serves as an advisor for employees and participants in labor conflicts, assisting in the development of constructive solutions, while observing the laws of the Republic of Kazakhstan, including confidentiality when necessary. The activities of the Ombudsman are subject to evaluation by the Corporation’s Board of Directors, which decides on the extension or termination of the mandate.

Furthermore, the Ombudsman presents an annual report on their work to the relevant committees of the Corporation’s Board of Directors.

5.7. INTEGRATION OF ESG RISKS INTO THE RISK MANAGEMENT SYSTEM OF THE CORPORATION AND ITS SUBSIDIARY

Sustainable development and the integration of ESG principles are key priorities for the Corporation. The implementation of these principles not only contributes to achieving the Corporation's strategic goals but also strengthens its reputation as a responsible and transparent market participant. The application of ESG

approaches enhances the efficiency of internal processes, improves stakeholder engagement, and contributes to addressing global sustainable development challenges.

In accordance with Clause 67 of the Corporation's Sustainable Development Policy, on March 13,

2024, the Management Board of the Corporation approved the Action Plan for Sustainable Development and ESG Integration into the Key Operational Processes of JSC «Agrarian Credit Corporation» for 2024–2026 (hereinafter – the Plan).

This Plan includes a number of strategic initiatives aimed at creating a sustainable platform for the Corporation's development:

- integration of sustainable development and ESG principles into core management processes;
- implementation of initiatives that support the achievement of the UN Sustainable Development Goals (UN SDGs);
- promotion of ESG principles both nationally and internationally;
- development and revision of internal regulatory documents in line with sustainable development goals;
- application of ESG principles in the Corporation's administrative and operational activities;
- active participation in ESG and sustainability-related initiatives;
- improvement of transparency in ESG and sustainability disclosures, including reporting and data publication on the corporate website.

This comprehensive set of activities is aimed at integrating sustainable development principles into the Corporation's business processes, which will not only improve operational efficiency

but also strengthen the Corporation's position in both domestic and international markets by demonstrating commitment to modern ESG standards.

The measures are aimed at achieving the Corporation's strategic goals and addressing current environmental, social, and governance challenges.

According to the Plan, ESG risks are to be integrated into the risk management system of the Corporation and its subsidiary.

Below are the results achieved by the Corporation under this initiative Plan.

In 2023, environmental risk (Risk Code E-1), designated as «ESG Risks», was included in the

Corporation's Risk Register. This risk is classified in the green zone (acceptable level of risk exposure) of the Corporation's risk map, with the likelihood of occurrence assessed at level 2 (Very low probability – from 1% to 5%), and the impact level assessed at level 4 (Realization of the risk will significantly impact at least one strategic key performance indicator, but such impact will only occur in combination with a few (1–2) other risk factors).

The Corporation has identified internal and external factors influencing the realization of these risks, including:

EXTERNAL FACTORS:

1. Strengthening of environmental legislation in the Republic of Kazakhstan;
2. Unexpected deterioration of weather conditions in regions with predominant agricultural activity, outbreaks of livestock diseases, quarantine zones, reduced crop yields, and water resource crises;
3. Insufficient state policy aimed at ecological sustainable growth and political uncertainty in supporting «green» financing.

INTERNAL FACTORS:

1. Insufficient methodological base for managing environmental and social risks;
2. Compliance with environmental and social factors in financed projects;
3. Employee satisfaction;
4. Improving the competence of the Corporation's employees in the examination of «green» projects.

In order to minimize and prevent ESG risks, the following measures are planned for 2025:

1. Timely implementation of the Action Plan on Sustainable Development and ESG Principles Integration into the Key Operational Processes of the Corporation for 2024–2026;
2. Conducting activities to foster a culture of responsible resource consumption, including the reduction of resource usage (water, electricity, consumables such as paper, stationery), and careful treatment of office assets (equipment, furniture, etc.) among employees of the Corporation;
3. Participation in various volunteer environmental programs or organizing in-house volunteer programs to promote personal environmental responsibility among employees;
4. Providing training for Corporation employees on the topic: «ESG: Challenges, Strategy, Risks and Reporting»;
5. In case of detection or identification of potentially risky events that may lead to the realization of environmental and social risks, risk coordinators from structural units/ branches must enter them into the Corporation’s Risk Database within one business day of detection.

These measures are implemented in accordance with the established deadlines.

Non-compliance with ESG principles may result in reputational risks, client complaints, financing difficulties, and more.

The Corporation adheres to ESG principles aimed at incorporating environmental and social considerations into investment activities:

- Transparency of investment activities – the Corporation conducts its activities based on transparency and openness of the investment process, while it may require proper disclosure of environmental, social, and governance issues by clients;
- Social and environmental responsibility – financing of projects whose implementation does not significantly deteriorate habitat conditions, labor and living standards in the project region, employment levels, and working conditions, if applicable to the project.

Key factors influencing the realization of ESG risks:

- **Environment** (extreme weather events, natural disasters, environmental pollution, water shortages, reduction in energy resources, greenhouse gas emissions, etc.);
- **Society** (relations between management and employees, labor rights, discrimination, occupational health and safety, interaction with clients/contractors/borrowers);
- **Governance** (compliance with corporate ethics, corporate governance, relations with shareholders, corruption).

To manage ESG risks, risk owners have developed a series of measures that are monitored on a quarterly basis. The following actions were implemented as part of ESG risk management activities:

In 2024, the Corporation participated in various volunteer environmental programs and also organized its own initiatives to promote environmental responsibility among employees, including:

- Tree planting by Corporation employees to improve the ecological condition of the capital city in cooperation with the Akimat of Baikonur District in Astana;
- Participation in the charity campaign «KIND HEART – WISH TREE» aimed at supporting children with disabilities and from low-income families. 28 children’s New Year’s wishes were fulfilled by the Corporation’s employees;
- Providing assistance to flood victims;
- «Donor Day» – blood donations on July 9 and December 27, 2024, involving 25 employees of the Corporation;
- Charitable assistance by employees to a large family in preparation for the new school year for four children;
- Charity support to one family, including New Year gift packages for three children through the initiative of the public foundation «SÄBI BAQYTY».

The Corporation carries out activities aimed at developing the professional skills and qualifications of employees, which is an integral part of ensuring quality education within the framework of sustainable development principles.

In Q4 2024, the Corporation conducted training on the following topics:

- «Assessment of ESG criteria and ESG risks during the screening of financed projects in the agro-industrial sector»;
- «Monitoring ESG criteria in investment projects in the agro-industrial sector»;
- •«Sustainable development and modernization: transition energy and green economy».

The Corporation actively supports the principles of responsible consumption and production aimed at the rational use of resources and minimizing environmental impact. In its operations, the Corporation monitors resource consumption and analyzes expenditures to enhance efficiency and sustainability in operational processes.

Particular attention is paid to optimizing expenditures to reduce excess consumption and improve resource management. These measures include implementing modern technologies to reduce losses and increase productivity, as well as applying internal policies to ensure responsible use of material and energy resources.

In 2024, activities were carried out to promote a culture of responsible resource consumption, such as reducing the use of drinking water, electricity, and consumables (paper, stationery, etc.).

Specifically, the Corporation’s initiative to reduce energy consumption at the head office was implemented by the landlord through the use of energy-efficient LED lighting. In addition, light sensors and timers for outdoor lighting of facades and signage were installed, and standby lighting was introduced in corridors to allow surveillance operators to monitor premises via video cameras.

ESG - risks in KazAgroFinance

KazAgroFinance pays particular attention to sustainability risks. Sustainability risks directly affect the long-term financial performance and resilience of KazAgroFinance.

An ESG risk in KazAgroFinance is understood as a business strategy that implies careful treatment of nature, employees, and society.

As part of its commitment to sustainable development (ESG) principles, KazAgroFinance implements initiatives aimed at reducing environmental impact. KazAgroFinance applies principles and methods of rational resource use to prevent negative environmental impact.

In its activities, KazAgroFinance strives to reduce excessive resource consumption and minimize existing negative environmental impacts by introducing energy-efficient technologies, reducing water consumption, and decreasing paper usage for office needs. Awareness signs promoting resource conservation are placed on each floor of KazAgroFinance’s building.

As part of responsible resource use efforts, the Corporation implemented the following measures aimed at:

1. Reducing electricity consumption.

- Incandescent lamps are not used in the office, except where their use is necessary for technological or safety reasons;
- Energy-efficient lighting – LED fixtures with low power consumption – is installed;
- Motion sensor lights are installed in office restrooms;
- Class A, A+, and A++ equipment and appliances are used;
- Energy-saving mode features are enabled on laptop and computer monitors.

2. Heat conservation and adequate ventilation.

- Manual or automated systems are used to regulate heat supply and adjust temperature depending on the presence of employees in the room;
- Air purifiers are installed in offices;
- Heat consumption meters are installed.

As a result of these measures, electricity consumption in 2024 was reduced by 2.6% compared to 2023.

3. Pollution reduction and waste management.

- Separate collection of solid household waste is organized, with designated containers installed;
- A paper collection point is organized for transfer to specialized recycling companies, and a responsible person is assigned. In 2024, 340 kilograms of paper were handed over for recycling;
- Bulk waste disposal activities were carried out (furniture, office equipment): 310 units, totaling approximately 5 tons, were transferred to a specialized organization for component dismantling, waste sorting, recycling of secondary raw materials, and safe disposal of hazardous waste.

4. Resource conservation and reduced consumption.

- To optimize paper-based document flow, the

use of digital signatures (EDS) by employees was introduced for certain document types (external outgoing letters, payment orders, procurement requests, directives) in the EDMS system. As a result, paper consumption in 2024 was 10% lower than in 2023;

- The BPM platform online.kaf.kz was launched for receiving online applications from clients;
- Automatic hand dryers were installed instead of paper towels;
- Recycled paper towels are used.

5. Reduction of water consumption and wastewater.

- Restrooms are equipped with water-saving sensor faucets;
- Toilet tanks have dual-flush systems;
- Water consumption meters are installed.

To implement a resource-saving policy, KazAgroFinance analyzed electricity use, water consumption, and solid household waste generation for the period 2022–2024.

As part of ESG risk management, the risk register identifies factors that may affect KazAgroFinance's operations and the environment: drought across much of Kazakhstan, natural-climatic disasters, environmental impact of agricultural machinery, and social risks. This risk is assessed as being within the acceptable level (green zone) on the Risk Map, indicating no immediate need for urgent mitigation measures.

However, KazAgroFinance has developed a number of preventive and responsive measures for managing this risk:

- Recommending that clients insure their crops/pastures;
- Granting restructuring or loan extensions to clients affected by drought and natural-climatic disasters;
- Establishing reserves for potential losses;
- Conducting awareness-raising activities;
- Timely handling of complaints;
- Purchasing machinery only upon presentation of compliance certificates in accordance with the Customs Union technical regulations «On

the Safety of Wheeled Vehicles» and «On the Safety of Machinery and Equipment»;

- Recommending servicing at official service centers or their representatives.

KazAgroFinance has also approved a Sustainable Development Action Plan for 2024–2026. All planned activities were fully implemented in 2024.

In 2025, KazAgroFinance will continue to enhance its sustainable development practices in accordance with leading international standards.



Approved HSE Instructions for 2024

Occupational health, safety, and fire safety requirements in the Corporation are governed by the following regulatory documents:

- Order of the Minister for Emergency Situations of the Republic of Kazakhstan № 405 dated August 17, 2021 «On Approval of the Technical Regulation «General Fire Safety Requirements»;
- Order of the Minister for Emergency Situations of the Republic of Kazakhstan № 55 dated February 21, 2022 «On Approval of the Fire Safety Rules»;
- Occupational Health, Safety and Fire Safety Instruction for Employees of JSC «Agrarian Credit Corporation», approved by the decision of the Corporation's Management Board dated December 29, 2021 № 63;
- Order of the Chairman of the Management Board of the Corporation № 24-Θ dated January 23, 2023 «On the Appointment of Responsible Employees for Fire Safety and the Procedure for Ensuring Control of Fire Safety and Occupational Health and Safety in JSC «Agrarian Credit Corporation».

CORPORATE GOVERNANCE

6.1. CORPORATE GOVERNANCE SYSTEM

In accordance with the Corporation Charter, the management bodies include:

Superior body – Sole Shareholder

Management body – Board of Directors

Executive body – Management Board

The body that controls the Corporation's financial and business activities, assesses internal control, risk management, and the execution of corporate governance documents

The body implementing the internal credit policy – the Credit Committee

Other bodies established in accordance with the legislation of the Republic of Kazakhstan

Net profit of the Corporation
60 356, 61
million tenge

The Corporation considers corporate governance as a means of improving the efficiency of its operations, strengthening its reputation and reducing the cost of raising capital. Corporate governance is based on the principles of fairness, honesty, responsibility, transparency, professionalism and competence.

An effective corporate governance structure implies respect for the rights and interests of all stakeholders and contributes to successful operations, including the growth of the Corporation's value, maintenance of financial stability and profitability.

6.2. ORGANIZATIONAL STRUCTURE OF THE CORPORATION'S CENTRAL OFFICE

The organizational structure of the Corporation was approved at the meeting of the Management Board of Agrarian Credit Corporation JSC dated May 30, 2024 №. 40.

THE BOARD OF DIRECTORS

CHAIRMAN OF THE MANAGEMENT BOARD

Deputy Chairman of the Board

Credit Department
Financial Institutions and CP Financing Department
Department of Regional Development
Problem Loans Department
Department of Implementation and Project Support
Collateral Department
Department of Industry Expertise

BRANCHES

Anti-Corruption Compliance Service

Spokesman

Managing Director

Credit Administration Department
Department of Strategic and Corporate Development
Department of the Treasury
Department of Consolidated Reporting and Unified Data Warehouse
Department of Digitalization
Department of Methodology and QMS
Department of Budget Attraction
Secretary of the Credit Committee

Corporate Secretary

Counsellor to the Chairman

Security Department

Internal Audit Service

Risk Management Department

Department of Human Resource Management
Department of Budget Planning
Department of Accounting and Reporting
Legal Department
Department of Administration
Department of Information and Communications Technology Development

6.3. COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

The Report on Compliance/Non-Compliance with the Principles and Provisions of the Corporate Governance Code of the Corporation for 2022 was approved by the decision of the Board of Directors dated May 3, 2023 (Minutes № 4) and confirms the Corporation's compliance with the 6 fundamental principles of the Corporate Governance Code of the Corporation:

PRINCIPLE OF PROTECTION OF THE RIGHTS AND INTERESTS OF THE SOLE SHAREHOLDER

PRINCIPLE OF EFFECTIVE GOVERNANCE BY THE BOARD OF DIRECTORS AND THE CORPORATION

PRINCIPLE OF THE CORPORATION'S INDEPENDENT ACTIVITY

PRINCIPLES OF TRANSPARENCY AND OBJECTIVITY IN DISCLOSING INFORMATION ABOUT THE CORPORATION'S ACTIVITIES

PRINCIPLES OF LEGALITY AND ETHICS

PRINCIPLE OF ACCOUNTABILITY TO STAKEHOLDERS

- 1. Principle of protection of the rights and interests of the Sole Shareholder** – The Corporation ensures the protection and respect of the rights and legitimate interests of the Sole Shareholder and promotes the effective operation of the Corporation, including the achievement of strategic goals and the maintenance of the Corporation's financial stability;
- 2. Principle of effective governance by the Board of Directors and the Corporation** – The activities of the Board of Directors are based on the principles of maximum adherence to and implementation of the interests of the Sole Shareholder and the Corporation, as well as on reasonableness, efficiency, proactivity, good faith, integrity, accuracy, and accountability within the limits of its competence. The Management Board carries out the management of the Corporation's current activities to fulfill tasks and implement the Corporation's Development Strategy. The main principles of the Management

Board's activity are legality, honesty, integrity, reasonableness, and regularity;

- 3. Principle of the Corporation's independent activity** – The Corporation conducts its activities independently;
- 4. Principles of transparency and objectivity in disclosing information about the Corporation's activities** – In order to enable the Sole Shareholder to make informed decisions, as well as to provide stakeholders with information about the Corporation's activities, the Corporation ensures timely disclosure of reliable information to the Sole Shareholder and stakeholders, including information on its financial condition, economic performance, operational results, ownership and management structure;
- 5. Principles of legality and ethics** – The Corporation operates in strict accordance with the legislation of the Republic of Kazakhstan, universally accepted business

ethics principles, the Charter, the provisions of the Corporate Governance Code, and its contractual obligations;

- 6. Principle of accountability to stakeholders** – The Corporation recognizes and respects the rights of all stakeholders and seeks to cooperate with such parties to support its development and financial sustainability. Stakeholders must have the opportunity to receive compensation for the violation of their rights in cases provided by the legislation of the Republic of Kazakhstan. If a stakeholder is involved in the corporate governance process, they must have access to material, sufficient, and reliable information on a timely and regular basis. Stakeholders must be able to freely report to the Board of Directors any violations of legislation or internal regulations of the Management Board, and their rights must not be infringed upon in connection with such reporting.

