

CORPORATE RESPONSIBILITY AND STAFF

KASE forms corporate responsibility by implementing HR policies, including creating favourable and creative working environment for KASE staff members, through staff selection and recruitment system, employee performance assessment, by forming corporate culture, as well as by training and developing KASE staff members.

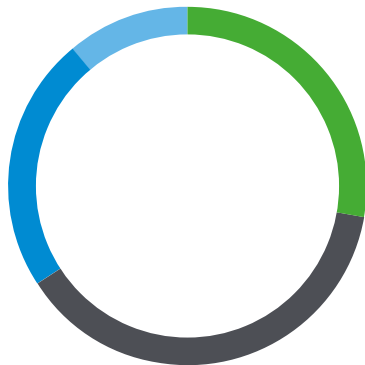
HR Statistics

As at January 1, 2019, the number of KASE staff was 153 persons with a headcount of 147 persons.

The below is the key information on the KASE staff structure at the end of the reporting period.

Staff's Age Structure

KASE employees by age groups



▲ Under 30	28
▲ From 30 to 40	38
▲ From 40 to 50	23
▲ Over 50 years	11

In 2018, most employees were aged from 30 to 40. The average age of employees is 36 years. Meanwhile, the share of newly hired young professionals aged under 30 was 45% in 2018.

KASE Staff Education

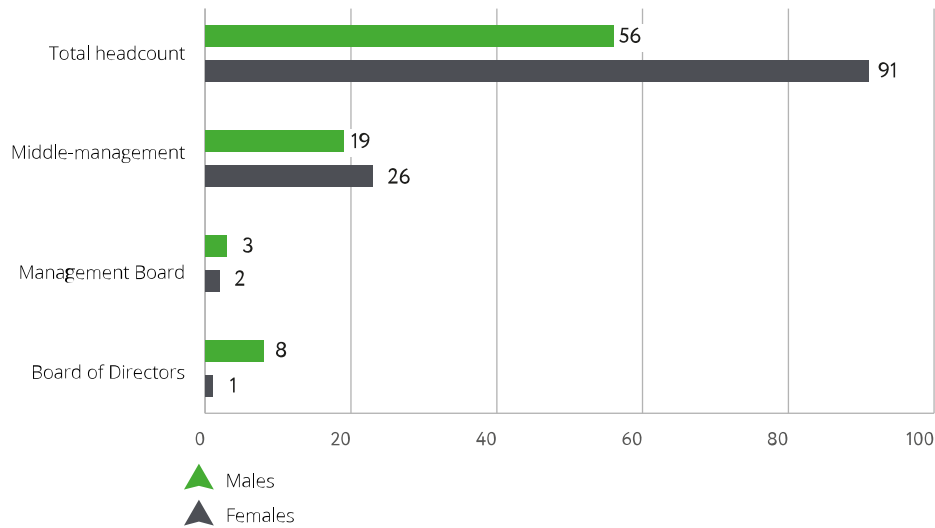
The Exchange encourages employees to gain new knowledge and develop existing competencies and skills. As at the end of the reporting period, majority of KASE employees (97%) have higher education, of which 20% have received postgraduate education, including PhD degrees (7%). Ten per cent of employees received education abroad.

Gender Composition of KASE Staff

KASE has joined global initiatives to support gender equality in order to empower women, to expand their rights and economic opportunities and to enhance their role in the society.

Total number of female employees is 61.9% and the male employees account for 38.1%. Top management (Board of Directors) is represented mainly by male employees (88.8%).

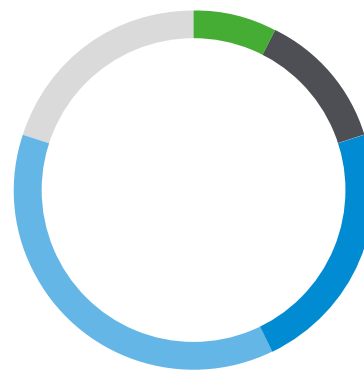
Distribution of KASE employees by gender



Implementation of HR Management Policy

In implementing its HR policy, KASE pays attention to optimization of the Exchange's business processes, fostering employee loyalty, employee performance appraisal, development of KASE corporate culture as well as to the staff training and development.

