



Corporate governance system

A responsible approach to doing business is our priority. We build our work on the basis of a transparent and efficient corporate governance system that complies with industry standards and best international practices. Its continuous improvement allows us to take into account the interests of all stakeholders and contribute to the sustainable development of the entire Group of companies of Samruk-Energy JSC.

The main goal of effective corporate governance is to create conditions for making balanced and well-founded decisions. Samruk-Energy JSC achieves high performance of due to the established corporate governance processes at all levels that ensures transparency, control, clear distribution of powers and timely response to risks.

Corporate structure and distribution of responsibilities

GRI 2-9

The Company has reached a mature level of corporate governance as reflected in a clear governance structure and allocation of roles and responsibilities. The Board of Directors provides strategic guidance, oversees the activities of the Executive Body and protects the interests of shareholders. The Company's management effectively manages operations, maintaining high standards of business ethics and transparency. The Charter clearly defines and enshrines competence of the bodies and decision-making procedures.

The corporate governance system ensures that:

- adherence to the hierarchy of issues and decision-making procedures;
- clear delineation of authority and responsibility between bodies, officials and employees;
- timely and quality decision-making by the bodies of Samruk-Energy JSC and its subsidiaries and affiliates;
- efficiency of processes in the activities of Samruk-Energy JSC and its subsidiaries and affiliates;
- compliance with the legislation, Corporate Governance Code and internal documents of Samruk-Energy JSC and its subsidiaries and affiliates.

Zhaparkhanov Nurlan Altyrkhanovich

Managing Director for Legal Support and Asset Management of "Samruk-Energy" JSC, member of the Management Board