6.4. THE SOLE SHAREHOLDER

The sole shareholder of the Corporation is the National Management Holding Baiterek JSC which is the key operator for implementation of state programmes for development of the country’s economy.

Interaction with the Sole Shareholder is carried out in accordance with the Corporation’s Charter, which stipulates the duties, competence of the Sole Shareholder and the procedure for providing information on activities affecting its interests, as well as interaction with the Corporate Governance Code.

The most significant functions of the Sole Shareholder include approval of the Corporate Governance Code, determination of the composition and term of office of the Corporation Board of Directors, approval of the external auditor and annual financial statements.



6.5. DIVIDEND POLICY OF THE CORPORATION

The Corporation’s policy with regard to the goals, principles, amount, form, terms and procedure of dividend payment is defined in the Regulations on Dividend Policy approved by the decision of the Sole Shareholder - the Management Board of National Managing Holding Baiterek JSC dated 10 November 2021.

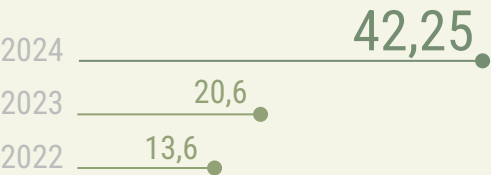
Dividends are paid taking into account the distribution and reinvestment of net profit of the Corporation on the basis of its approved Development Strategy, as well as proposals received by the Board of Directors of the Corporation as part of the work on summarising the results of their financial and economic activities.

The dividend policy of the Corporation is based on the following principles:

- the principle of the need for the National Management Holding Baiterek to make payments and expenses on behalf of the Sole Shareholder of the Holding and (or) the Government of the Republic of Kazakhstan;
- the principle of the need to ensure financing of the activities of the National Management Holding Baiterek, including financing of new types of investment projects implemented using funds of the National Management Holding Baiterek;
- the principle of the need for the Corporation to finance development expenses, including its investment activities.

In accordance with the decision of the in-person meeting of the Sole Shareholder of the Corporation dated May 30, 2025 № 26/25, the amount of dividends for 2024 was approved.

Information on dividends paid over the last 3 years, KZT billion



In 2025, the Corporation directed to pay dividends on the results of 2024, the amount of 42,25 billion tenge. The amount of dividends per common share was 98,94 tenge.

6.6. THE BOARD OF DIRECTORS

The Board of Directors of the Corporation is a governing body responsible for the general management of the Corporation’s activities and for overseeing the Corporation’s executive body, except for matters that fall within the exclusive competence of the Sole Shareholder of the Corporation under the Law of the Republic of Kazakhstan “On Joint-Stock Companies” and/or the Charter of the Corporation.

It is also responsible for strategic guidance and oversight of sustainable development, with particular attention to the following areas:

- Defining the Corporation’s development strategy, including directions and outcomes;
- Setting and monitoring key performance indicators of the Development Plan;
- Organizing and overseeing the effective functioning of risk management, internal control, and corporate governance systems;
- Approving and monitoring the effective implementation of key strategic projects within the competence of the Board of Directors;

- Election, remuneration, succession planning, and supervision of the activities of the Management Board.

The Board of Directors of the Corporation carries out its activities in accordance with the Law of the Republic of Kazakhstan dated May 13, 2003 № 415-II “On Joint-Stock Companies,” other regulatory legal acts of the Republic of Kazakhstan, the Charter of the Corporation, the Corporate Governance Code of the Corporation, decisions of the Sole Shareholder, and other internal documents of the Corporation, in order to achieve the set goals in financing agricultural producers with minimal legal, financial, and reputational risks in the interest of the Sole

Shareholder represented by the Holding.

The composition of the Board of Directors is balanced in terms of the members’ qualifications, experience, knowledge, and business competencies and enjoys the trust of the Sole Shareholder.

The members of the Board of Directors possess impeccable business reputations, knowledge, skills, and experience in agriculture, economics and business management, as well as in law. As of December 31, 2024, the Board of Directors consists of 7 members, 3 of whom (43%) are independent directors. This helps ensure the independence of decisions made and fair treatment of all stakeholders in line with the interests of the Corporation.

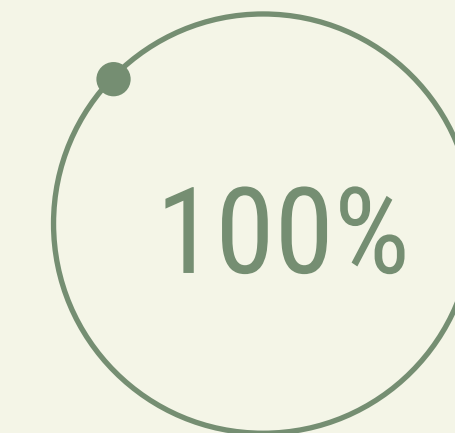
The priority criterion for selecting independent directors is their professionalism and autonomy in making objective decisions free from external influence. Independent directors actively share their experience and knowledge to apply best international practices within the Corporation.

They chair the Committees of the Board of Directors and bring international management expertise. Independent directors actively participate in discussions of matters where conflicts of interest may arise, such as the preparation of financial and non-financial reports, transaction

approvals, nomination of candidates to the executive body, and determination of executive remuneration.

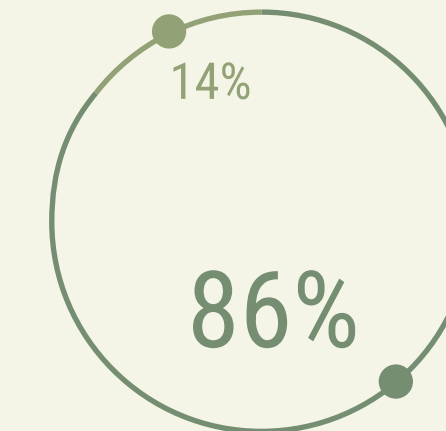
The share of Board members hired from the local population is 100%.

Composition of the Board of Directors, by citizenship



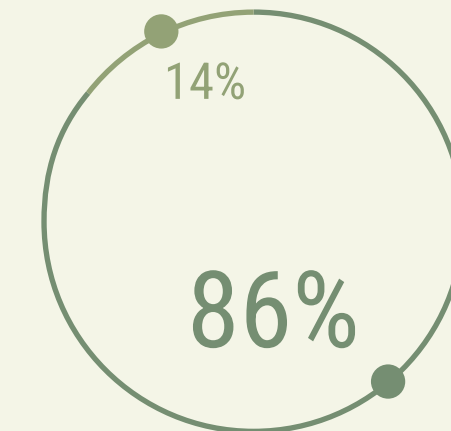
All members of the Board of Directors are citizens of the Republic of Kazakhstan.

Composition of the Board of Directors by age category



6 out of 7 members of the Board of Directors are in the 30 to 50 years old category, representing 85,7%

Composition of the Board of Directors by gender



6 out of 7 members of the Board of Directors are male.



AIDAPKELOV
Nurbolat Sergalievich

CHAIRMAN OF THE BOARD OF DIRECTORS

Born 22 July 1979.

Education:

- In 2000 he graduated from the Kazakh State Academy of Management with a degree in Accounting and Audit;
- In 2002 graduated from Kazakh Humanitarian Law University with a degree in Law, qualification «Lawyer».

Since 1 February 2022, by the decision of the Sole Shareholder of Agrarian Credit Corporation JSC, elected as a member of the Board of Directors, Chairman of the Board of Directors - representative of the Sole Shareholder of Agrarian Credit Corporation JSC.

Other positions held:

- First Deputy Chairman of the Management Board of JSC National Management Holding Baiterek;
- Chairman of the Board of Directors of KazAgroFinance JSC;
- Member of the Board of Directors of Development Bank of Kazakhstan JSC - representative of the Sole Shareholder of Development Bank of Kazakhstan JSC.

Information on labour activity:

- From May 2016 to October 2020 - Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan;
- From October 2020 to January 2022 - Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan;
- From January 2022 to the present time - First Deputy Chairman of the Management Board of JSC National Managing Holding Baiterek.

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, and does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.



SON
Vyacheslav Vladimirovich

MEMBER OF THE BOARD OF DIRECTORS - REPRESENTATIVE OF THE SOLE SHAREHOLDER

Born on 14 January 1982.

Education:

- In 2002 graduated from Kazakh Humanitarian Law University, qualification «Lawyer»;
- In 2002 graduated from the Modern Humanitarian University, qualification «Linguistics»;
- In 2008 graduated from the University of International Business, qualification «Finance and Credit»;
- Graduated from the University of London, Master of Law (LLM), specialising in Commercial and Corporate Law (UK).

On 23 February 2022, by the decision of the Sole Shareholder of Agrarian Credit Corporation JSC, he was elected as a member of the Board of Directors - representative of the Sole Shareholder of Agrarian Credit Corporation JSC.

Other positions held:

- Deputy Chairman of the Management Board of JSC National Management Holding Baiterek;
- Since 16 February 2022 Member of the Board of Directors - representative of the Sole Shareholder of Kazakhstan Housing Company JSC;
- Since 22 April 2022, re-elected as a member of the Board of Directors - representative of the Sole Shareholder of Qazaqstan Investment Corporation JSC.

- Since February 26 to October 8 2024, Member of the Board of Directors - representative of the Sole Shareholder of Bereke Bank JSC.

Information on labour activity:

- From 2009 to 2012 - Managing Director of Tau-Ken Samruk National Mining Company JSC;
- From 2012 to 2013 - Chief of Staff, Deputy General Director of RSE 'Kazspetsexport' of the Ministry of Defence of the Republic of Kazakhstan;
- From 2013 to 2017 - Director of the Audit and Control Department of the National Management Holding Baiterek JSC;
- From January 2017 to 2023 - Managing Director of JSC National Management Holding Baiterek.
- From November 2023 to the present time - Deputy Chairman of the Management Board of JSC National Managing Holding Baiterek.

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, and does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.



KOSHKIMBAYEV
Niyaz Zhenisovich

MEMBER OF THE BOARD OF
DIRECTORS - REPRESENTATIVE
OF THE SOLE SHAREHOLDER

Born on 5 September 1979.

Education:

- In 2001 graduated from Karaganda State Technical University with a degree in «Electricity supply and electrification»;
- In 2002 graduated from Karaganda State Technical University with a degree in Economics.

On 30 June 2022 by the decision of the Sole Shareholder of Agrarian Credit Corporation JSC was elected as a member of the Board of Directors - representative of the Sole Shareholder of Agrarian Credit Corporation JSC.

Other positions held:

- Managing Director of the joint stock company 'National Management Holding «Baiterek»;
- Member of the Board of Directors of KazAgroFinance JSC.

Information on labour activity:

Worked in manufacturing and in public service in the fields of economics and finance.

- From 2017 to 2020 – Deputy Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan;
- From 2020 to 2022 – Deputy Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan;
- Since June 2022 – Managing Director of JSC “National Managing Holding «Baiterek».

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, and does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.



BIRTANOV
Yeszhan Amantaevich

MEMBER OF THE BOARD OF
DIRECTORS – INDEPENDENT
DIRECTOR

Born on July 1, 1975.

Education:

- From 1992 to 1993 studied at Ankara University, Turkey, majoring in “Turkish Language and Literature”;
- In 1997 graduated from Al-Farabi Kazakh National University, majoring in “Economics and Management”;
- In 1998 completed a Master’s degree at Al-Farabi Kazakh National University, majoring in “Economics and Management” (Master);
- In 2002 graduated from Turan University with a degree in «Jurisprudence»;
- In 2002 completed postgraduate studies at Al-Farabi Kazakh National University (postgraduate student);
- From January to September 2014 completed advanced training courses at Lomonosov Moscow State University, specializing in «Managerial Management».

On July 20, 2022, by decision of the Sole Shareholder of JSC Agrarian Credit Corporation, elected as a member of the Board of Directors – Independent Director of JSC Agrarian Credit Corporation.

Other positions held:

- Since April 2022 to present – member of the Board of Directors, Independent Director of JSC

«IC Freedom Finance Insurance»;

- Since April 2022 to present – member of the Board of Directors, Independent Director of JSC «IC Freedom Finance Life».

Information on labour activity:

Held senior positions in the field of financial services regulation and provision.

- From 2016 to 2017 – member of the Board of Directors, Chairman of the Management Board of JSC «National Investment Corporation of the National Bank of the Republic of Kazakhstan»;
- From 2018 to 2019 – Managing Director of JSC National Managing Holding «Baiterek»;
- From 2019 to 2021 – Deputy Chairman of the Management Board of the National Bank of the Republic of Kazakhstan;
- From 2021 to 2022 – Deputy Chairman – Head of the Permanent Representative Office of the National Bank of the Republic of Kazakhstan in Almaty.

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, and does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.



TULESHOV
Yakhia Zhanabayevich

MEMBER OF THE BOARD OF
DIRECTORS – INDEPENDENT
DIRECTOR

Born on January 1, 1974.

Education:

- In 1996 graduated from Al-Farabi Kazakh National University with a degree in «Mechanics and Applied Mathematics» (specialist);
- Completed training at the Stanford Center for Professional Development of Stanford University under the IPS program and professional training focused on advanced project management.

On July 20, 2022, by decision of the Sole Shareholder of JSC Agrarian Credit Corporation, elected as a member of the Board of Directors – Independent Director of JSC Agrarian Credit Corporation.

Other positions held:

- Chairman of the Management Board of JSC Electronic Financial Center.

Information on labour activity:

Held senior positions in the field of financial services regulation.

- From 2016 to 2017 – Head of Service Solutions Division at LLP Samruk-Kazyna Business Service;
- From 2019 to 2020 – Project Manager and Advisor to the Chairman of the Management Board of LLP Kazakh Invest;

- From 2020 to 2021 – Managing Director, Member of the Management Board of JSC Center for Electronic Finance;
- From January to April 2022 – Acting Director of the Financial Technologies Department of the National Bank of the Republic of Kazakhstan;
- From June 2022 to – Deputy Chairman of the Management Board for Production Affairs of JSC Center for Electronic Finance;
- From September 2023 – Chairman of the Management Board of JSC Electronic Financial Center.
- From December 2024 - First Deputy General Director of the Republican State Enterprise on the PVC «Digital Government Support Center».

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, and does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.



DZHAILAUBEKOVA
Aigul Akshaevna

MEMBER OF THE BOARD OF
DIRECTORS – INDEPENDENT
DIRECTOR

Born on May 22, 1971.

Education:

- 1988–1993 – Al-Farabi Kazakh State University, Almaty, Faculty of Economics and Philosophy, Department of Sociology (with honors);
- 1994–1995 – Lancaster Management School, Lancaster University (United Kingdom), Master of Arts in Organisational Analysis and Behaviour;
- 1998–2003 – a series of banking courses for ING Bank employees (Netherlands, Austria, Hungary);
- 2006 – Alpha Banking course, INSEAD Business School (France);
- 2008–2010 – a series of banking courses for Citibank employees (United Kingdom, USA, Russia);
- 2011–2014 – a series of banking courses for HSBC employees (United Kingdom, France, USA).

On 15 December 2023, by decision of the Sole Shareholder of JSC «Agrarian Credit Corporation», she was appointed as a member of the Board of Directors – Independent Director of JSC «Agrarian Credit Corporation».

Other positions held:

- Since September 2020 – Member of the Board of Directors, Independent Director of JSC «Industrial Development Fund»;
- Since September 2021 – Non-Executive Director, Member of the Board of Directors, Global University Systems Holding B.V. (Amsterdam, Netherlands).

Information on labour activity:

She began her banking career in the head offices of the international banks MeesPierson and ING in the Netherlands. She held senior positions in financial services in subsidiaries of major international institutions and in Kazakhstani banks.

- 2007–2011 – Citibank Kazakhstan, Head of Global Banking, since 2008 – Deputy Chairperson of the Management Board;
- 2011–2015 – HSBC Bank Kazakhstan (since December 2014 – JSC «Altyn Bank»), Deputy Chairperson of the Management Board;
- 2015–2016 – JSC «Kazkommertsbank», Managing Director – Member of the Management Board;
- 2016–2018 – JSC «Tsesnabank», Deputy Chairperson of the Management Board;
- Since 2019 – Partner at LLP «InnoVision Management Consultancy»;
- Since 2020 – Independent Director, Member of the Board of Directors of JSC «Industrial Development Fund»;
- Since 2021 – Non-Executive Director, Member of the Board of Directors of Global University Systems Holding B.V. (Amsterdam, Netherlands).

