

Halyk Bank Becomes First Commercial Bank in Kazakhstan to Place Green Bonds

December 5, 2024. Almaty, Kazakhstan. Halyk Bank today announces that it successfully placed its debut green bond on the Kazakhstan Stock Exchange (KASE) on December 3, 2024. The notes, issued in the amount of 20 billion tenge (KZT) for a period of three years, signal the Bank's ongoing commitment to supporting environmentally sustainable projects and mark an important step in Kazakhstan's economy decarbonization.

Proceeds from the placement will be used to finance projects that help to foster more efficient use of natural resources, to reduce environmental impact, to mitigate the effects of climate change and for climate adaptation, all contributing to achieving the UN's Sustainable Development Goals. In accordance with the Bank's Green Finance Framework, the categories of eligible projects will be based on the Taxonomy of Green Projects of the Republic of Kazakhstan, international taxonomies for climate-aligned projects, and the Green Bond Principles (GBP) of the International Capital Markets Association (ICMA).

Halyk Bank CEO Umut Shayakhmetova commented: “Despite volatile market conditions, Halyk was able to successfully place its debut floating rate green bond issue with a wide range of market investors, demonstrating investor confidence in Halyk as a reliable and high-quality issuer. For our bank, this green bond issue is not just a financial instrument, but an opportunity to make a real contribution to the development of a more sustainable economy in Kazakhstan. We are pleased to be able to support projects that have a positive impact on the environment and promote more responsible use of natural resources. It is widely known that our bank was the first Kazakhstani financial institution to publish an annual Sustainability report in accordance with international GRI standards. In 2022, Halyk was again first among Kazakhstani banks to join the UN Global Compact, and in July 2023, first to publish its sustainability report in accordance with the TCFD recommendations. Continuing in this pioneering tradition of actively implementing best ESG practices, Halyk has now become the first commercial bank in Kazakhstan to issue green bonds. We will continue to expand our participation in environmental initiatives to contribute to building a greener and more sustainable nation.”

Halyk Finance JSC acted as the financial advisor and underwriter for the green bond issue.

Green Investment Group carried out an independent assessment (second party opinion) of the issuer's internal documents and policies for compliance with the criteria of ICMA's Green Bond Principles. More detailed information about these bonds is [available](#) on the KASE website.

This is not Halyk's first initiative in the field of sustainable development. Since 2020, the Bank has sponsored a project to gasify the private homes of socially vulnerable members of the population in order to reduce toxic emissions. Halyk is also a partner in implementing the Qaryzsyz Qogam project, which aims to improve financial literacy among the rural population and reached more than 65 thousand people over the past year. Halyk's ESG rating from MSCI ESG Research, which was upgraded to BBB in March 2024, confirms that the Bank is moving in the right direction by making sustainable development an important part of its business strategy.

About Halyk Bank

Halyk Bank is the leading financial services group in Kazakhstan, with a diversified presence across retail, SME, and corporate banking, as well as insurance, leasing, brokerage, asset management and lifestyle

services. Halyk Bank has been listed on the Kazakhstan Stock Exchange since 1998, the London Stock Exchange since 2006, and the Astana International Exchange since 2019.

As of 30 September 2024, Halyk Bank had total assets amounting to KZT 17,650.1bn, making it the largest lender in Kazakhstan. The Bank boasts the country's largest customer base and the most extensive branch network, with 563 branches and service outlets across nationwide. Additionally, the Bank operates in Georgia and Uzbekistan.

For more information on Halyk Bank, please visit <https://www.halykbank.com>

About Halyk Finance

Halyk Finance is a leading investment bank in Kazakhstan, providing a full range of investment banking services, including financial consulting and underwriting, corporate finance services, brokerage services and securities trading, market maker services on the KASE and AIX, investment portfolio management and ongoing analytical research services. The Company is the first and only broker-dealer in Kazakhstan to obtain the international investment grade credit rating (“BBB-“ from Fitch Ratings).

About "Green Investment Group" LLP (GIG)

"Green Investment Group" LLP (GIG) is a Kazakhstan company focused on developing the ESG bond market. Today, its share of verified bonds from issuers on the Kazakhstan Stock Exchange constitutes 40%. GIG actively supports the transition to a low-carbon model by fostering environmental and social initiatives and contributing to the achievement of the UN SDGs.