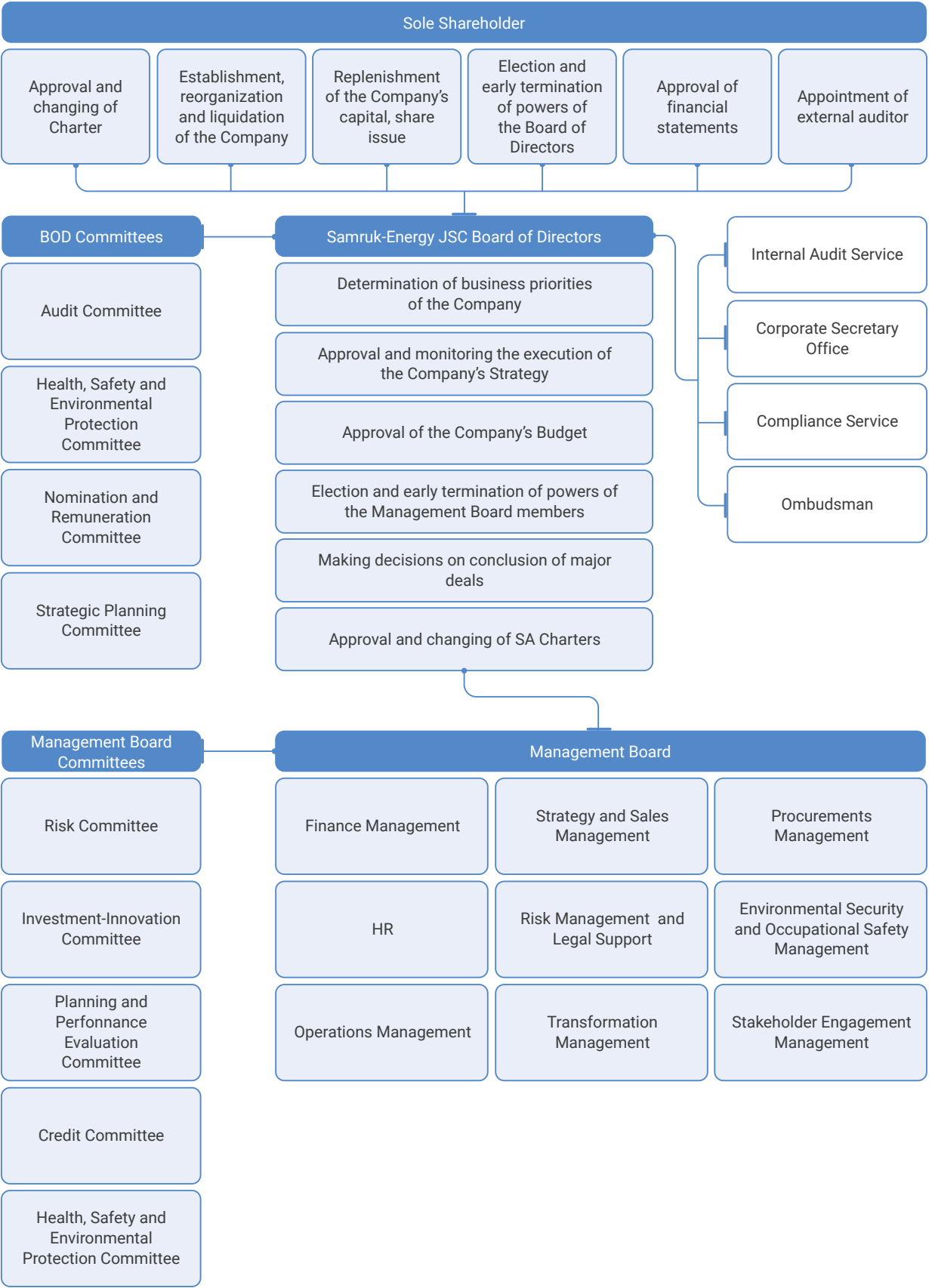


We strive to ensure that corporate governance within the Company not only aligns with best practices but also reflects our core values – transparency, accountability, and sustainability.

That is why we have placed a strong focus on promoting gender balance. The Company has set a goal to achieve at least 30% female representation on the Boards of Directors and Executive Bodies across the Samruk-Energy JSC Group. This is our contribution to building an inclusive, equitable, and progressive corporate environment.



Corporate governance structure



Samruk-Energy JSC and its subsidiaries and affiliates have approved regulations on management bodies, executive bodies, structural subdivisions and job descriptions for respective positions. Compliance with the provisions of these documents ensures systematic and consistent corporate governance processes.



The Company's fundamental internal documents in the area of corporate governance are:

- Corporate Governance Code of Samruk-Energy JSC;
- Regulations on interaction with subsidiaries and affiliates of Samruk-Energy JSC;
- Asset Management Policy of Samruk-Energy JSC;
- Roadmap for improvement of the sustainability management system for 2024.

Samruk-Energy JSC key corporate governance policies

Document	Effective date of the latest version
Charter of Samruk-Energy JSC	26.01.2023
Corporate Governance Code	10.11.2023
Code of Behaviour	22.05.2019
Regulations on the Board of Directors	24.02.2020
Regulations on the Strategic Planning Committee of the Board of Directors	14.07.2022
Regulations on the Audit Committee of the Board of Directors	25.05.2018
Regulations on the Nomination and Remuneration Committee of the Board of Directors	25.05.2018
Regulations on the Committee for Occupational Health and Safety and Environmental Protection of the Board of Directors	14.07.2022
Policy on advanced training and engagement of external experts by members of the Board of Directors	24.03.2011
Regulations on the Corporate Secretary	27.12.2021
Regulations on the Management Board	23.08.2019
Regulations on the Risk Committee	16.07.2018
Regulations on the Committee for Occupational Health and Safety and Environmental Protection of the Management Board	25.06.2018
Regulations on the Planning and Evaluation Committee	07.06.2021
Regulations on the Credit Committee	13.08.2018
Risk management policy	26.05.2014
Corporate Management System Policy	26.02.2024
Anti-Fraud and Anti-Corruption Policy	25.09.2024

We are guided by the principles of transparency, accountability, responsibility and fairness. All decisions are made taking into account the interests of stakeholders and the long-term sustainability of the Company. We have developed a policy to prevent conflicts of interest and ensure the independence of the Board of Directors.

The Company adheres to international information disclosure standards, providing shareholders and stakeholders with timely, reliable and complete information. Annual reports and non-financial statements are prepared in accordance with the GRI Standards and ESG reporting frameworks (more details in the section About the Report).