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, and does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.



ASHIRBEKOV
Almat Burkutbayevich

MEMBER OF THE BOARD OF DIRECTORS – CHAIRMAN OF THE MANAGEMENT BOARD OF JSC AGRARIAN CREDIT CORPORATION

Born on September 10, 1986.

Education:

- In 2008, he graduated from L.N. Gumilyov Eurasian National University with a Bachelor’s degree in Finance;
- In 2020, he completed a Master of Business Administration (MBA) in Strategic Management at Synergy Moscow Financial and Industrial University.

On 31 January 2022, by decision of the Sole Shareholder of JSC «Agrarian Credit Corporation», he was appointed as the Chairperson of the Management Board and a Member of the Board of Directors of JSC «Agrarian Credit Corporation»

Other positions held:

- Chairperson of the Management Board of JSC «Agrarian Credit Corporation».

Information on labour activity:

- 2017–2019 – Director of the Rehabilitation and Problem Projects Department at JSC «KazAgroFinance»;
- 2019–2021 – Managing Director – Member of the Management Board at JSC «KazAgroFinance»;
- 2021–2022 – Deputy Chairperson of the Management Board at JSC «KazAgroFinance»;
- Since 31 January 2022 – Chairperson of the Management Board of JSC «Agrarian Credit Corporation».

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, as well as does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.

The appointment and selection

In accordance with subparagraph 8) of paragraph 27 of the Charter of JSC «Agrarian Credit Corporation», matters related to determining the number and term of office of the Board of Directors, electing its members, early termination of their powers, as well as determining the amount and terms of payment of remuneration and reimbursement of expenses to members of the Board of Directors for the performance of their duties fall within the exclusive competence of the Sole Shareholder.

According to the Regulation on the Board of Directors of JSC «Agrarian Credit Corporation», the process of identifying and selecting candidates for the Board of Directors is carried out by the Sole Shareholder.

No changes were made to the composition of the Corporation’s Board of Directors during 2024.

Committees of the Board of Directors

Strategic Planning and Corporate Development Committee

The committee was established to enhance the preparation of recommendations for the Board of Directors regarding the development of priority areas of activity (development), strategic goals (development strategy), and matters of corporate development, including the development of measures aimed at improving the Corporation’s operational efficiency in the medium and long term, its profitability, and sustainable development.

Full Name	Position
Zhailaubekova Aigul Akeshayevna	Chairperson of the Committee
Birtanov Yeszhan Amantaevich	Committee Member
Tuleshov Yakhia Zhanabayevich	Committee Member

Audit and Risk Committee

The committee was created to enhance the effectiveness and quality of the work of the Corporation’s Board of Directors by preparing recommendations for the Board of Directors regarding the establishment of an effective control system over the Corporation’s financial and economic activities (including the completeness and reliability of financial reporting), monitoring the reliability and efficiency of the internal control and risk management system, overseeing the independence of external and internal audits, and the compliance service in relation to compliance with the laws of the Republic of Kazakhstan and internal documents. The committee also prepares recommendations for the Board of Directors regarding the development of priority directions of activity (development) and the functioning of an adequate risk management system in the Corporation, as well as the improvement and strengthening of the risk management system.



Full Name	Position
Birtanov Yeszhan Amantaevich	Chairperson of the Committee
Tuleshov Yakhia Zhanabayevich	Committee Member
Zhailaubekova Aigul Akeshaevna	Committee Member

Human Resources, Remuneration and Social Affairs Committee

The Committee was established to improve the efficiency and quality of the Board of Directors’ work by thoroughly reviewing and monitoring matters falling within the Board’s competence in the areas of personnel policy, the system of appointments and remuneration, as well as evaluating the performance of the Board of Directors as a whole and of its individual members, members of the Management Board, succession planning for the Chairperson and members of the Management Board, and the evaluation of the Corporate Secretary’s performance.

Full Name	Position
Tuleshov Yakhia Zhanabayevich	Chairperson of the Committee
Zhailaubekova Aigul Akeshaevna	Committee Member
Birtanov Yeszhan Amantaevich	Committee Member

Report on the Activities of the Board of Directors and Its Committees

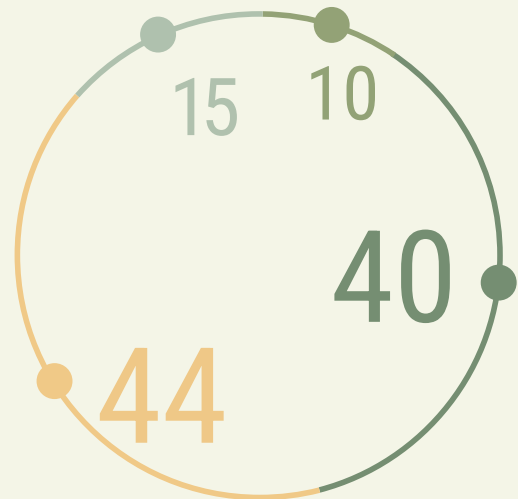
The activities of the Board of Directors are based on the principles of professionalism, reasonableness and prudence, integrity and objectivity, and the principle of protecting the rights of the Sole Shareholder.

- Board of Directors
- Management Board
- Departments and units reporting to the Board of Directors
- Other issues related to the Corporation’s activities

Number of Meetings of the Board of Directors and Its Committees

A total of 20 meetings of the Board of Directors were held, attended by the members of the Board. At four of these meetings, attendance was partial (6 out of 7 members) due to one member being on annual leave. Nevertheless, quorum was maintained, allowing decisions to be made and necessary discussions to take place. Additionally, 30 meetings of the Board Committees were held.

Issues considered by the Board of Directors (93 issues in total)



The involvement of the Corporation’s Board of Directors in sustainability and ESG matters is defined by their key role in strategic decision-making. This is primarily reflected in two aspects:

1. Approval of ACC’s Development Strategy. It is the Board of Directors that reviews and approves the Corporation’s Development Strategy. When this Strategy includes areas related to the integration of sustainability and ESG principles, it clearly demonstrates that the Board of Directors is not only aware of the importance of these matters but also assumes responsibility for embedding them into the Corporation’s long-term vision and goals.

2. Approval of the Corporation’s Annual Report. The Annual Report is a comprehensive document that reflects the Corporation’s performance over the reporting period. The approval of the Annual Report by the Board of Directors – when it contains information on progress in sustainability and ESG – confirms their oversight and evaluation of the Corporation’s efforts in this area.

Thus, the inclusion of relevant sections in the Development Strategy and the Annual Report of ACC, and their subsequent approval by the Board of Directors, indicates a systematic and formal

engagement of the highest collegial governing body in sustainability and ESG matters. This sets the tone for the entire organization, ensuring proper oversight and strategic guidance in these critically important areas.

Assessment of the Activities of the Board of Directors

The Board of Directors of the Corporation and its Committees undergo an annual performance assessment. In 2024, the assessment was conducted internally through anonymous questionnaires. The performance of the Board of Directors and its members was evaluated positively.

Remuneration of the Members of the Board of Directors

The remuneration of the members of the Corporation’s Board of Directors is determined in accordance with internal regulatory documents, taking into account the expected positive impact of the individual’s participation in the Board on the Corporation. Remuneration is paid to independent directors based on the decision of the Sole

Shareholder of the Company, unless otherwise provided by legislation, internal regulations of the Corporation, or the rules of the organizations in which they are employed. The Chairman of the Management Board does not receive any remuneration for participating in the work of the Board of Directors. The amount of the fixed annual remuneration is determined by a decision of the Sole Shareholder.

According to the Regulation on the Board of Directors of the Company, remuneration for independent members of the Board of Directors is provided in the following forms:

- Fixed annual remuneration for membership in the Board of Directors;
- Fixed annual remuneration for participation as Chair of a Committee of the Board of Directors;
- Fixed annual remuneration for participation as a Member of a Committee of the Board of Directors.

Independent directors are also reimbursed for expenses related to participation in Board meetings held outside their place of permanent residence (travel, accommodation, and per diem).

Remuneration is not paid if it is established that the Corporation incurred losses as a result of a decision made by the Board of Directors in which the independent director participated and voted in favor.

In 2024, the remuneration of independent directors amounted to 18,7 million tenge, including social security contributions, social tax, and mandatory health insurance contributions.

6.6. THE MANAGEMENT BOARD

In accordance with the Charter of JSC «Agrarian Credit Corporation», the Government is the executive body that manages the current sphere of the Corporation, and is applied exclusively in the developed Corporation and the Sole

Shareholder.
The Board makes decisions on any issues of the Corporation’s activities that are not attributed by the regulatory legal acts of the Republic of Kazakhstan and the Charter of the Corporation

to the competence of other bodies, including on issues attributed by law and the Charter of the Corporation to its competence.
The share of male management hired from local residents is 100%. All members of the Board are citizens of the Republic of Kazakhstan.

Composition of the Board, based on citizenship



Board composition by gender



Board composition by age category



Composition of the Management Board for the period from 01.01.2024 to 31.12.2024

№	Full Name of Management Board Member	Date of Appointment to the Management Board	Position	Date of Departure from the Management Board	Number and Date of the Appointment Decision
1	Ashirbekov A.B.	31.01.2022	Chairman of the Management Board		Decision of the Management Board of JSC «NMH Baiterek» dated 28 January 2022 № 05/22
2	Sapulatov K.K.	16.02.2022	Deputy Chairman of the Management Board, Member of the Management Board		Decision of the Board of Directors of JSC «Agrarian Credit Corporation» dated 15 February 2022
3	Doskaraev A.Ye.	13.02.2023	Deputy Chairman of the Management Board, Member of the Management Board		Decision of the Board of Directors of JSC «Agrarian Credit Corporation» dated 31 January 2023
4	Moldashev Ye.K.	14.03.2024	Deputy Chairman of the Management Board, Member of the Management Board		Decision of the Board of Directors of JSC «Agrarian Credit Corporation» dated 14 March 2024
5	Nabiev M.Ye.	28.11.2022	Deputy Chairman of the Management Board, Member of the Management Board	Decision of the Board of Directors of JSC «Agrarian Credit Corporation» dated 14 March 2024 on early termination of powers as of 14 March 2024	Decision of the in-person meeting of the Board of Directors of JSC «Agrarian Credit Corporation» dated 28 November 2022
6	Iskakov M.K.	31.01.2023	Deputy Chairman of the Management Board, Member of the Management Board	Decision of the Board of Directors of JSC «Agrarian Credit Corporation» dated 22 November 2024 on early termination of powers as of 22 November 2024	Decision of the Board of Directors of JSC «Agrarian Credit Corporation» dated 31 January 2023
7	Ayapbergenov T.Zh.	22.11.2024	Deputy Chairman of the Management Board, Member of the Management Board		Decision of the Board of Directors of JSC «Agrarian Credit Corporation» dated 22 November 2024

The Board is headed by the Chairman of the Board.
As of December 31, 2024, the Board of the Corporation consists of 5 members:

CHAIRMAN OF THE MANAGEMENT BOARD



ASHIRBEKOV
Almat Burkutbaevich

Born on September 10, 1986.

Education:

- In 2008, graduated from the L.N. Gumilyov Eurasian National University with a Bachelor's degree in Finance;
- In 2020, graduated from the Moscow Financial and Industrial University «Synergy» with a Master of Business Administration (MBA) degree in Strategic Management.

By decision of the Management Board of JSC «National Managing Holding Baiterek» № 05/22 dated January 28, 2022, he was appointed as Chairman of the Management Board of JSC «Agrarian Credit Corporation» and a member of the Board of Directors of JSC «Agrarian Credit Corporation» effective from January 31, 2022.

Professional Experience:

- From February 21, 2017 to July 30, 2019 – Director of the Rehabilitation and Problem Projects Department at JSC «KazAgroFinance»;
- From July 31, 2019 to June 30, 2021 – Managing Director – Member of the Management Board of JSC «KazAgroFinance»;

- From July 1, 2021 to January 28, 2022 – Deputy Chairman of the Management Board of JSC «KazAgroFinance»;
- Since January 2022 – Chairman of the Management Board of JSC «Agrarian Credit Corporation».

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, as well as does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.



SAPULATOV
Kairat Kaertarovich

Born on August 12, 1984.

Education:

- In 2005, graduated with honors from the M. Kozybayev North Kazakhstan State University in Petropavlovsk with a degree in Finance and Credit.

By decision of the Board of Directors of JSC «Agrarian Credit Corporation» № 3 dated February 15, 2022, appointed as Deputy Chairman of the Management Board – Member of the Management Board of JSC «Agrarian Credit Corporation» effective from February 16, 2022.

Professional Experience:

- From 2009 to 2018, held various managerial positions within the structure of JSC «National Managing Holding KazAgro»;
- From 2018 to 2019 – Chairman of the Management Board of JSC «KazAgroProduct»;
- From 2019 to 2020 – Executive Director of JSC «Kazakhstan Center for Public-Private Partnership»;

- From 2020 to 2021 – Managing Director – Member of the Management Board of JSC «Kazakhstan Center for Public-Private Partnership»;
- Since February 2022 – Deputy Chairman of the Management Board of JSC «Agrarian Credit Corporation».

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, as well as does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.



DOSKARAEV
Aydyn Edilkhanovich

Born on September 13, 1979.

Education:

- In 2000, graduated from the Kazakh State Academy of Management (Almaty) with a degree in Finance and Credit, specializing in Banking Organization.

By decision № 1 of the Board of Directors of JSC «Agrarian Credit Corporation» dated January 31, 2023, appointed as Deputy Chairman of the Management Board – Member of the Management Board of JSC «Agrarian Credit Corporation» effective from February 13, 2023.

Professional Experience:

Has held various positions in the banking sector:

- In 2018 – Director of the Retail Lending Department at JSC «Tsesnabank», Astana;
- From 2018 to 2020 – Director of the Small Business Department at JSC «Bank CenterCredit», Almaty;
- From 2020 to 2023 – Deputy General Director for Investments and Finance at Cordial Group of Companies;

- Since February 2023 – Deputy Chairman of the Management Board of JSC «Agrarian Credit Corporation».

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, as well as does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.



MOLDASHEV
Yerlan Karybaevich

Born on July 7, 1981.

Education:

- In 2003, graduated from Shokan Ualikhanov Kokshetau State University with a degree in Economics and Management in Agricultural Enterprises;
- In 2017, graduated from Abai Myrzakhmetov Kokshetau University with a degree in Public and Local Administration.

By decision № 2 of the Board of Directors of JSC «Agrarian Credit Corporation» dated March 14, 2024, appointed as Deputy Chairman of the Management Board – Member of the Management Board of JSC «Agrarian Credit Corporation».

Professional Experience:

Worked in the quasi-public sector:

- From 2013 to 2015 – Director of the Loan Administration Department at JSC «KazAgroFinance»;
- From 2015 to 2022 – Director of the Project Administration Department at JSC «KazAgroFinance»;

- From March 1, 2022 to March 13, 2024 – Managing Director at JSC «Agrarian Credit Corporation»;
- Since March 14, 2024 – Deputy Chairman of the Management Board at JSC «Agrarian Credit Corporation».

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, as well as does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.



AYAPBERGENOV
Timur Zhanbolovich

Born on October 1, 1984.

Education (including institution, years of study, qualification, and professional credentials):

- In 2005, graduated from Karaganda State University named after Academician E.A. Buketov with a degree in Accounting and Audit;
- In 2007, graduated from Karaganda State University named after Academician E.A. Buketov with a degree in «Jurisprudence».

Professional Experience:

Worked in second-tier banks.

- From January 10, 2017 to January 8, 2019 – Managing Director at JSC «Tsesnabank»;
- From January 8, 2019 to February 5, 2019 – Managing Director – Member of the Management Board at JSC «Tsesnabank»;
- From February 7, 2019 to April 1, 2019 – Managing Director of the Head Office at JSC «Tsesnabank»;
- From May 4, 2019 to March 4, 2020 – Sector Consultant at BIG 4, PE «RUMIT»;

- From September 12, 2020 to May 31, 2022 – Chief Executive Officer (CEO) at “The Development Fund Of Agriculture” LTD (Private Company);
- From September 1, 2022 to March 7, 2024 – Head of PE «RUMIT»;
- From April 11, 2024 to November 21, 2024 – Director of LLP «Agro Consulting Company»;
- Since November 22, 2024 – Deputy Chairman of the Management Board, Member of the Management Board of JSC «Agrarian Credit Corporation».