The positions of managing directors, whose main task was to implement projects aimed at developing the business in the following areas: improvement of listing procedures, attracting issuers and investors, as well as interaction with KASE members were introduced in order to improve the efficiency of structural subdivisions of KASE.



Worked at KASE for 20 years and more	7.6
Worked at KASE from 10 to 20 years	12.5
Worked at KASE from 5 to 10 years	22.9
Worked at KASE from 1 to 5 years	37.0
Worked at KASE for up to 1 year	20.0

Loyalty of KASE Employee

An important indicator of the employee loyalty is relatively low employee turnover rate, which was 12.67% in 2018.

In the meantime, the majority of employees (37%) have been working with the Exchange for up to 5 years, 13% of employees have been employed with the Exchange for more than 10 years, employment history of 7.6% employees with the Exchange is 20 years or more.

Employee Performance Appraisal

In accordance with HR Policy, employee performance appraisal system is implemented in order to stimulate the achievement of corporate and individual objectives and plans of the Exchange, as well as to improve performance of the Exchange's staff members as a whole.

Staff Training and Development

Training and skill improvement is part of HR management policy of KASE. Main priorities in this area are to acquire new knowledge and skills necessary to achieve strategic goals of KASE. In 2018, 40 employees of the Exchange were trained in such areas as project management, building strategic business models, changes in tax laws, risk management, combating money laundering and terrorism financing, strategic and operational management, learning PL/SQL packages and program units and operation and support of IT services.

KASE Corporate Culture Development

KASE corporate culture is one of most important elements of non-financial employee motivation. It represents a system of fundamental values and standards that helps to form positive psychological climate among employees, to foster employee loyalty and to create favourable environment for effective work, supporting employees' cohesion and commitment to the goals and objectives set by KASE.

Corporate events were held in 2018 in order to improve internal communications. The Exchange's employees were actively involved in the preparation and organization of such events as Nauryz Meiramy, Almaty Marathon, Children's Day, teambuilding with former KASE employees, 25th anniversary of the Exchange, New Year and other internal corporate events.

The KASE team hiked the Great Almaty Peak (3,681 m) and unfurled the Exchange's flag there as part of the events dedicated to the 25th anniversary of KASE.

To mark the 25th anniversary of the Exchange, 44 employees including former employees were awarded by the following nominations: Long-Service Employees of KASE, Honorary Employees of the Exchange and For Contribution to the Development of the Exchange.

12 employees were awarded commemorative medal "Ules" and one employee was awarded KFA's public order "Distinguished Financier" for dedicated and distinguished work and the contribution to the development of Kazakhstan's financial sector on the occasion of the celebration of the 25th anniversary of the national currency of Kazakhstan.

Social Responsibility

KASE pays special attention to its corporate social responsibility in order to achieve sustainable development. One of the areas of this activity is the improvement of the financial literacy of young people. For example, 28 students including students from the Sultanate of Oman, underwent practical training and internships on KASE in 2018.

Employees of various units of the Exchange including KASE management conduct educational lectures about stock market in the Exchange's premises and at universities on ongoing basis. In 2018, four introductory lectures were conducted: for undergraduates of the National Bank of Kazakhstan (37 participants), for ALMAU students (42 participants), Kazakh-German University (15 participants), Caspian University (10 participants) and pupils of the National Physics & Mathematics School (66 participants).

In 2018, KASE employees showed their social responsibility by taking an active part in organizing and holding a charity event for lonely elderly people living in a nursing home for the elderly, conducted painting workshop, organized a tea party, held live communication and presented them painting materials as a gift.

Environmental Responsibility

In its work, KASE continues to adhere to environmental principles:

- Measures of lean consumption of paper, consumables and energy resources are applied;
- electronic documentation management systems, including electronic reporting systems, are being improved;
- measures are being implemented to reduce energy consumption and improve energy efficiency.