Training and development in the field of corporate governance

In 2024, Samruk-Energy JSC continued systematic work on training and development of employees in the field of corporate governance, sustainable development and risk management. Educational events were held with participation of external experts and international organisations which made it possible to ensure a high level of personnel training.

We paid special attention to sustainability issues. In September 2024, an online meeting was held for



portfolio companies on the topic of annual reporting with a review of best practices. In December 2024, we held a discussion session dedicated to the global context of sustainable development, national challenges and contribution of the Samruk-Energy JSC Group of companies based on the results of 2024 and oriented towards the tasks of 2025.

One of the key areas was training on climate change issues. In November of the reporting period, we organised a corporate seminar on climate risks for the energy sector. In December 2024, McKinsey held a training session for members of the Board of Directors and top management on climate change and energy development prospects.

As part of strengthening the corporate culture and values, training sessions on professionalism, effective communication, conflict management, and negotiation skills using the Harvard methodology were held during the reporting period. These activities were aimed at developing personal and professional competences of employees.

Additionally, in November 2024, the Compliance Service organised a training seminar on the formation of anti-corruption culture in the Company. This emphasises Samruk-Energy JSC's aspiration to comply with ethical standards and principles of fair business conduct.

Corporate governance in the Samruk-Energy JSC Group of companies

In 2024, Samruk-Energy JSC approved the Asset Management Policy aimed at increasing efficiency and transparency in the management of subsidiaries and affiliated organisations.

The Group implements asset management on the basis of the Development Strategy. This includes coordination of activities of subsidiaries to achieve common strategic goals, contributes to the efficiency and competitiveness of each company within the Group.

The main objective is to ensure the strategic alignment of the Group's companies, their financial stability and operational efficiency. Special attention is paid to the implementation of modern corporate governance standards, risk management, development of internal control, integration of ESG principles as well as promotion of innovations and human capital development.



The key objective of asset management is to strengthen the country's energy security and improve the efficiency of production facilities through infrastructure modernisation, optimisation of the asset structure, sustainable development and risk minimisation. The policy also aims to strengthen engagement with shareholders, investors and partners in the interests of long-term sustainable growth.

Principles of the Group's management

- Balance: Ensuring a balance between management carried out by Samruk-Energy JSC in the Group and granting independence in making operational decisions to companies to carry out their activities.
- Transparency and accountability: Ensuring openness in decision-making and accountability to shareholders and stakeholders.
- Efficiency and effectiveness: Continuous improving operational efficiency and achievement of strategic goals.
- Independence and objectivity: Forming Boards of Directors with participation of qualified independent directors, shareholder representatives for objective control and decision-making.
- Integration of ESG factors: Implementing environmental, social responsibility and corporate governance standards in the Group's operations.

Samruk-Energy JSC forms a unified policy for the Group of companies and approves methodological guidelines and corporate standards for subsidiaries and affiliates. Such directions include issues of human resources management, information technologies, investments, risks, as well as planning, economics, finance and corporate governance.

Objectives of the asset management system:

- Adhering the hierarchy of issues and decision-making procedures;
- Timely decision-making by corporate bodies of the Samruk-Energy JSC Group of companies;
- Improving process manageability for the bodies of subsidiaries and affiliates;
- Increasing the rating of compliance of the level of corporate governance of subsidiaries and affiliates with the best international practices.

Priority management tools for subsidiaries and affiliated organisations of Samruk-Energy JSC:

- Improving the level of corporate governance of subsidiaries and affiliates by forming professional Boards of Directors/Supervisory Boards, ensuring the performance of the Boards of Directors/Supervisory Boards and managers of subsidiaries and affiliates;
- Ensuring effective management of subsidiaries and affiliates by defining strategic goals (KPIs) of subsidiaries and affiliates, monitoring and assessing the efficiency of the implementation of the Development Strategy and Development Plan of subsidiaries and affiliates;
- Forming unified policies, corporate standards and methodological recommendations to ensure unified approaches to key issues in the Samruk-Energy JSC Group of companies, promotion of best management practices and current activities in subsidiaries and affiliates;
- Providing support and expertise to subsidiaries and affiliates in compliance with the applicable corporate governance principles and within the Company's competences to implement policies, standards and methodological recommendations, build competences, improve performance and/or resolve problematic issues of subsidiaries and affiliates;
- Promoting interests of the Company's Group and individual subsidiaries and affiliates to achieve the Company's strategic goals, increase the value of the investment portfolio of the Samruk-Energy JSC Group of companies on such issues as interaction with state authorities, antimonopoly regulation, tariff policy, attraction of investors, etc.;
- Searching and implementing business synergy to achieve synergy effect at the level of the Samruk-Energy JSC Group of companies by searching for and offering opportunities for cooperation between subsidiaries and affiliates, for example, through complementary activities, creation of service factories, common service centres, in order to optimise costs, introduction of new functional standards, etc.