By decision № 20 of the in-person meeting of the Board of Directors of JSC «Agrarian Credit Corporation» dated November 22, 2024, appointed Deputy Chairman of the Management Board, Member of the Management Board of JSC «Agrarian Credit Corporation».

Has no shares (participatory interests) in Agrarian Credit Corporation JSC, affiliated companies, as well as does not own shares of suppliers and competitors of Agrarian Credit Corporation JSC.

The appointment and selection

In accordance with paragraph 10 of the Regulation on the Management Board of JSC Agrarian Credit Corporation, determining the quantitative composition, term of office, operating procedure of the Management Board, election of its members (except for the Chairman of the Management Board), as well as early termination of their powers are referred to the exclusive competence of the Board of Directors.

According to paragraph 11 of the said Regulation, proposals on candidates for the Management Board are submitted by the Chairman of the Management Board for preliminary consideration by the Human Resources, Remuneration and Social Issues Committee of the Board of Directors, and then for consideration by the Board of Directors.

By the decision of the in-person meeting of the Board of Directors of JSC Agrarian Credit Corporation № 2 dated March 14, 2024 and № 20 dated November 22, 2024, Moldashev Erlan Karybaevich and Ayapbergenov Timur Zhanbolovich were elected as Deputy Chairmen of the Management Board, as well as members of the Management Board of JSC Agrarian Credit Corporation.

Corporation Committees

Credit committees

The main objectives of the Committee are the effective implementation of the Corporation’s credit policy and ensuring a balanced ratio of risk and profitability of the credit portfolio in compliance with the requirements of the legislation and internal documents of the Corporation.

The primary task of the Committee is to implement a well-considered credit policy and monitor the condition of the loan portfolio based on comprehensive, objective, and professional review of credit-related matters in line with the Corporation’s interests.

The Committee is authorized to make decisions on all issues related to the Corporation’s credit activities within the framework of the Powers Limit Registry approved by the Management Board, except for issues within the competence of higher governing bodies.

To optimize the credit process, the Corporation has established the following collegial bodies and officials with individual authority who implement the internal credit policy:

- Major Credit Committee (MCC);
- Minor Credit Committee (mCC);
- Branch Credit Committee (BCC).

Officials with individual authority. The Credit Committee has the following organizational structure:

- Chairperson of the Credit Committee;
- Members of the Credit Committee;
- Secretary of the Credit Committee (without voting rights).

Collegial bodies implementing the internal credit policy make decisions in accordance with delegated powers.

The work of credit committees is conducted on an ongoing basis.

In 2024, a total of the following meetings were held:

- 118 meetings of the MCC;
- 113 meetings of the mCC;



Risk Committee

The Risk Committee is a standing collegial, advisory body under the Management Board that coordinates and organizes the functioning of the risk management system. The Committee operates within the authority granted by the Management Board. All decisions of the Committee are advisory in nature.

The Committee is established to develop and submit recommendations to the Management Board regarding:

1. In-depth elaboration of matters related to the functioning, organization, and maintenance of an effective risk management system;
2. Development of processes aimed at identifying, assessing, controlling, and monitoring risks;
3. Creation of an integrated risk management process and the development of a risk management culture.

The Committee is formed by a decision of the Management Board. It consists of nine (9) members. The individual composition of the Committee is approved by order of the Chairman

of the Management Board.

The Committee is headed by a member of the Management Board and includes the following representatives:

1. Chairman of the Committee – Deputy Chairman of the Management Board, member of the Board overseeing the Collateral Department;
2. Deputy Chairman of the Committee – Deputy Chairman of the Management Board, member of the Board overseeing the Credit Department;
3. Committee members – Managing Director responsible for Digitalization and heads of several departments.

In 2024, one meeting of the Risk Committee under the Management Board was held, during which one item was considered.

Budget Committee

The Budget Committee is a standing body of the Corporation that coordinates the implementation of the Corporation’s budgeting process and is established by order of the Chairman of the Management Board.

The main objectives of the Budget Committee are to ensure budget planning processes during the development or adjustment of the Corporation’s Development Plan and to monitor the execution of the approved Development Plan.

The Committee’s main tasks include:

1. Formulating proposals for the development/adjustment of the revenue and expenditure parts of the Development Plan;
2. Submitting necessary indicators for review/consideration, based on the objectives, tasks, and KPIs outlined in the Corporation’s Development Strategy and other documents, for use during specific planning stages;

3. Reviewing results of the development/adjustment of the Development Plan prior to submission to the Management Board;
4. Formulating proposals on the execution of the Development Plan for the reporting period;
5. Reviewing monitoring results of the Development Plan for the reporting period prior to submission to the Management Board.

The Budget Committee is formed by order of the Chairman of the Management Board and includes:

1. Chairperson of the Committee;
2. Deputy Chairperson of the Committee;
3. Members of the Committee.

In 2024, the Budget Committee held 5 meetings.

Committee for Strategic and Corporate Development

The Committee for Strategic and Corporate Development is a standing collegial body under the Company’s Management Board. It is created by decision of the Management Board and reports directly to the Management Board.

The main goal of the Committee is to improve the effectiveness of the implementation of the Development Strategy, enhance the corporate governance system, and ensure sustainable development of the Corporation and its Subsidiaries (SOs).

To achieve this, the Committee addresses the following areas:

1. Proposing recommendations for approval/amendment of the Subsidiaries’ Development Strategy and planned actions to meet the annual KPIs;
2. Monitoring execution of strategic KPIs of Subsidiaries and submitting recommendations to relevant bodies;

3. Proposing amendments to the Corporate Governance Code of Subsidiaries;
4. Recommending a reporting format for compliance with the Corporate Governance Code;
5. Proposing amendments to the methodology for corporate governance diagnostics;
6. Reviewing results of corporate governance diagnostics of Subsidiaries;
7. Reviewing planned/adjusted KPIs of Subsidiary Management Board members;
8. Developing approaches and/or guidelines for preparing KPI maps for Subsidiary Management Board members;
9. Addressing sustainability issues of Subsidiaries;
10. Proposing assessment approaches for achieving goals of Subsidiary Development Strategies;
11. Reviewing and recommending reports on KPI achievement and planned activities to achieve KPIs based on audit reviews, audited financial statements, and performance results for assessing executive body members;

<div><div></div><div>THE YEAR OF WORKING PROFESSIONS</div></div> <div>Key events</div> <div>Information about the Corporation</div> <div>Business review</div> <div>Industry analysis</div> <div>Sustainable development</div>						Corporate governance	Risk management	Main goals and tasks	Audit report	Appendix	
<div>12. Reviewing and proposing recommendations on improving Subsidiary performance and evaluating their effectiveness.</div> <div>The Committee is established by decision of the Management Board. It must consist of at least six (6) members.</div> <div>The Chairperson of the Committee is the Deputy Chairman of the Management Board overseeing strategy and corporate development or an authorized representative. In the Chairperson’s absence, their functions are fulfilled by the Deputy Chairperson.</div> <div>Committee members include:</div> <div><div>1. Deputy Chairman of the Management Board in charge of budget planning, treasury, accounting and reporting, or an authorized representative – Deputy Chairperson of the Committee;</div><div>2. Director of the Strategy and Corporate Development Department or an authorized representative;</div><div>3. Director of the Budget Planning Department or an authorized representative;</div></div>	<div>4. Director of the Human Resources Management Department or an authorized representative;</div> <div>5. Director of the Risk Management Department or an authorized representative.</div>	<div>operational, strategic, legal), and financial stability.</div> <div><i>The Committee performs the following functions:</i></div> <div>In terms of asset and liability management:</div> <div><div>1. review and development of recommendations on determining the Corporation’s need for liquid funds and control of liquidity;</div><div>2. review and development of recommendations on the development and establishment of limits for conducting active operations for managing temporarily free funds in the financial market with financial instruments;</div><div>3. review and development of recommendations on transactions with financial instruments of the Company/Subsidiaries;</div><div>4. review and development of recommendations on the purchase/sale of securities;</div><div>5. review and development of recommendations on the selection of financial services of brokers, underwriters, financial consultants, and other securities market participants in the framework of the placement of securities of the Company;</div></div>	<div>6. review and development of recommendations on the structure of the investment portfolio of the Company/Subsidiaries;</div> <div>7. review and development of recommendations on the terms of financing the borrowers of the Company/Subsidiaries (source of funds, nominal interest rate (lending), pricing calculation, loan term, repayment schedule for principal and interest, grace period) and new types of services (operations), in order to maximize income and minimize risks;</div> <div>8. review and development of recommendations on the terms of attracting borrowed funds of the Company/Subsidiaries;</div> <div>9. review and monitoring of reports on asset and liability management, current and forecasted cash flow report, and balance sheet structure report of assets and liabilities and other reports provided for by the Risk Management Rules within the competence of the Committee, as well as review and approval of the calculation of the temporary availability of temporarily free funds. The frequency of report review is indicated in Appendix № 3 to this Regulation;</div>	<div>10. review and development of recommendations on the analysis of the financial condition of counterparty banks;</div> <div>In terms of financial risk management:</div> <div><div>1. review and development of recommendations on setting limits on counterparty banks of the Company/setting limits on counterparty banks exceeding the maximum limit for a single borrower calculated for the Company’s Subsidiaries;</div><div>2. review of reports and development of recommendations in terms of the Company’s financial risks. The frequency of report review is indicated in Appendix № 3 to this Regulation;</div><div>3. review and development of recommendations on the Company’s currency position and conversion operations;</div><div>4. review and development of recommendations in terms of operations with derivative financial instruments of the Corporation/Subsidiaries;</div><div>5. review and development of recommendations on the development of an action plan in the event of a liquidity crisis of the Corporation, potential and actual violation of prudential standards;</div></div>	<div>6. review of other issues related to the activities of the Company/Subsidiaries on the above matters within its competence.</div> <div>In terms of intra-group resource reallocation:</div> <div><div>1. review of issues and development of recommendations on the financing of the Company/Subsidiaries through financial resources within the group of the Company.</div><div><i>The Committee must consist of at least 6 (six) persons.</i></div><div>The Chairperson of the Committee is the Deputy Chairman of the Management Board of the Company, a member of the Management Board responsible for financial matters.</div><div>The Committee includes the following permanent staff:</div><div><div>1. Director of the department responsible for the strategic planning of the Company – Deputy Chairperson of the Committee;</div><div>2. Director of the department responsible for the treasury operations of the Company – Committee member;</div></div></div>						



3. Director of the department responsible for the risk management system of the Company – Committee member;
4. Director of the department responsible for budget planning of the Company – Committee member;
5. Director of the Company’s department responsible for lending – Committee member;
6. Director of the Company’s department responsible for financing financial institutions – Committee member.

In 2024, 29 Committee meetings were held.

Report on the Activities of the Management Board

The goal of the Management Board’s activities is the effective implementation of the Corporation’s

development strategy and development plan.

Key tasks of the Management Board’s activities:

1. Quality and timely execution of the decisions of the Sole Shareholder and the Board of Directors of the Corporation;
2. Ensuring that the current activities of the Corporation are aligned with the goals and objectives of the Corporation’s development strategy and development plan;
3. Effective management of the Corporation’s assets, liabilities, and capital;
4. Ensuring the effective functioning of risk management and internal control systems within its competence.

The activities of the Management Board are based on the following principles:

1. Transparency and openness;
2. Responsibility and accountability;
3. Objective distribution of responsibilities;
4. Proper approval and confirmation of transactions;
5. Complexity and systemicity;

6. Continuous development and improvement;
7. Flexibility;
8. Timely identification and response to any significant deficiencies and control weaknesses;
9. Priority of the areas of activity of the Management Board;
10. Technological efficiency;
11. Competence of employees;
12. Documentation of procedures;
13. Reliability and completeness of information.

In 2024, 97 meetings of the Management Board were held, all of which were held in person.

In total, in 2024, the Management Board considered 386 issues, of which 63 issues were initiated at a meeting of the Board of Directors of the Corporation, on which decisions were made and instructions were issued.

Key Areas of Reviewed Matters:

1. Preliminary review of matters submitted to the Sole Shareholder and the Board of Directors, excluding matters of the internal audit service, corporate secretary, anti-corruption compliance service, and ombudsman;
2. Approval of the annual budget within the framework of the approved development plan;
3. Approval of the staff schedule and organizational structure within the overall headcount approved by the Board of Directors. Changes to the organizational structure are permitted no more than once per calendar year, except in cases of new and/or discontinued business processes and/or activities; reorganizations; amendments to government planning documents; approval of new or amendments to existing government programs;
4. Management of the Corporation’s current operations and ensuring the implementation of decisions of the Sole Shareholder and the Board of Directors;
5. Approval of internal documents adopted to organize the activities of the Corporation, except for documents whose approval is within the competence of the Sole Shareholder and/or the

Board of Directors according to the legislation of the Republic of Kazakhstan and/or the Charter;

6. Approval of rules for remuneration, rewards, social support, and salary schemes for Corporation employees (excluding the Chairperson and members of the Management Board, internal audit service, corporate secretary, and anti-corruption compliance service);

7. Decision-making on increasing the Corporation’s liabilities by an amount ranging from two to ten percent of the Corporation’s equity capital and concluding other transactions not within the competence of other governing bodies under the legislation and/or the Charter;

8. Decision-making on other matters related to the Corporation’s operations not within the exclusive competence of other governing bodies and officials.

Remuneration of the Management Board Members

The payment of remuneration and compensation to the Management Board members based on

annual performance is carried out in accordance with the Rules for remuneration, performance evaluation, and rewarding of senior executives of the Company, approved by the decision of the Board of Directors dated June 30, 2021 (minutes № 11).

The remuneration is based on a differentiated individual approach that considers the complexity of duties performed and the positions held. The remuneration is paid once a year and depends on the achievement of strategic key performance indicators and the assessment of their performance by the Board of Directors.

According to the Regulations on the terms of remuneration, bonuses, and social support for the Chairperson and members of the Management Board, the main remuneration principles include the following stages:

1. Determination of key performance indicators and planned targets;
2. Approval of key performance indicators;
3. Calculation and approval of achieved key performance results.

The remuneration of Management Board members consists of the following parts:

- Base salary – the official salary according to the concluded contract;
 - Annual bonus based on the results of the previous year.

The annual bonus is paid upon the approval of the Corporation’s audited financial statements and subject to the achievement of the approved key
- performance indicators for the reporting year.

For 2024, the amount of payments to the Company’s Management Board amounted to 256,7 million tenge.

Remuneration includes salary, social security contributions, social tax, contributions to the
- Mandatory Social Health Insurance (MSHI), and voluntary health insurance.

It is important to note that in 2024, all 9 planned key performance indicators were fully achieved.

The table below presents the actual performance of KPIs for 2024.

Information on actual performance indicators in 2024

Key Performance Indicators of the Company's Development Plan	Unit of Measurement	Plan	Actual	Performance, %
KI 1. Volume of lending to the agro-industrial complex (AIC) under the Company's financing programs	billion KZT	585,0	822,33	140,6
KI 2. Volume of capital investment in the AIC sector (per year)	billion KZT	320,1	334,55	104,51
KI 3. Revenue of enterprises that received support (per year)	billion KZT	130,3	189,22	145,22
KI 4. Export revenue of enterprises that received support (per year)	billion KZT	4,6	13,20	284,55
KI 5. Share of SMEs receiving financial support in relation to the total number of active SMEs in the market	%	2,9	5,0	172,59
Number of supported unique SME entities through ACC instruments (cumulative since 2024)	units	8 868	14 804	166,94
KI 6. Area of land using water-saving technologies in irrigation under financed “green” projects (cumulative since 2024)	thousand ha	1,6	4,58	286,25
KI 7. NPL 90+	%	9,00	8,40	Within the norm
KI 8. Share of credit and investment portfolio in total assets	%	73,3	73,58	100,4
KI 9. Business process automation	%	100	119,0	119,0

6.7. SUBSIDIARIES AND AFFILIATES

By Resolution № 05/22 of the Board of Directors of JSC «National Managing Holding «Baiterek» dated July 15, 2022, a decision was made on the disposal of 100% of ordinary shares of JSC «KazAgroFinance» owned by JSC «National Managing Holding «Baiterek» in exchange for

newly issued ordinary shares of JSC «Agrarian Credit Corporation.» This was executed by JSC «National Managing Holding «Baiterek», as the Sole Shareholder of JSC «Agrarian Credit Corporation», exercising its pre-emptive right to purchase shares of JSC «Agrarian Credit Corporation».

As of July 25, 2022, the Corporation became the Sole Shareholder of JSC «KazAgroFinance» with a 100% ownership stake.



Information on KazAgroFinance

Mission:

Technical and technological modernization of agribusiness entities in the Republic of Kazakhstan.

Vision:

JSC «KazAgroFinance» is a partner providing comprehensive support to clients in the agro-industrial complex through digital solutions.

Sector Role: Technological renewal of the agro-industrial complex (AIC) by ensuring access to financial resources for agricultural producers to acquire agricultural machinery and equipment on a leasing basis.

The subsidiary offers a broad and balanced product line of financing programs, tailored to the interests and needs of various categories of agricultural producers and enabling the acquisition of equipment on favorable terms.

The main area of activity of the subsidiary is the leasing of agricultural machinery and equipment.

The subsidiary is represented by 15 branches across all regions of Kazakhstan.

The subsidiary has been successfully operating for over 24 years, contributing to the development of technical capabilities in the country’s agricultural sector.

Competitive advantages such as strong industry expertise, many years of market experience, an extensive branch network, a highly qualified staff, reliable credit ratings, and access to funding allow the subsidiary to maintain a leading position in the leasing market and remain a trusted partner for domestic farmers.

Results of KazAgroFinance for 2024

Key events of 2024

- On January 30, KazAgroFinance completed two bond issuances totaling 25 billion tenge, with a maturity of 4 years. The bonds were fully placed via private placement.
- On April 23, KazAgroFinance, in cooperation with QCloudy – an official partner of Amazon Web Services – developed an AI-based online monitoring system for leased assets and collateral.
- On May 23, KazAgroFinance issued bonds totaling 50 billion tenge with a maturity of 5 years, fully placed via private placement.
- On June 28, the preferential leasing program was launched offering a 5% rate, a term of up to 7 years, and a minimum down payment of 10%, with payment allowed after the transfer of the leased item, but no later than December 1, 2024.
- On July 22, KazAgroFinance issued bonds totaling 100 billion tenge with a maturity of 7 years, fully placed via private placement.

2024 Results

Investments: 224,2 billion tenge (cash basis).

Leased equipment transferred: 10,543 units.

Number of clients in the loan portfolio: 15,786.

Taxes and payments to the budget: 1.685 billion tenge.

Net profit: 20,3 billion tenge.

Dividends paid for 2023: 13,2 billion tenge.

Resources

Equity capital– 192,7 billion tenge.

Borrowed funds– 175,0 billion tenge.

Headcount – 341 employees.

Leasing Process

The leasing process begins with the client selecting the leasing item and supplier. After receiving a commercial offer from the supplier, the client contacts KazAgroFinance.

A credit department manager provides consultation on the available financing programs and informs the client of the list of required documents for submitting an application. After the client submits the complete set of documents, the structural units of the subsidiary organization conduct an expert review of the client’s project. Based on the conclusions and assessments, the authorized body of the subsidiary (Credit Committee) makes a decision on financing the project. The general review period for a project is from 5 to 12 working days, excluding revision time.

If the Credit Committee issues a positive decision on the project, a financial leasing agreement is signed, the client makes the first lease payment, and then a purchase agreement is signed with the supplier. After delivery, the leasing item is transferred to the lessee.

To increase accessibility of leasing services, applications under preferential financing programs are accepted via a Telegram chatbot. The Telegram chatbot forms an electronic queue in which each potential client application is assigned a sequential number. Only applications that receive a number in the Telegram chatbot queue are considered under preferential programs. This ensures transparency in accessing preferential financing and reduces corruption risks.

The subsidiary organization offers a wide and balanced product line of financing programs that meet the interests and needs of various categories of agricultural producers and allow for the acquisition of equipment on favorable terms.

In 2024, the subsidiary organization operated the following programs:

1. 1. Market-based leasing programs:

- Agricultural machinery (self-propelled, mounted, and trailed);
- Specialized equipment for land reclamation and agricultural work, including unmanned aerial vehicles;
- Transport vehicles for the transportation of biological assets, agricultural and fish products, including freight wagons;
- Equipment (requiring and not requiring installation).

2. Special financing programs:

- «Made in Kazakhstan»;
- «Express Leasing»;
- «Preferential Leasing 5%»;
- «Preferential Leasing 6%»;
- “Own Feed.”

3. Special financing services:

- «Master Leasing»

6.8. «MASTER LEASING» GRI 2-26

The Internal Audit Service (hereinafter – IAS) performs activities to provide independent and objective assurance and consulting aimed at improving the Corporation’s operations.

Internal audit helps achieve set objectives by applying a systematic and consistent approach to assessing and improving the effectiveness of risk management, control, and corporate governance processes.

The IAS organizes and carries out internal audits within the Corporation and is directly subordinate and functionally accountable to the Board of Directors. The mission of the IAS is to provide the necessary support services to the Board of Directors and the Management Board of the Corporation in fulfilling their responsibilities in achieving strategic goals. Internal audit planning and the prioritization of audit assignments are based on a risk-oriented approach.

To assess the Corporation’s sustainability performance, the IAS audit plan for 2025 (approved by the decision of the Board of Directors № 22 dated December 26, 2024) includes an audit of the Corporation’s activities related to the development and monitoring of the Sustainability Policy of Agrarian Credit Corporation JSC for 2023–2024. In addition, according to the Corporation’s internal regulatory documents, the IAS conducts annual audits of the Corporation’s information technologies and information security.

Unhindered and full access to any assets, documents, accounting records, and any other information related to the Corporation’s

activities, including confidential data, is ensured in accordance with the Regulations on the IAS (approved by the decision of the Board of Directors № 9 dated June 14, 2021).

In 2024, the IAS conducted and supported 13 audit assignments. The annual audit plan approved by the Board of Directors on December 27, 2023 (Minutes № 14), with an addition from May 24, 2024 (Minutes № 8), was completed 100%. Based on the results of the audit activities carried out in 2024, a total of 106 observations were made and 184 recommendations issued.

The audit objectives and scopes were achieved in accordance with the audit assignments, audit programs, and internal regulatory documents.

All audit assignments were carried out in line with the International Professional Practices Framework (IPPF) and the internal audit procedures of the Corporation. Based on the audit results, the IAS issued appropriate recommendations aimed at improving internal control systems, risk management, and corporate governance. Audited entities developed corrective/preventive action plans to eliminate identified deficiencies. The IAS conducts quarterly monitoring of the implementation of recommendations arising from internal audits, external audits, and supervisory authorities. Consolidated results of internal audit activities and information on the implementation of recommendations are reflected in quarterly and annual reports

reviewed and approved by the Corporation’s Board of Directors.

In 2024, no external evaluation of the internal audit function at Agrarian Credit Corporation JSC was conducted.

However, in 2024, in accordance with the Internal Audit Organization Rules of Agrarian Credit Corporation JSC approved by the Board of Directors, an internal self-assessment of the IAS’s current state was conducted. The final assigned rating was «compliant», with an average score of 3.6 out of a possible 4. Additionally, a self-assessment conducted by the Head of the IAS based on the set evaluation criteria received the rating «fully compliant», with an average score of 4 out of 4.

External Assessment Observations

In 2024, as part of an external corporate governance diagnostic conducted by independent auditors, the corporate governance system of Agrarian Credit Corporation JSC was evaluated for its maturity and alignment with best practices. The diagnostic concluded that the level of compliance with best practice requirements was 94,2%.

The Corporation demonstrated a high level of corporate governance maturity, established through practices implemented over previous years. Under the «Structure» category, the compliance score was 99,2%, reflecting the existence of a formalized governance system, clear delineation of powers, established conflict of interest resolution mechanisms, and adherence to the rights of financially interested parties. The Corporation operates anti-corruption procedures,

a policy on anti-money laundering and counter-terrorism financing, internal regulations, and a defined system for distributing functions among governance bodies.

In the «Processes» category, the integrated score was 90,4%. The diagnostic showed that the Corporation’s Board of Directors operates independently and ensures the adoption of strategically sound decisions. At the same time, certain areas were identified as requiring additional attention: there is no formalized approach for enhancing the qualifications of Board members, and practices related to succession planning mechanisms are underdeveloped. In addition, audits of the risk management system (RMS) and internal control system (ICS) are conducted irregularly. The Corporation is exploring ways to address

these limitations and strengthen the respective governance processes.

For the «Transparency» category, the average compliance level was 95,8%. The Corporation ensures disclosure of both financial and non-financial reports in accordance with IFRS requirements; auditing is carried out by an international audit organization (KPMG Audit LLP), and internal audit functions are in place. The Corporation recognizes the need for further development in this area and is considering ways to enhance the completeness and transparency of disclosed information.

In the area of sustainability, the integrated score was 87,5%. The Corporation has approved a Sustainability Policy and implements initiatives and projects in the social and environmental

domains. The highest level of maturity was recorded in the social dimension (100%), including occupational health and safety, employment conditions, and gender equality. Meanwhile, the scores for economic and environmental aspects were 75%, and the score for «Protection of public interests» was 87%. The diagnostic revealed the absence of approved quantitative ESG indicators and a sustainability strategy. The Corporation plans to address these areas to enhance systematic management and governance in this domain.

Thus, based on the diagnostic conducted in 2024, the corporate governance system of Agrarian Credit Corporation JSC is characterized by a high level of maturity and alignment with international best practices. However, certain areas shaped in previous years require further development – in

particular, improvements in Board performance evaluation procedures, regular assessments of RMS and ICS, the development of succession planning tools, and more comprehensive reporting on sustainability indicators. Work in these areas will be continued.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Corporation's risk management system is a continuous process that facilitates timely identification, assessment, monitoring and control of risks. It also provides the Management Board and the Board of Directors of the Corporation with up-to-date information on risks and measures to minimize them.

The main objective of the risk management system is to achieve an optimal balance between profitability and risk level, as well as to ensure sustainable development of

the Corporation within the framework of implementing strategic plans and achieving established goals.

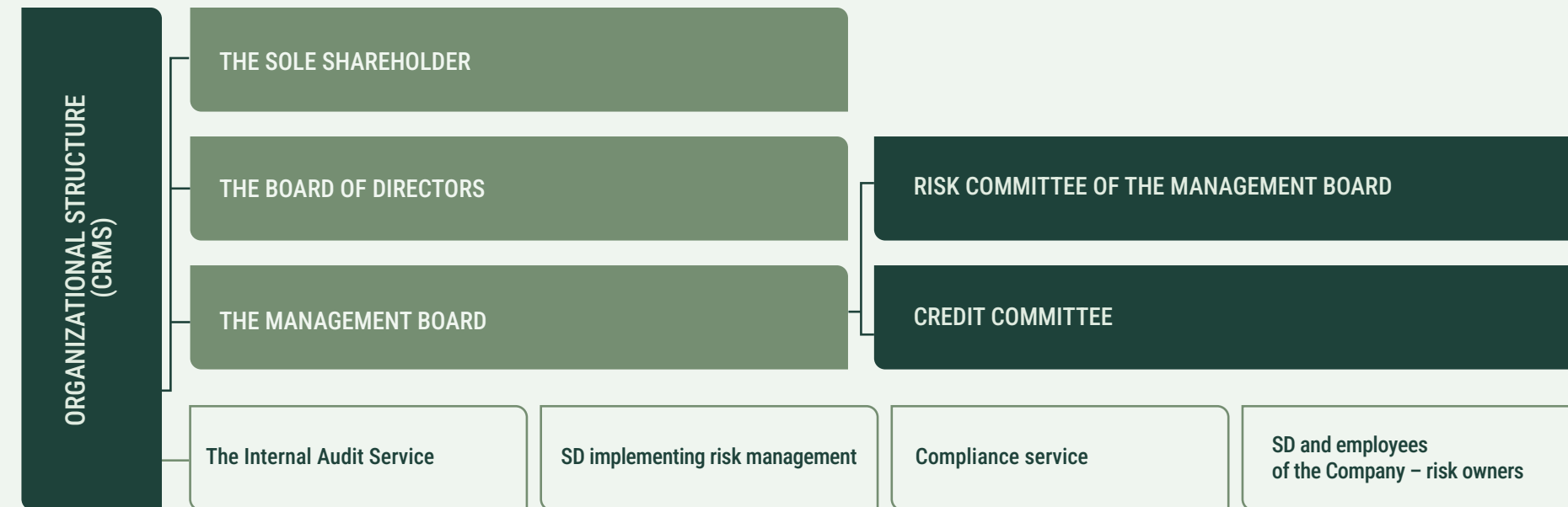


7.1. ORGANIZATIONAL STRUCTURE OF THE CORPORATE RISK MANAGEMENT SYSTEM (CRMS)

In accordance with the Risk Management Policy of JSC Agrarian Credit Corporation, the organizational structure of the Corporation in

the risk management process is represented by the following elements: the Sole Shareholder, the Board of Directors, the Management Board,

the structural division responsible for risk management, in particular the Risk Management Department, the Internal Audit Service and other structural divisions.



*SD – structural divisions

The functions of the participants in the risk management process are defined by the Risk Management Policy of JSC Agrarian Credit Corporation, which is publicly available on the Corporation's website.

International standards

The Corporation has implemented a risk management system in accordance with the international standards COSO ERM: 2017 and ISO 31000:2018. Risk management in the Corporation is a set of culture, capabilities, practices and coordinated actions aimed at defining and achieving the strategic goals of the organization taking into account risk.



Corporate Risks

The Corporation's activities are subject to 18 risks assessed in the Risk Register, grouped into categories and located in the Risk Map.
In the red zone - 3 risks;
In the yellow zone - 12 risks;
In the green zone - 3 risks.

RISK MANAGEMENT SYSTEM

Key Risk Indicators in the Corporation

Key risk indicators (KRI) have been developed for risks in the significant and critical zones of the Corporation's Risk Map. A total of 6 KRIs have been developed for risks, for which a report on the current level of KRI indicators is periodically compiled for subsequent submission to the authorized body of the Corporation.



Risk mitigation measures

In order to minimize risks, the Corporation has developed a Risk Management Action Plan within the Risk Register. The Action Plan for 2024 includes 125 events with established deadlines for implementation for all risk groups. Risk owners submit a report on the implementation of events on a quarterly basis.

7.2. IDENTIFIED RISKS

The Corporation’s methodology is primarily based on a centralized risk management and assessment system. Its objective is to maintain the Corporation’s overall risk at a level defined by the Corporation in accordance with its strategic objectives.

The centralized risk management system includes the following components:

- Components and/or metrics of the Corporation’s risk appetite, calculated on a consolidated basis, including capital adequacy for covering the total risk amount under normal and stress scenarios.
- Management of individual types of risks by setting unified requirements, limits, and constraints.
- Monitoring of specific risk types through the generation of management reporting within the Corporation.

- Preparation of recommendations on individual issues of the subsidiary by the Corporation’s authorized collegiate bodies.
- The centralized risk management system is based on the internal capital adequacy assessment process, as the Corporation must assess all initially fragmented risks. Each risk type is subject to quantitative evaluation to enable subsequent aggregation for calculating the Corporation’s internal capital and comparing it with the Corporation’s available financial resources allocated for risk coverage.

The risk register for 2024 consists of 6 risk categories encompassing 18 identified risks.

As part of risk management procedures in 2024, measures were developed and implemented to mitigate these and other risks, risk owners were assigned, key risk indicators were defined, and risk reports were prepared and submitted to the

Management Board and the Board of Directors of the Corporation.

The effectiveness of the risk management system is assessed by the Corporation’s Internal Audit Service.

In 2023, an independent evaluation of the Corporation’s corporate risk management system was conducted.

According to the effectiveness (maturity) level defined in the Corporation’s Risk Management System Assessment Methodology, the score corresponds to the «Mature» level: the main elements of the risk management system align with «best practices» and are sufficiently effective. The final risk management system effectiveness score was 90,8%.

STRATEGIC RISKS

- Risks of strategic planning and resource allocation
- Reputational risks

OPERATIONAL RISKS

- Personnel risks
- Risks of incorrect functioning of business processes
- Risks of information security (IS) and information technology (IT)
- Risks of inaccurate and untimely reporting
- Administrative and economic risks

ENVIRONMENTAL RISKS

- ESG-risks

FINANCIAL RISKS

- Liquidity gap risk
- Currency risk
- Risks of reduction of equity capital
- Model risk

CREDIT RISKS

- Credit risk of counterparty banks
- Credit portfolio risks
- Risks of significant reduction in value or loss of collateral

LEGAL RISKS

- Compliance risks
- Risk of non-compliance with covenants and prudential standards of the NBRK
- Risks of litigation

7.3. ENHANCEMENT OF THE RISK MANAGEMENT SYSTEM

Liquidity Risk

Liquidity risk arises from a mismatch between the maturities of assets and liabilities, which affects the Corporation's ability to maintain sufficient liquid resources at an acceptable cost to meet its on- and off-balance sheet obligations in a timely manner. Matching and/or controlled mismatching of maturities and interest rates of assets and liabilities is a fundamental aspect of the Corporation's management.