Key management mechanisms of the Samruk-Energy JSC Group:

1

Corporate governance and control

- Forming Boards of Directors with the participation of independent experts.
- Clear allocating powers between shareholders, Boards of Directors and Executive Bodies.
- Regular evaluating the performance of the Boards of Directors and management.

6

Human capital development and continuity

- Implementing management development and training programmes.
- Forming professional boards of directors with diversity in mind.
- Promoting the corporate culture based on ethics and innovation.

2

Financial and investment control

- Approving and monitoring budgets and financial plans.
- Optimising capital structure and investment decisions in line with long-term objectives.
- Monitoring Dividend Policy to ensure a balanced distribution of profits.

7

Digitalisation and increased operational efficiency

- Introducing digital solutions and business process automation.
- Using analytics and AI tools to improve efficiency and strategic planning.
- Improving energy efficiency and introducing innovative technologies.

3

Risk management and internal control system

- Functioning of the internal audit and risk management system.
- Ensuring compliance with legislation, ESG standards and anti-corruption requirements.
- Applying mechanisms to prevent and respond to key risks, including cyber threats.

8

Stakeholder engagement

- Having an ongoing dialogue with shareholders, investors and government agencies.
- Developing partnerships and attracting investment through transparent governance.
- Implementing a communication strategy that promotes trust and openness.

4

Asset management and M&A transactions

- Selling assets under the Comprehensive Privatisation Plans.
- Optimising the portfolio by withdrawing non-core and inefficient assets.

9

Monitoring and auditing

- Conducting regular internal and external audits on the condition of assets and procedures.
- Assessing compliance with financial reporting standards and environmental requirements.

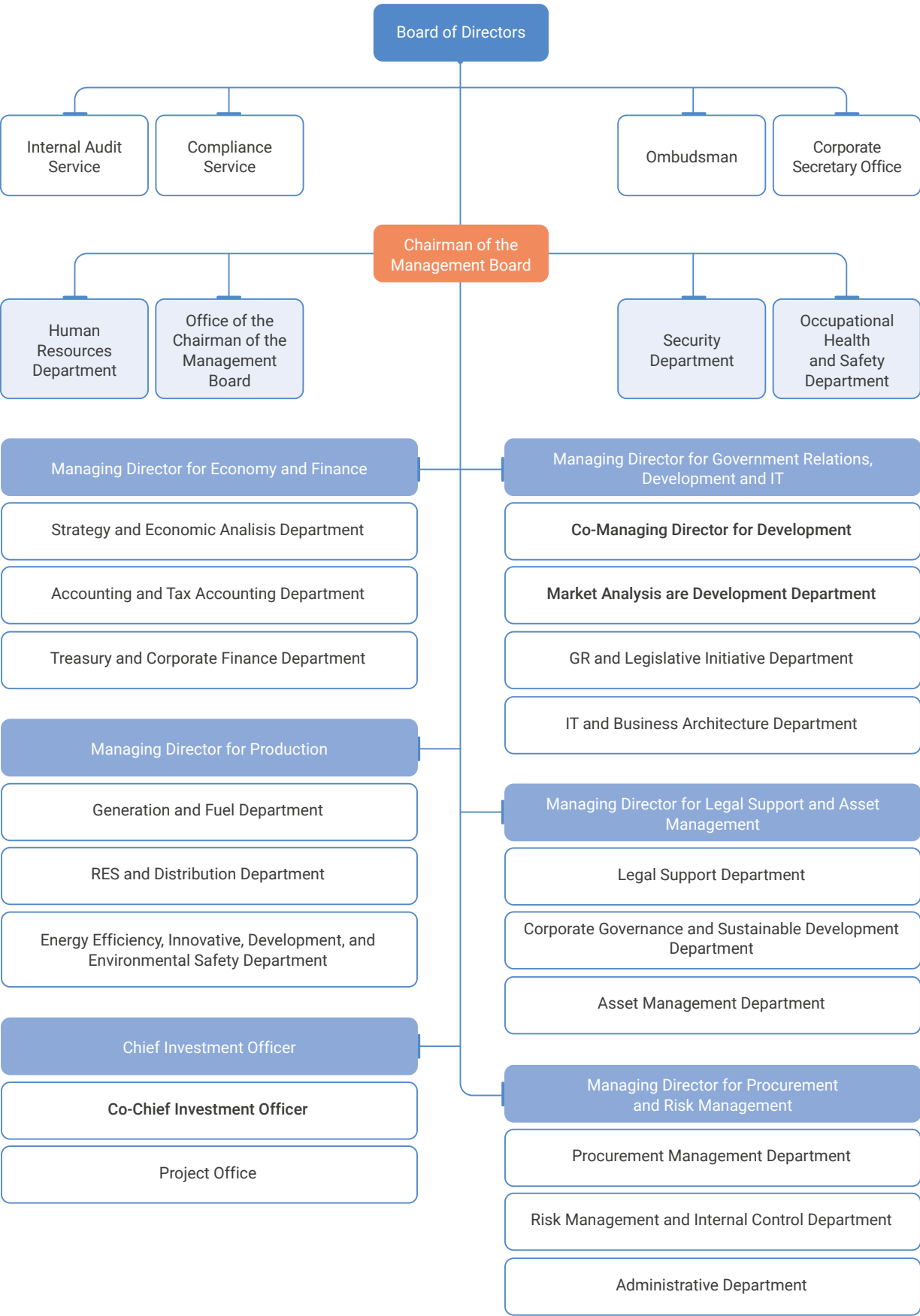
5

Integration of ESG principles and sustainable development

- Incorporating ESG criteria into management and operational processes.
- Ensuring disclosure of non-financial information in accordance with international standards (GRI, TCFD).
- Monitoring compliance with environmental and social standards in the activities of subsidiaries and affiliates.

Organisational structure of Samruk-Energy JSC

GRI 2-6



The Board of Directors approved the current organisational structure and headcount of Samruk-Energy JSC by its decision dated 27 August 2024 that comprises of 174 staff units.

Within the framework of updating the structure aimed at implementation of Bogatyr Coal LLP's key projects, strengthening monitoring of industry trends, attracting investors, as well as improving industrial safety and

reducing injuries, the previously approved structure was amended:

- the position of Co-Managing Director for Development was introduced;
- the staff of the Occupational Health and Safety Department was increased by 5 units.

Improving the efficiency of the corporate governance system

In accordance with the diagnostics of the corporate governance system conducted in 2021 by Samruk-Kazyna JSC according to the approved methodology in the organisations in which Samruk-Kazyna JSC owns directly or indirectly more than 50% of voting shares, the corporate governance rating of Samruk-Energy JSC was set at BB level ("average" maturity level). Key aspects of corporate governance were analysed:

- Effectiveness of the Board of Directors and the Executive Body;
- Risk management;
- Internal control and audit;
- Sustainable development, shareholders' rights;
- Transparency.

In accordance with the Development Strategy, we focus on improving the efficiency of corporate governance through the prism of the sustainable development concept and ESG principles, covering such areas as health and safety, environmental protection, energy efficiency, anti-corruption and anti-fraud.

To ensure a management approach that takes into account the social and environmental impact of activities on people and the environment, in 2024, we approved the Roadmap for the improvement of the sustainable development management system of Samruk-Energy JSC for 2024. It includes measures aimed at improving our activities in environmental and social aspects as well as in corporate governance issues formed basing on the results of independent diagnostics of the Company's corporate governance and the results of ESG processes assessment by leading international rating agencies.