The Corporation manages liquidity to ensure the continuous availability of funds required to meet all obligations as they fall due. Liquidity risk management is conducted in accordance with the Risk Management Rules approved by the Board of Directors of the Corporation.

Liquidity management procedures include:

- Forecasting cash flows and calculating the required level of liquid assets associated with these flows.

- Maintaining a diversified funding structure.
- Managing the concentration and structure of borrowed funds.
- Developing borrowing plans.
- Maintaining a portfolio of highly liquid assets that can be freely realized in case of a cash liquidity gap.
- Developing contingency plans for maintaining liquidity and a specified level of funding.
- Monitoring compliance of the Corporation's liquidity indicators with statutory requirements.

Liquidity risk is measured and monitored under the aforementioned documents using the following tools and analytical reports: regulatory and contractual liquidity standards; analysis of current liquid funds and planned inflows/outflows; internal liquidity ratios, including Basel-recommended LCR and NSFR; gap analysis.

The Corporation monitors liquidity risk through analysis of cumulative gap mismatches in order to take measures to reduce the risk of liquidity loss. The Treasury Department is responsible for managing current liquidity by conducting operations in financial markets to maintain sufficient liquidity levels and optimize cash flows.

Liquidity risk information is consolidated in a risk report submitted quarterly to the Management Board and Board of Directors of the Corporation.

Market Risks

The Corporation may be exposed to foreign exchange risk due to open currency positions resulting from adverse changes in foreign exchange rates in the course of its activities.

The market risk management process includes the following sequential steps:

- Planning: defining appropriate approaches for effective market risk management.
- Identification: determining and documenting various types of market risks that could negatively affect the Corporation's financial performance.
- Qualitative assessment: analyzing the nature of market risks and identifying their root causes to evaluate their impact on the Corporation's financial results.
- Quantitative assessment: analyzing the probability and consequences of market risk realization.

- Response planning: defining procedures and methods for mitigating adverse effects from market risks.
- Monitoring and control: monitoring market risks, performing timely management procedures, and evaluating the effectiveness of the risk mitigation measures.

The goal of the market risk management system is to maintain overall risk at a level defined by the Corporation in line with its strategic objectives. The priority is to ensure the maximum safety of the Corporation's assets and capital by minimizing market risks that may lead to unexpected financial losses.

Market risk assessment methods include:

1. Currency risk: monitoring currency positions, including sensitivity analysis of exchange rate changes and their impact on financial results. The magnitude of position change depends on the

stress scenario applied.

2. Currency risk: calculating monthly and annual Value at Risk (VaR) using the historical method with a covariance-variance matrix.

3. Interest rate risk: monitoring the securities portfolio for duration and volume, including changes in yield to maturity and their impact on financial results. The yield change magnitude depends on the stress scenario applied.

4. Interest rate gap: monitoring the mismatches of interest rate-sensitive assets and liabilities, including changes in reward rates and their impact on financial results. The magnitude of rate changes depends on the stress scenario applied.

Summary information on market risk exposure is submitted quarterly to the Management Board and Board of Directors of the Corporation.

Operational risk

Operational risk is the risk of failing to achieve set goals and objectives and the risk of incurring losses as a result of deficiencies or errors in the execution of internal processes, mistakes made by employees (including personnel-related risks), failures in information systems and technologies (technological risks), as well as external events.

The objective of operational risk management is to optimize the Corporation's operational efficiency by reducing operational losses, rationalizing expenses, shortening response times, and improving the adequacy of the Corporation's response to events beyond its control.

Operational Risk Management Tools:

- Risk Database: Used for accumulating and continuously tracking historical data on potential and realized risks, including significant losses within each area of the Corporation's activities. The Risk Management Department monitors the database daily for recorded risk events.

- Operational Risk Self-Assessment: Enables employees to independently identify and analyze operational risks affecting their department/process/operations.
- Key Risk Indicators (KRIs): Tools providing early warnings about increasing risk levels or potential events that could adversely impact the Corporation's operations.
- Risk Register and Risk Map: Used to systematize identified risks within the Corporation as part of management reporting to the Management Board and Board of Directors.

To ensure comprehensive and integrated management, these operational risk management tools are used in a coordinated and interconnected manner.

Operational risks are categorized by event type and cause of occurrence, in accordance with Basel recommendations.

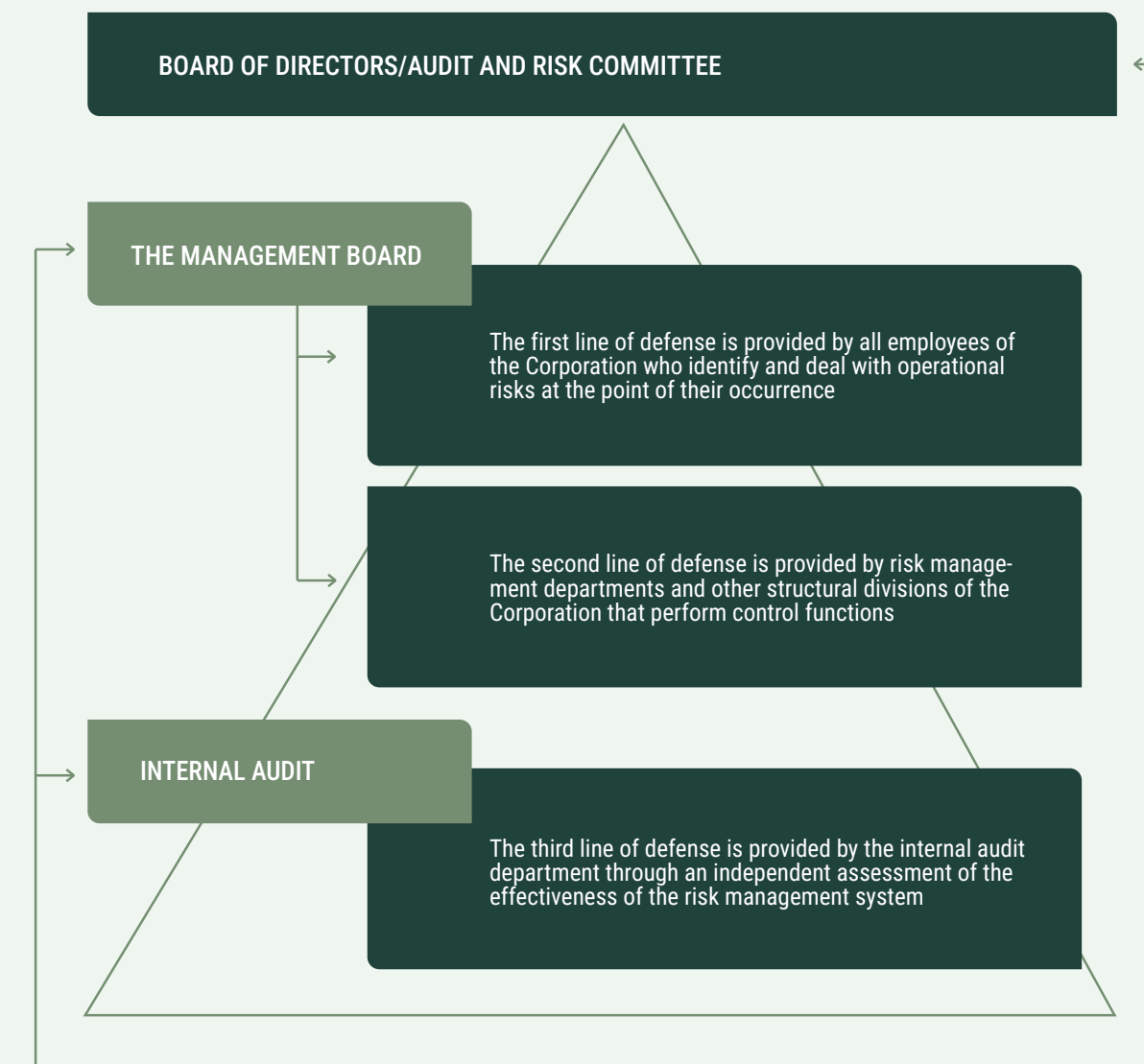
Summary information on operational risks is presented to the Board of Directors as part of the

Corporation's quarterly risk assessment report.

The Risk Management Department collaborates with designated risk coordinators within the Corporation. These coordinators are responsible for ensuring the complete and timely collection and submission of information about operational risk events, facilitating operational risk management, and monitoring compliance with operational risk management procedures and key risk indicators.

In organizing its risk management system, the Corporation follows the «Three Lines of Defense» principle, which delineates responsibilities in the operational risk management process as follows:

The process of operational risk management is regulated by the Corporation's internal documents and is implemented at all levels of the corporate risk management system. Participants in the operational risk management process are responsible for identifying and registering potential risks in the Corporation's Risk Database, as well as for taking measures to minimize their level and prevent adverse consequences of their realization.



Credit Risk

The Corporation is exposed to credit risk, which refers to the risk of a counterparty failing to fulfill its obligations under a financial instrument.

The main objective of the Corporation’s credit risk management system is to minimize credit risk, prevent its occurrence, and reduce the likelihood of financial losses resulting from a borrower’s failure to meet their financial obligations.

Credit risk is realized through the recognition of financial losses and/or additional provisioning to cover potential financial losses from the Corporation’s financial assets due to deterioration or loss of the borrower’s creditworthiness or solvency.

To minimize credit risks, the Corporation undertakes the following:

1. Organizational support for credit activities;
2. Risk control through calculation and establishment of credit limits, including limits for a single borrower or a group of related borrowers;

3. Analysis of the borrower’s creditworthiness;
4. Timely and effective reporting and monitoring system;
5. Stress testing for credit risk.

The Corporation determines on a monthly basis the potential loss from clients’ default and creates provisions in accordance with the requirements of international financial reporting standards and the legislation of the Republic of Kazakhstan.

The Corporation assesses credit risk by setting maximum limits per borrower and/ or group of related borrowers. When setting limits, credit ratings from international rating agencies are used, along with an assessment of the counterparty’s financial condition based on available financial statements. As part of the centralized risk management system, the Corporation applies appropriate approaches from its methodology depending on the volume and complexity of financial assets exposed to credit risk. The main method used is the risk-weighted assets (RWA) approach.

To calculate stress test provisions for credit risk within internal capital calculations, the Corporation may apply different scenarios. Credit risk is assessed quarterly and submitted for review to JSC «National Management Holding «Baiterek».

To ensure effective credit risk management, the Corporation has approved business processes that ensure segregation of credit and risk management functions and established collegial bodies and units involved in the evaluation and management of credit risks.

Business Risk

The Corporation is subject to various risks in the course of its business operations. Business risk is one of the key factors affecting the sustainability and financial performance of the Corporation.

Business risk refers to adverse and unforeseen changes in the Corporation’s activity volume that could result in substantial profit losses. Key factors of business risk include: significant deterioration in market conditions, changes in the competitive environment, shifts in cost structure, and others.

Business risk is assessed regularly by calculating earnings at risk (EaR), which is a substitute for VaR and interpreted as the maximum probable loss that will not be exceeded at a given confidence interval (99%) and time horizon under normal market conditions.

In stress testing, historical and hypothetical scenarios are used to model stress conditions for business risk. Quarterly data are used for stress testing over a period of at least 3 years (to ensure that the number

of observations n exceeds 30), including:

1. The Corporation’s net income;
2. USD/KZT exchange rate;
3. Brent oil price;
4. Inflation rate (consumer price index)

Strategic Risk

The Corporation is exposed to strategic risks, which include:

- The risk of misalignment between the Corporation’s and its subsidiary’s development strategies and the goals and objectives outlined in the strategic and program documents of the Republic of Kazakhstan, strategic plans of state authorities, and budgetary parameters specified in the socio-economic development forecast and the Holding’s strategic documents;
- The risk of ineffective implementation of the

Corporation’s and its subsidiary’s development strategies due to failure to achieve strategic key performance indicators.

Achievements in Risk Management System

1. The Corporation’s credit rating and outlook were affirmed at “BBB- Stable” (February 21, 2025);
2. In Q4 2024, testing (validation) of key components for expected credit losses (ECL) was conducted in line with auditor recommendations following the audit of the 2023 financial statements. Based on additional recommendations from external auditor KPMG, a multiple regression model using several macroeconomic variables was developed to calculate the Probability of Default (PD) within the ECL component. After review by the auditors, it was proposed to implement the model into ECL calculations following testing of

macroeconomic indicator dynamics' impact on PD and ECL overall;

3. Automation was implemented across the full cycle of ECL calculation processes, including:

– Determining loan classification by individual or collective characteristics and creating a monitoring system for individual loans;

– Defining risk stages based on impairment criteria and automatically generating POCI (purchased or originated credit-impaired) financial assets;

– Loan rehabilitation procedures;

– Calculating ECL for loans and leasing contracts, including indicators such as: Expected Credit Losses (ECL), Credit Conversion Factor (CCF), Discount Factor (DF), Exposure at Default (EAD), Loss Given Default (LGD), Present Value (PV), Probability of Default (PD), Recovery Rate (RR/ Collateral), and others;

4. Reports to the NB RK were submitted on time throughout 2024, with no inaccuracies identified within the Risk Management Department's area of responsibility;

5. As part of strengthening the Corporation's risk culture, training on investment project analysis and assessment was conducted for employees;

6. New lending limits for branch credit committees and central office credit committees were reviewed and approved

Information Security Risk Management

The Corporation operates an Information Security Service (ISS), which is part of the Security Department and reports to its Director.

To ensure reliable information protection and prevent cyber threats, the Corporation has implemented an Information Security Management System (ISMS) aimed at maintaining confidentiality, integrity, and availability of data, and reducing information security risks. Key provisions of the ISMS are outlined in the «Information Security Policy»

approved by the Board of Directors (Resolution № 1 dated January 30, 2024) and the "Regulations on the Information Security Service" approved by the Management Board (Resolution № 63 dated August 7, 2024).

ISS implements measures to prevent data leakage, enhance information system protection, and ensure compliance with information security requirements. Its activities align with regulations of the National Bank of Kazakhstan and recommendations of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan.

Personal accountability is a key component of information security. Every employee must strictly follow established rules and take the necessary actions to protect data.

To this end, the Corporation implements the following measures:

- Access management: All access requests to information systems undergo strict review and multilevel approval, preventing unauthorized access;

- 24/7 monitoring and incident response: Security systems continuously analyze potential threats for timely detection and mitigation;
- Data leakage prevention: Modern technologies ensure the protection and integrity of data against unauthorized access;
- Employee training: ISS conducts annual training sessions for employees, followed by knowledge assessments through testing.

In 2024, the Corporation's information security systems prevented 1 608 272 cyber incidents, including virus attacks, DDoS attempts, and other threats.

Reputational Risk Management

Reputational risk management is carried out through effective corporate governance, risk management, internal control, and audit systems.

Internal regulations within these systems are aimed at:

- Ensuring the Corporation operates effectively in both internal and external environments;
- Promoting transparency, accountability, and high standards of business ethics in stakeholder relationships;
- Enhancing public trust in the Corporation's activities through clear communication, media engagement, and public outreach.



7.4. INTERNAL CONTROL SYSTEM

Internal control is defined as a process that is carried out by the Board of Directors, the Management Board, structural divisions and employees of the Corporation in order to provide a reasonable guarantee of achieving the Corporation's goals.



The Corporation's internal control system is built in accordance with the COSO model «Internal Control - Integrated Model» and consists of the following interrelated components:

The Corporation's internal control system is an integral part of the corporate governance system, covering all management levels, all internal processes and operations of the Corporation.

The Corporation's internal control system (hereinafter referred to as ICS) is based on the following basic principles:

BASIC PRINCIPLES OF THE ICS

Participation in the internal control process of all structural divisions and employees of the Corporation, organization of internal control as a daily activity at all management levels.

An important element of the internal control system within the Corporation is the regulation of business processes. This includes a comprehensive description of the process flow by structural units, a list of outcomes, control points, forms of completion, participants and their responsibilities, and other relevant aspects.

Process owners conduct an annual review of internal regulatory documents to determine the need for updates, enhance internal control mechanisms, eliminate conflicts of interest (if any), and identify inconsistencies or insufficient

Coverage of all areas of activity and business processes by internal control and regulation of internal control procedures in all areas and business processes of the Corporation.

formalization of business processes. Following this review, an action plan for updating internal regulatory documents is approved.