The 2024 Roadmap for the Improvement of Sustainability Management System envisages the implementation of 106 actions aimed at developing areas requiring, among other things, the improvement and development of corporate governance practices.

In 2024, the implementation of the Roadmap for improving the sustainable development management system was

98%

By the decision of the Management Board of Samruk-Kazyna JSC dated 10 November 2023, Samruk-Energy JSC approved a new version of the Corporate Governance Code.

In order to apply unified standards, the updated Corporate Governance Code in a new edition for the Samruk-Energy JSC's Group of companies was approved by the decision of the Management Board of Samruk-Energy JSC dated 15 December 2023.

The Corporate Governance Code is available at: https://www.samruk-energy.kz/images/Corporate_documents/KKU_2024_eng.pdf



Corporate Governance System Policy of Samruk-Energy JSC

To manage our operations effectively and transparently, we have implemented a corporate management system centred on the concept of sustainable development.

The key document of Samruk-Energy JSC in this area is the Corporate Governance System Policy (more details on the website of Samruk-Energy JSC – https://www.samruk-energy.kz/images/Corporate_documents/Politika_KSM_08_2024_en.pdf)

To ensure an objective assessment of the current state of the corporate management system as well as to increase the level of interaction, ensure implementation of audit principles and form the necessary knowledge base, we use the cross-functional audit approach which implies audits within Samruk-Energy JSC by both specialists of subsidiaries and affiliates and the corporate centre.

In 2024, the external surveillance audit successfully confirmed the compliance of the corporate management system with the requirements of international standards ISO 9001, ISO 14001, ISO 45001, ISO 50001 and ISO 37001.

The certification was carried out in accordance with the procedures of MS Certification Services, an international conformity assurance body, with the involvement of international class auditors and covered the Company's following assets (production sites): Ekibastuz GRES-1 LLP named after B. Nurzhanov, Ekibastuz GRES-2 Station JSC, Almaty Electric Stations JSC, Moynak HPP JSC, Samruk Green Energy LLP, Alatau Zharyk Company JSC, AlmatyEnergoSbyt LLP, Shardara HPP JSC, First Wind Power Plant LLP, as well as the corporate centre of Samruk-Energy JSC.

Based on the results of the certification audit, positive aspects of the development and functioning of the Company's corporate management system were noted, in particular:

- A high degree of management focus on achieving the Company's goals;
- Organising and conducting cross-functional corporate audits of the management system in dependent organisations;
- Good level of exchange of documented information electronically in the Company's operations;
- Application of information systems for planning and process control;
- Support for the development of the corporate management system by affiliated organisations;
- Amending the current legislation to establish requirements aimed at protecting the interests of all energy market participants.

Compliance with the Corporate Governance Code

In the reporting period, the Company was guided by the Corporate Governance Code approved by the decision of the Management Board of Samruk-Kazyna JSC dated 10 November 2023 (Minutes No. 54/23), (hereinafter referred to as the Code).

The Company has carried out self-assessment and analysed the actual compliance of current operations.

The results of the self-assessment show that in 2024 the Company ensured compliance with the main principles and provisions of the Code. At the end of 2024, 117 out of 120 provisions of the Code were in compliance, 3 provisions were in partial compliance.

Thus, the following paragraphs have been determined to be partially compliant with the provisions of the Code:

- 1

Clause 64 of Chapter 5, Effectiveness of the Board of Directors and the Executive Body

According to the Regulations, diversity in terms of experience, personal characteristics and gender composition should be ensured in the composition of the Board of Directors. The recommended level of female representation on the Board of Directors is at least 30% of the total number of members.

In 2024, the composition of the Company's Board of Directors met the requirements for diversity of skills, knowledge and competences, but did not provide the necessary gender balance.

It should be noted that on 13 March 2025, by the decision of the Management Board of Samruk-Kazyna JSC (Minutes No. 10/25), independent director Atamkulova G.T. was elected to the Board of Directors of the Company. Thus, the representation of women in the Board of Directors in 2025 is 14%.
- 2

Clause 65 of Chapter 5, Effectiveness of the Board of Directors and the Executive Body

The clause stipulates that the Board of Directors should have a sufficient number of independent directors to ensure independence of decisions and fair treatment of all shareholders. The recommended level of representation of independent directors is up to 50% of the total number of members of the Board of Directors.

In the composition of the Board of Directors in place in 2024, three out of seven members were independent directors, which accounts for 43% of the total and does not fully meet the recommended level.
- 3

Clause 91 of Chapter 5, Effectiveness of the Board of Directors and the Executive Body

According to this clause, the Nomination and Remuneration Committee should be chaired by the Chairman of the Board of Directors. In 2024, this function was performed by V.D. Ogay, Senior Independent Director and member of the Board of Directors, which is a deviation from this provision.





The Company's plans to improve its corporate governance system

In 2025, Samruk-Energy JSC will focus on strengthening corporate governance taking into account climate challenges, integrating ESG principles and increasing transparency. The main areas include:

- Climate risk management.** We plan to conduct a scenario analysis of achieving carbon neutrality with assessment of physical and transient climate risks, analyse financial implications, develop a methodology for risk assessment by sector (coal, CHHP, HPP, RES) and disclose information in accordance with TCFD recommendations.
- Development of ESG approaches.** To improve sustainability and transparency, the Company plans to obtain an international ESG rating, as well as to review and update internal policies and management practices in accordance with ESG criteria. Work will continue on the implementation of ESG principles, including updating information on official resources.
- Participation in CDP and climate rating.** The Company will participate in the CDP disclosure and will work to improve the quality of reporting for the climate rating.
- Integrated Report.** The development of the Integrated Annual Report will continue, including information on sustainable development in accordance with GRI, ISSB, TCFD and international best practices, including LSE and IFCA standards.
- Independent verification of reporting.** We plan Independent verification of the key indicators of the Integrated Report.
- Personnel training and development.** In 2025, training events will be held for top management and employees on corporate governance and ESG factors in the energy sector.
- Updating of corporate documents.** We plan to approve a new version of the Corporate Governance Code and bring internal regulatory documents in line with its provisions.
- Development in subsidiary organisations.** The subsidiaries will continue to integrate corporate governance principles: the existing documents and processes were audited, recommendations for their improvement were made, and measures to implement them were implemented.



Governing bodies

Shareholder of Samruk-Energy JSC

100% of shares of Samruk-Energy JSC belong to the Sole Shareholder of Samruk-Kazyna JSC (detailed information about Samruk-Kazyna JSC can be found at this link <http://www.sk.kz>).

Relations of Samruk-Energy JSC with the Sole Shareholder based on honesty, accountability, responsibility and transparency, and consist in ensuring protection of and respect for its rights and legitimate interests.

The Sole Shareholder ensures the Company's management by establishing priority tasks and strategic directions of activity. The activity, exclusive competences, rights and obligations of the Sole Shareholder are regulated by the Charter. We strive to honour the interests of the Sole Shareholder by ensuring the growth of long-term value and sustainable development of the business.

The rights of the Sole Shareholder shall be exercised in accordance with the Law of the Republic of Kazakhstan On Joint Stock Companies and the Charter of Samruk-Energy JSC. The rights of shareholders include, but not limited to:

- Timely receiving information sufficient for decision making in accordance with the procedure established by the legislation of the Republic of Kazakhstan,

the Charter and internal documents of the Company on information disclosure;

- Voting on matters within its competence;
- Participating in determining the number of members, term of office of the Board of Directors, election of its members and termination of their powers, as well as determining the amount and terms of remuneration payment;
- Receiving dividends based on a clear and transparent dividend policy.

In the reporting period, the Sole Shareholder considered key issues:

- On approval of annual financial statements of Samruk-Energy JSC for 2023, the procedure for distribution of net income of Samruk-Energy JSC for 2022 and the amount of dividends per one ordinary share of Samruk-Energy JSC; information on appeals of the Sole Shareholder of Samruk-Energy JSC against actions of Samruk-Energy JSC and its officials and results of their consideration for 2023 was also considered;
- Determination of the audit company auditing the financial statements of Samruk-Energy JSC for 2025–2029 and determination of the amount of payment for its services.