To manage internal control, the Corporation implements compliance control, which ensures adherence to the legislation of the Republic of Kazakhstan, the Charter, the Corporate Governance Code, and internal regulatory documents.

The effectiveness of the risk management system is assessed by the Corporation's Internal Audit Service.

Implementation of internal control on an ongoing basis (continuity).

In 2023, an independent evaluation of the Corporation's internal control system was conducted.

According to the efficiency (maturity) level defined by the Corporation's Internal Control System Assessment Methodology, the internal control system (ICS) was rated as «Mature»: the core elements of the ICS align with «best practice». The final ICS effectiveness score amounted to 81,1%.

7.5. EXTERNAL AUDIT

To verify and confirm the reliability of financial statements, as well as to assess the risk management and internal control system, the Corporation engages an independent external auditor who provides an objective opinion to stakeholders on the compliance of financial statements with the requirements of International

Financial Reporting Standards based on a competitive selection

The determination of the audit organization that performs the audit of financial statements is the exclusive competence of the Sole Shareholder of the Corporation

The Corporation has a Policy for the Organization of External Audit, approved by the decision of the Board of Directors dated February 15, 2022 № 3

In previous years, external audit services were provided by the following organizations:

History of external audit services provided by the Corporation from 2018 to 2023.

Year	Name of Audit Firm	Service cost under the contract, incl. VAT, KZT	Type of Service Provided
2018	LLP "Ernst & Young"	42 030 000	Annual audit, review of semi-annual financial statements (for 2018, 1st half of 2018)
2019	LLP "Ernst & Young"	54 868 400	Annual audit, review of semi-annual financial statements (for 2019, 1st half of 2019)
2020	LLP "RUSSELL BEDFORD A+PARTNERS MAK"	8 960 000	Review of semi-annual financial statements for 2020
2020	LLP "BDO Kazakhstan"	26 656 000	Annual audit of financial statements for 2020
2021	LLP "KPMG Audit"	56 000 000	Annual audit, review of semi-annual financial statements, interim procedures for 9 months
2022	LLP "KPMG Audit"	134 400 000	Annual audit, review of semi-annual financial statements, interim procedures for 9 months (separate and consolidated financial statements)
2023	LLP "KPMG Audit"	147 840 000	Annual audit, review of semi-annual financial statements, interim procedures for 9 months (separate and consolidated financial statements)

The audit for 2024 was conducted by KPMG Audit LLP based on the agreement dated June 3, 2024.

The procedures and rules regarding maintaining the independence of the external auditor are set out in the internal regulatory document of the Corporation «Policy for organizing external audit in JSC Agrarian Credit Corporation».

Former employees of audit organizations that conducted the audit of the financial statements of the Corporation were not accepted to work in the Corporation.

Details of the external auditor


KPMG Audit LLP Republic of Kazakhstan
Almaty Medeu district Dostyk ave. 180 BC
«Koktem»
BIN 930840000232
IIC KZ104322203398A00818 in JSC «VTB Bank» (Kazakhstan) EU
BIK VTBKZKZ KBE 17.



MAIN GOALS AND TASKS FOR 2025

GRI 2-1

The main goals and objectives of JSC Agrarian Credit Corporation for 2025 include:

Increasing the volume of financing for the agro-industrial complex – up to 900 billion tenge	Optimization of the process of reviewing and financing agricultural production unit applications (SMART ACC project)	Timely funding for spring field and harvesting work in 2025	Expanding the capabilities and components of the Agrocredit mobile application	Implementation of measures to create a Digital Credit File	Implementation of measures to create a Unified Data Warehouse
Amendments to regulatory legal acts and implementation of an accounting system for interest rate subsidies	Implementation of online monitoring of collateral	Initiation of implementation of a business process management system	Online registration of collateral in the AIC with blockchain technology (without the departure of the agricultural enterprise)	Implementation of a full-fledged CRM system for all credit products	

These goals and objectives are aimed at improving processes and increasing the efficiency of the Corporation's operations. Their implementation will enhance the review of investment projects, ensure timely financing, improve customer service through the CRM system, optimize credit and other business processes, as well as introduce innovative solutions such as the Corporation's mobile application and blockchain technologies. In parallel, automation is being carried out in

various areas of activity, including the operations of credit partnerships, collateral support, and collateral registration in the agro-industrial complex. The Corporation also strives to create a digital credit dossier and enhance human resource capacity through training. An important aspect is the strengthening of human capital and increasing employee engagement, which contributes to the creation of a favorable working environment and high staff motivation.

The implementation of these tasks will allow the Corporation to continue developing, ensure a high level of service, and effectively achieve its goals.

30 April 2025

	Note	December 31, 2024	December 31, 2023
Assets			
Cash and cash equivalents	6	430 783,79	168 988,93
Funds in credit institutions		2 433,97	-
Loans issued to banks	7	78 341,33	29 575,91
Loans issued to clients	8	832 619,65	718 043,96
Accounts receivable from finance lease	9	553 719,70	457 464,21
Assets classified as held for sale		977,09	726,31
Investments in associates		-	434,04
Investment property		-	2 599,51
Accounts receivable from the Government of the Republic of Kazakhstan	15,18	37 615,23	-
Property, plant and equipment		2 045,61	2 348,54
Intangible assets		790,86	874,94
VAT and other taxes recoverable		10 820,30	10 500,13
Short-term corporate income tax assets	17	134,12	2 270,71
Coupon interest prepayment on issued debt securities	15	25 836,77	-
Other assets	10	15 122,01	18 274,13
Total assets		1 991 240,43	1 412 101,32



Liabilities			
Payables to the Shareholder	11	84 563,61	93 516,54
Payables to the Government	12	62 631,53	77 340,80
Payables to state and budgetary organizations	13	169 595,34	188 524,35
Funds from credit institutions	14	82 680,22	114 583,55
Issued debt securities	15	976 678,48	380 425,74
Short-term provisions		2 497,88	1 719,35
Current corporate income tax liabilities	17	2 364,38	-
Deferred corporate income tax liabilities	17	10 354,03	19 163,22
Government grants	18	94 400,47	66 252,89
Other liabilities	16	14 960,35	19 726,34
Total liabilities		1 500 726,29	961 252,77

Equity			
Share capital	19	428 284 724	428 284,72
Reserve capital	19	28 568 552	7 704,42
Retained earnings		33 660,86	14 397,70
Total equity		490 514,14	450 386,84
Total liabilities and equity		1 991 240,43	1 412 101,32
Book value per common share (in tenge)	19	1 146,7	1 053,7

Consolidated statement of profit or loss for the year ended December 31,
2024, in thousands of tenge

	Note	December 31, 2024	December 31, 2023
Interest income calculated using the effective interest rate method			
Cash and cash equivalents		46 294,24	24 450,07
Funds in credit institutions		7,52	-
Loans issued to banks		7 541,38	7 047,16
Loans issued to clients		145 812,11	119 667,37
Investment securities		14	17
		199 655,27	151 164,61
Other interest income			
Accounts receivable from finance lease		79 507,81	65 867,50
		279 163,08	217 032,11
Interest expenses			
Payables to the Shareholder		(8 606,69)	(9 061,22)
Payables to the Government of the Republic of Kazakhstan		(25 266,96)	(27 286,93)
Payables to state and budgetary organizations		(16 816,88)	(17 489,34)
Funds from credit institutions		(16 214,00)	(12 216,47)
Issued debt securities		(77 109,20)	(46 165,70)

		(144 013,73)	(112 219,66)
Net interest income		135 149,35	104 812,45
Expected credit loss expenses	20	(54 508,86)	(51 374,57)
Net interest income after credit loss expenses		80 640,49	53 437,89
Net gain / (loss) from foreign exchange operations		167,39	(440,39)
Personnel expenses	21	(14 942,83)	(12 588,50)
Other administrative expenses	21	(8 569,69)	(6 984,63)
Net losses from modifications of financial assets measured at amortized cost		(3 924,66)	(4 255,66)
Other income, net	22	16 472,32	11 874,44
Non-interest expense		(10 797,48)	(12 394,73)
Profit before income tax		69 843,01	41 043,16
Corporate income tax expense	17	(9 486,40)	(11 488,01)
Profit for the year		60 356,61	29 555,14

Consolidated statement of changes in equity, in million tenge

	2024	2023
Profit for the year	60 356,61	29 555,14
Other comprehensive income for the year	-	-
Total comprehensive income for the year	60 356,61	29 555,14

Date / Event	Note	Share Capital	Reserve Capital	Retained Earnings / (Loss)	Total
As of January 1, 2023		408 284,72	13 846,28	(7 160,42)	414 970,59
Total comprehensive income for the year		-	-	29 555,14	29 555,14
Increase in share capital	19	20 000	-	-	20 000
Increase in reserve capital	19	-	5 858,14	(5 858,14)	-
Dividends paid	19	-	-	(13 677,19)	(13 677,19)
As of December 31, 2023		428 284,72	19 704,42	2 859,40	450 848,54
As of January 1, 2024		428 284,72	19 704,42	2 859,40	450 848,54
Total comprehensive income for the year		-	-	60 356,61	60 356,61
Increase in share capital	19	-	-	-	-
Increase in reserve capital	19	-	8 864,13	(8 864,13)	-
Dividends paid	19	-	-	(20 691,01)	(20 691,01)
As of December 31, 2024		428 284,72	28 568,55	33 660,86	490 514,14



Consolidated statement of cash flows for the year ended December 31, 2024, in million tenge

	2024	2023
Cash flows from operating activities		
Interest received	204 882,77	153 944,30
Interest paid	(104 236,04)	(56 144,26)
Personnel expenses paid	(14 321,19)	(12 435,53)
Other operating expenses, net	(8 394,17)	(4 165,10)
Cash flows from operating activities before changes in operating assets and liabilities	77 931,37	81 199,41
Net (increase)/decrease in operating assets		
Loans issued to banks	(53 243,15)	(19 509,21)
Funds in credit institutions	(2 371,59)	-
Loans issued to clients	(135 484,74)	(26 576,39)
Finance lease	(118 991,97)	(73 490,70)
Prepaid coupon remuneration on issued debt securities	(25 836,77)	-
Other assets	36 782,79	(4 715,29)
Net increase/(decrease) in operating liabilities		
Government subsidies	17 876,17	(24,70)
Other liabilities	388,70	903,27
Net cash used in operating activities before corporate income tax paid	(202 949,20)	(42 213,61)
Corporate income tax paid	(13 797,86)	(4 963,97)
Net cash used in operating activities	(216 747,06)	(47 177,58)
Cash flows from investing activities		

Acquisition of property, plant and equipment, intangible assets	(789,06)	(430,14)
Proceeds from sale of property, plant and equipment, intangible assets	23,84	11,64
Proceeds from redemption of investment securities	54,83	4,07
Proceeds from sale of investment property (Note 22)	9 355,86	-
Net cash inflow/(outflow) from/(in) investing activities	8 645,46	(414,44)
Cash flows from financing activities		
Issuance of shares and other financial instruments	-	20 000
Proceeds from borrowings from the Government of the Republic of Kazakhstan (Notes 12, 25)	140 000	140 000
Repayment of borrowings from the Government of the Republic of Kazakhstan (Note 25)	(160 000)	(120 000)
Proceeds from borrowings from credit institutions (Notes 14, 25)	12 100	85 967
Repayment of borrowings from credit institutions (Note 25)	(46 562,53)	(34 723,20)
Repayment of borrowings from the Shareholder (Note 25)	(15 480,92)	(14 314,15)
Issued debt securities (Notes 15, 25)	639 533,58	30 278,34
Repayment of issued debt securities (Note 25)	(43 933)	(38 373,61)
Proceeds from borrowings from government and budgetary organizations (Note 25)	480	1 500
Repayment of borrowings from government and budgetary organizations (Note 25)	(35 969,45)	(12 442,23)
Dividends paid (Note 19)	(20 691,01)	(13 677,19)
Net cash inflow from financing activities	469 476,66	44 214,97
Effect of expected credit losses on cash and cash equivalents	(6,60)	1,12
Effect of exchange rate changes on cash and cash equivalents	426,39	(119,43)
Net change in cash and cash equivalents	261 794,86	(3 495,38)
Cash and cash equivalents at the beginning of the year	168 988,93	172 484,31
Cash and cash equivalents at the end of the year (Note 6)	430 783,79	168 988,93

APPENDIX 1

About the Report

The Corporation adheres to the principles of maximum openness and transparency in disclosing information to all stakeholders. This Annual Report provides a detailed overview of operational and financial results, as well as information on corporate governance and sustainable development. Such reports are issued annually; the previous report for 2023 was published in August 2024.

The Report covers the Corporation’s activities for the period from January 1 to December 31, 2024. Although an external audit of this report was not conducted, the Corporation recognizes the importance of independent assurance of sustainability data and is considering verification of non-financial information in the future. In 2024, an assessment of the corporate governance system was conducted, with a compliance level of 94,2% with best practices.

The Report has been prepared in accordance with international standards such as GRI, SASB, and IFC regarding ESG disclosure and covers only the priority topics of sustainable development. The content of the report was shaped based on active stakeholder engagement, the principle of completeness, and consideration of the broader context of sustainability. The quality of disclosure is ensured by adherence to the principles of accuracy, balance, clarity, reliability, comparability, and timeliness

Defining Report Content

Based on the survey conducted from February 25 to March 3, 2025, for the preparation of the 2024 Annual Report of Agrarian Credit Corporation JSC, a total of 592 completed responses were received from 1,424 total visits, representing 41.6% of participants. The average completion time ranged from two to five minutes. The vast majority of respondents were employees of the Corporation itself (over 90%), while the remaining responses were distributed among representatives of subsidiaries, external auditors, clients, and other stakeholders.

Respondents rated economic performance, market presence, and anti-corruption practices as highly significant. More than half of the participants assigned maximum importance to these topics. Also recognized as important were tax payments, competition, and procurement practices. These subjects directly correspond to the GRI disclosure standards: GRI 201 «Economic Performance», GRI 205 «Anti-corruption», and GRI 206 «Anti-competitive Behavior», highlighting the relevance of adhering to international sustainability reporting principles.

In the environmental section, survey participants emphasized water usage and wastewater, emissions, waste, and energy consumption. All of these topics received high priority – over 50% of respondents rated them as extremely important. They align with GRI standards 302 «Energy», 303 «Water and Effluents», 305 «Emissions», and 306 «Waste», indicating stakeholders’ strong interest in the Corporation’s environmental impact in accordance with global practices.

Social issues also elicited active feedback. Topics deemed especially important included employee training and development, labor-management relations, and employment. Other frequently mentioned aspects were customer privacy, occupational safety, non-discrimination, and supplier social impact assessments. These topics are associated with GRI sections 401–407, including GRI 403 «Occupational Health and Safety», GRI 404 «Training and Education», and GRI 405 «Diversity and Equal Opportunity».

An analysis of open-ended comments revealed demand for greater transparency. Respondents mentioned the need for better data visualization, automation of reporting, and publication of data on business trips, salaries, and procurement. Suggestions were also made regarding improved working conditions, the adoption of digital tools, and an expanded sustainability section. Some stakeholders requested more information on the Corporation’s contribution to the agro-industrial

sector, its impact on regional economies, and its role in providing government support during crisis situations (such as droughts and floods).

Thus, the survey demonstrated high engagement from employees and stakeholders in improving the structure and content of the report. The collected data point to the need to place special emphasis on disclosing economic, environmental, and social outcomes aligned with relevant GRI standards. This will not only enhance the quality of internal communication but also ensure alignment with international sustainability expectations.

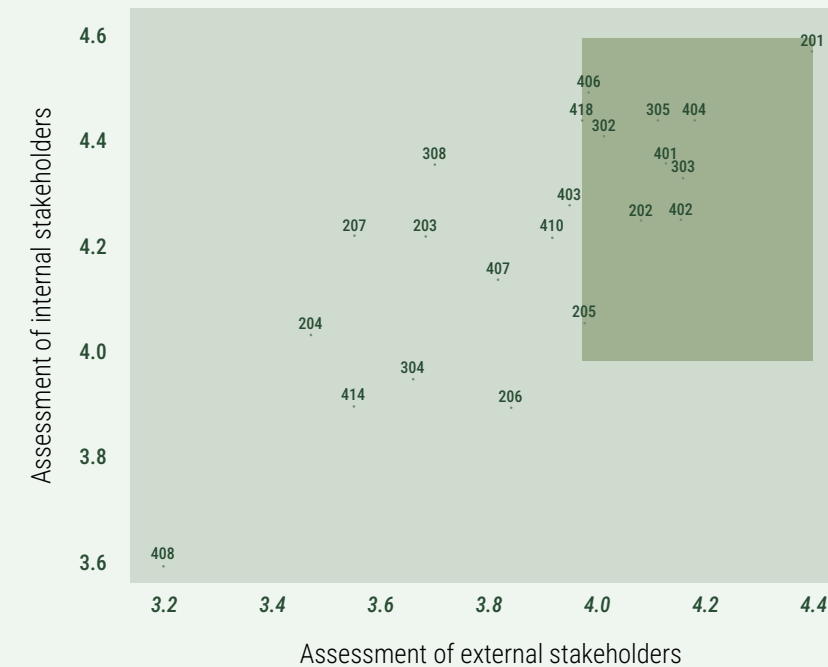
The selection of material topics for the Report was based on the materiality principle, which identifies issues that significantly impact stakeholders and the environment. The materiality process includes stakeholder identification, analysis of their interests and expectations, and an assessment of the impacts

on the environment, society, the economy, and governance. The prioritization of material aspects was carried out according to the following criteria: «frequency of actual impacts», «likelihood of potential impacts», «strength of positive and negative impacts», «scale and reach of impacts», and «materiality».

To evaluate topic materiality from the stakeholder perspective, a 5-point scale was used, where the likelihood of each event was rated from 0 to 5. A weighted average score was calculated for each topic, allowing for an objective assessment of significance. Based on the views and ratings of both external and internal stakeholders, the most material topics were identified for further analysis and development of strategic initiatives. Topics that appeared in the top-right quadrant of the matrix were deemed the most material and were given top priority in drafting this Annual Report.

APPENDIX 2

MATERIAL TOPICS FOR DISCLOSURE IN THE ANNUAL REPORT FOR 2024 OF JSC AGRARIAN CREDIT CORPORATION



List of Priority GRI Topics for Inclusion in the 2024 Report:

- GRI 201. Economic Performance (2016)
- GRI 202. Market Presence (2016)
- GRI 302. Energy (2016)
- GRI 303. Water and Effluents (2018)
- GRI 305. Emissions (2016)
- GRI 306. Waste (2020)
- GRI 401. Employment (2016)
- GRI 402. Labor/Management Relations (2016)
- GRI 403. Occupational Health and Safety (2018)
- GRI 404. Training and Education (2016)
- GRI 405. Diversity and Equal Opportunity (2016)
- GRI 406. Non-discrimination (2016)
- GRI 418. Customer Privacy (2016)

APPENDIX 3

GRI Index

Indicator	Disclosure	Report section /Comment	Page
SDG, GRI 1: The Foundation (2021, 2018, 2016)			
GRI 2: The Company and its reporting practices (2021)			
2-1	Information about the organization	2. Information about the Corporation	16
		2.1. About the Corporation	22
		2.3 Mission, vision, key performance indicators	28
		2.4 Geography of activity	30
		6.2 The organizational structure of the central office of the Corporation	110
		8. The main goals and objectives for 2024	168
2-2	Entities included in the reporting of the organization for sustainable developmen	2. Information about the Corporation	16
		2.1 About the Corporation	22
		6.7 Subsidiaries and affiliates	143
2-3	Reporting period, frequency and contacts	Appendix № 1. About the Report Contact information	196
2-4	Revision of information	There has been no revision of the data and information	
2-5	External assurance	There was no external assurance	

Indicator	Disclosure	Report section /Comment	Page
SDG, GRI 2: The company's activities and its employees (2021)			
2-6	Company activities, value chain and other	3. Business review	34
SDG 2, 8, 11, 9, 17	business relationships	3.2 Business Model	40
		3.3 Existing financing programs	42
2-6	The industry in which the company operates	4. Industry analysis	54
SDG 9, 11, 17		4.1. Current situation in the agro-industrial complex	
		4.2. Support for Agricultural Producers as a Driver of Sector Development	63
2-7	Staff	5. Sustainable Development	68
SDG 8		5.4 Social Aspects	88
2-8	Freelance staff	5. Sustainable Development	68
SDG 8		5.4 Social Aspects	88
Corporate governance			
SDG, GRI 2: Corporate governance (2021)			
2-9	Structure and composition of management	6. Corporate Governance	108
SDG 5	bodies	6.1. Corporate governance system	108
2-10	Appointment and selection of the highest governing body	6. Corporate Governance	108
		6.4. The Sole shareholder	114
		6.5. The Board of Directors	116
		6.6. The Management Board	128
2-11	Chairman of the supreme governing body	6. Corporate Governance	108
		6.5. The Board of Directors	116
		6.6. The Management Board	128



Indicator	Disclosure	Report section /Comment	Page
2-12 SDG 16	The role of the supreme governing body in overseeing impact management	6. Corporate Governance	108
		6.5. The Board of Directors	116
		6.6. The Management Board	128
2-13 SDG 16	Delegation of responsibility for impact management	5. Sustainable Development	68
		5.1. Corporate policy in the field of sustainable development	74
2-14 SDG 16	The role of the supreme governing body in reporting on sustainable development	5. Sustainable Development	68
		5.1. Corporate policy in the field of sustainable development	74
2-15 SDG 16	Conflicts of interest	6. Corporate Governance	108
2-16 SDG 17	Informing senior management about the most important issues	6. Corporate Governance	108
		6.8 Internal audit	146
		5. Sustainable Development	74
2-17	Collective knowledge of the highest governing body	5.1. Corporate policy in the field of sustainable development	
		6. Corporate Governance	108
		6.5 The Board of Directors	116
2-18	Assessment of the activities of the supreme governing body	5.1. Corporate policy in the field of sustainable development	74
		6. Corporate Governance	108
		6.5 The Board of Directors.	116
2-19	Remuneration Policy	5.1. Corporate policy in the field of sustainable development	74
		6. Corporate Governance	108
		6.5. The Board of Directors. Remuneration of members of the Board of Directors	127
		6.6. The Management Board. Remuneration of the the Management Board members	141

Indicator	Disclosure	Report section /Comment	Page
2-20	The process of determining remuneration	6. Corporate Governance	108
		6.5. The Board of Directors. Remuneration of members of the Board of Directors	127
		6.6. The Management Board. Remuneration of the the Management Board members	141
2-21	Annual total remuneration ratio	6. Corporate Governance	108
		6.5. The Board of Directors. Remuneration of members of the Board of Directors	127
			141
		6.6.The Management Board. Remuneration of the the Management Board members	
GRI 2: Strategy, policy, practices			
2-22 SDG 17	Statement on the Sustainable Development Strategy	Address by the Chairman of the Board of Directors	4
		Address by the Chairman of the Management Board	6
2-23 SDG 17	Commitment to politics	5. Sustainable Development. Commitment to sustainable development principles. Contribution to achieving the UN Sustainable Development Goals. Following the principles of sustainable development in accordance with the ESG approach	68
2-24 SDG 17	Fulfillment of the obligations assumed	5. Sustainable Development. Commitment to sustainable development principles. Contribution to achieving the UN Sustainable Development Goals. Following the principles of sustainable development in accordance with the ESG approach	68
2-25	Elimination of negative effects	6. Corporate Governance	108
		3.4 Anti-Corruption Compliance and Anti-Corruption Measures	48



Indicator	Disclosure	Report section /Comment	Page
2-26	Mechanisms for obtaining Consultation and expressing concern	5. Sustainable Development	68
		5.6 Code of Business Ethics	98
2-27	Compliance with the law	5. Sustainable Development	68
2-28 SDG 17	Membership in associations and international organizations	The Corporation is not a member of any associations or unions.	
2-29 SDG 17	Approach to stakeholder engagement	5. Sustainable Development	68
		5.2 Stakeholders, engagement, and aspects	75
2-30 SDG 3, 4, 5, 8, 10	Collective agreements	The Corporation does not use the practice of collective agreements.	
GRI 3: Main topics (2021)			
3-1	The process of identifying significant topics	Appendix № 1. About the Report	182
3-2 SDG 2, 4, 7, 8, 9, 11, 12, 17	List of significant topics	Appendix № 1. About the Report	182
Economy			
GRI 201: Economic indicators (2016)			
3-3	Managing essential topics	3. Business review. Strategic directions of activity	34

Indicator	Disclosure	Report section /Comment	Page
201-1 SDG 9	Direct economic value created and distributed	2. Information about the Corporation	16
		3. Business review. Strategic directions of activity	34
201-2 SDG 13	Financial impact and other risks and opportunities arising from climate change	The organization's activities do not have a direct impact on climate change.	
201-3 SDG 2,3	Defined benefit obligations and other pension plans	All employees of the Corporation are covered by the state pension system and pay mandatory pension contributions.	
201-4	Financial assistance received from the Government	3. Business review	34
		3.2 Business model	40
GRI 202: Market presence (2016)			
3-3	Managing significant rates	6.5. The Board of Directors	116
202-2	Percentage of senior management in important business locations hired from the local community	6. Corporate Governance	108
		6.5. The Board of Directors	116
		6.6. The Management Board	128
GRI 205: Anti-corruption (2016)			
3-3 SDG 16	Managing essential topics	3.4 Anti-Corruption Compliance and Anti-Corruption Measures	48
205-2 SDG 16	Assessment of activities for risks related to corruption	3.4 Anti-Corruption Compliance and Anti-Corruption Measures	108
		7. Risk management and internal control system	48
205-3 SDG 16	Confirmed cases	In 2024, there were no recorded cases of corruption offenses, fraud, or insider trading committed by Corporation employees.	



Indicator	Disclosure	Report section /Comment	Page
Environmental aspects			
GRI 303: Water and wastewater (2018)			
303-5	Water consumption	5. Sustainable Development	68
SDG 6, 11, 12			
SASB FN-CB-410b.1,		5.3 Environmental aspects	81
SASB FN-CB-410b.4			
Social aspects			
GRI 401: Employment (2016)			
3-3	Managing essential topics	5. Sustainable Development	68
SDG 8		5.4. Social Aspects	88
401-1	Recruitment of new employees and staff	5. Sustainable Development	68
SDG 5, 8		5.4. Social Aspects	88
GRI 402: The relationship between employees and management (2016)			
3-3	Managing essential topics	5.4. Social Aspects	88
SDG 8			
402-1	Minimum time limits for notification of changes in working conditions	5. Sustainable Development	68
SDG 8		5.4 Social Aspects	88
GRI 403: Occupational health and safety, (2018)			
3-3	Managing essential topics	5.4 Social Aspects	88
SDG 8			

Indicator	Disclosure	Report section /Comment	Page
403-1	Occupational health and safety management system	5. Sustainable Development	68
		5.4 Social Aspects	88
403-2	Identification of hazards, risk assessment and investigation of incidents	5. Sustainable Development	68
		5.4 Social Aspects	88
403-4	Employee participation, consultation and information on occupational health and safety issues	5. Sustainable Development	68
		5.4 Social Aspects	88
403-5	Employee training on occupational health and safety	5. Sustainable Development	68
		5.4 Social Aspects	88
403-7	Prevention and mitigation of health and safety consequences directly related to business relationships	5. Sustainable Development	68
		5.4 Social Aspects	88
GRI 404: Professional training and education (2016)			
3-3	Managing essential topics	5.4 Social Aspects	88
SDG 4,8			
404-1	The average number of hours of training per year per employee	5.4 Social Aspects	88
SDG 4,8			
404-2	Staff development and transition assistance programs	5. Sustainable Development	68
SDG 4,8		5.4 Social Aspects	88



Indicator	Disclosure	Report section /Comment	Page
GRI 405: Diversity and equal opportunities (2016)			
405-1	Diversity of governing bodies and staff	6. Corporate Governance	108
SDG 5,8,10		6.5 The Board of Directors	116
		6.6. The Management Board	128
		5.4. Social Aspects	88
GRI 406: Non-discrimination (2016)			
406-1	Cases of discrimination and remedial	In 2024, no cases of discrimination were recorded.	
SDG	measures taken		
5,8,10			

APPENDIX 4

Abbreviations

- JSC – Joint-Stock Company
 - AIC – Agro-industrial complex
 - CP – Credit partnership
 - STB – Second-tier bank
 - SEC – Social-Entrepreneurial Corporation
 - GRI – Global Reporting Initiative
 - SASB – Sustainability Accounting Standards Board
 - IFC – International Finance Corporation
 - IFRS – International Financial Reporting Standards
- ESG – Environmental, Social, and Governance
 - PD – Probability of Default
 - LGD – Loss Given Default
 - EAD – Exposure at Default
 - CCF – Credit Conversion Factor
 - DF – Discount Factor
 - PV – Present Value
 - RR(Collateral) – Recovery Rate
 - VaR – Value at Risk
 - EaR – Earnings at Risk
 - LCR – Liquidity Coverage Ratio
- NSFR – Net Stable Funding Ratio
 - WEPs – Women’s Empowerment Principles
 - SDGs – Sustainable Development Goals
 - COSO ERM – Committee of Sponsoring Organizations of the Treadway Commission – Enterprise Risk Management
 - ISO – International Organization for Standardization

APPENDIX 5

Contacts

Headquarters Address: Astana, Imanova St., 11, Nursaulet Business Center Call-Center: 5353 Reception: +7 775 007-68-01 +7 775 007-68-02 Press Service: +7 775 007-67-99 E-mail: Info @agrocredit .kz	Akmola region Address: Kokshetau, Abay st., 96 Phone: +7 775 007 68 18 E-mail: info-kokshetau@agrocredit.kz	Aktobe region Address: Aktobe, Abilkaiyr Khan Ave., 77, 3rd floor Phone: +7 775 007 68 19 E-mail: info-aktobe@agrocredit.kz
Branch in Almaty Address: Almaty, Auezovsky district, st. Zhandosova, house 136 Phone: +7 775 007 68 22 E-mail: info-almaty@agrocredit.kz	Branch in Zhetisu region Address: Taldykorgan, 7 microdistrict, building 10, BC “Koktem Grand” Phone: +7 775 007 68 23 E-mail: info-tld@agrocredit.kz	Atyrau region Address: Atyrau, st. Satpayeva, 13a Phone: +7 775 007 68 30 E-mail: info-atyrau@agrocredit.kz
East Kazakhstan Region Address: Ust-Kamenogorsk, Utepova St., Building 25/1 Phone: +7 775 007 68 16 E-mail: info-vko@agrocredit.kz	Branch in Abay Region Address: Semey, Kaiym Mukhamedkhanov St., 23a, Orleu Business Center, 3rd floor Phone: +7 775 007 68 25 E-mail: info-semey@agrocredit.kz	Zhambyl Region Address: Taraz, Tole Bi St., 93a, 4th floor Phone: +7 701 006 12 18 E-mail: info-trz@agrocredit.kz

West Kazakhstan region Address: Uralsk, st. Mukhita, 27/2 Phone: +7 775 007 68 27 E-mail: info-zko@agrocredit.kz	Karaganda region Address: Karaganda, Bukhar Zhyrau Ave., 53/1, 2nd floor Phone: +7 775 0067 68 21 E-mail: info-krq@agrocredit.kz	Kostanay region Address: Kostanay, st. Tauelsizdik, 39, building «BankCenterCredit» Phone: +7 775 007 68 29 E-mail: info-kst@agrocredit.kz
Kyzylorda region Address: Kyzylorda, st. Korkyt ata, 123 Phone: +7 775 007 68 26 E-mail: info-kyzylorda@agrocredit.kz	Mangystau region Address: Aktau, microdistrict. 29, building № 225, 3rd floor Phone: +7 775 007 68 12 E-mail: info-aktau@agrocredit.kz	Branch in Astana Address: Astana, Turan Ave., 19/1, Edem Business Center Phone: +7 775 007 68 11 E-mail: info-ast@agrocredit.kz
Pavlodar region Address: Pavlodar, Lugovaya street, 16, Investors’ house, 5th floor Phone: +7 775 007 68 14 E-mail: info-pvl@agrocredit.kz	North Kazakhstan region Address: Petropavlovsk, Buketova street, 31a, office 201-205 Phone: +7 775 007 68 15 E-mail: info-sko@agrocredit.kz	Turkestan region Address: Turkestan, Zhana Kala microdistrict, street 9, house 36A Phone: +7 775 007 68 17 E-mail: info-turkestan@agrocredit.kz
Branch in Shymkent Address: Shymkent, Al-Farabi district, Kunaev Ave., 3/3 Phone: +7 775 007 68 13 E-mail: info-shymkent@agrocredit.kz	Branch in the Ulytau region Address: Zhezkazgan, Garyshkerler Boulevard, 40a Phone: +7 775 007 68 20 E-mail: Bekmagambetov.l@agrocredit.kz, Sabitov.M@agrocredit.kz	Almaty region Address: Konaev, Konaev Ave., building 18G Phone: +7 775 007-68-24