



Promoting socio-economic development

GRI 3-3, GRI 12: Coal Sector: 12.8.1, 12.9.1

We play a key role in the national infrastructure, providing electricity to around 19 million consumers and creating more than 17,000 jobs across Kazakhstan. Our activities contribute to regional economic growth and establish fair relationships with suppliers and contractors. We also prioritise improving people's lives and supporting social initiatives by investing in infrastructure, education and cleaner energy from renewable energy sources.

The basis of the social strategy of Samruk-Energy JSC is an integrated approach to sustainable development, enshrined in a number of regulatory documents, including the Sustainable Development Guidelines, Personnel Policy, and Labour and Environmental Protection Policy. These documents define the principles and strategic directions of interaction with local communities and other stakeholders, which allows the Company to effectively integrate social initiatives into its operations. In particular, the Company has implemented the Policy on engagement with local communities developed in accordance with the long-term Strategy of Samruk-Energy JSC for 2022–2031. This policy takes into account the existing corporate standards and norms, as well as the requirements of the applicable legislation of the Republic of Kazakhstan, ensuring harmonious and purposeful development of relations with key stakeholders.

Responsibilities and obligations in the area of external social policy management and interaction with local communities are carried out by the Corporate Governance and Sustainable Development Department, the Human Resources Management Department, and each structural subdivision within the scope of its activity.

Samruk-Energy JSC maintains an active dialogue with stakeholders at all stages of implementation of the Company's projects and takes into account their interests at all levels of activity management. The strategy of interaction with local communities describes approaches to identifying stakeholders, providing feedback and openness in informing (for more details see Stakeholder Engagement).

The main mechanisms of interaction with local communities are:

- identification and analysis of stakeholders who are (will be) directly or indirectly affected or may be affected by the interaction and development of local communities;

- planning, defining procedures at all stages of preparation and implementation, consulting;
- disclosure of information to accept and understand risks/consequences, benefits, and monitoring and reporting;
- grievance mechanism.

Socio-economic contribution

In the reporting period, we consistently implemented measures aimed at ensuring long-term fruitful relations with the regions where we operate and strengthening the image of a socially responsible Company.

We make a significant contribution to the well-being and socio-economic development of the regions where we operate through:

- supplying the population with electricity, heat and coal;
- providing jobs for the local population, paying social taxes and contributions, pension and insurance payments, covering medical service costs for employees, and offering other forms of employee support;
- implementation of investment projects that affect the development of the regions where the Company operates, improve the lives of the population, and create jobs;
- maintenance of public infrastructure to ensure significant revenues to regional budgets through taxes;
- investment in local communities through donations to charitable and non-governmental organisations and research institutions through a single operator, the Samruk-Kazyna Trust Social Project Development Fund;
- supporting social programmes, cultural and educational events.

GRI 203-1, 203-2, GRI 12: Coal Sector: 12.8.4

In 2024, the Company implemented a number of social initiatives aimed at supporting society. Within the

framework of humanitarian programmes, assistance to flood victims was organised, including collection of necessary resources and provision of financial support in the amount of KZT 800 million. The Company also took an active part in the charity marathon organised by Samruk-Kazyna JSC, allocating KZT 18 million for this purpose.

We have a portfolio of investment projects that are in line with the country's national economic development programmes and responsible investment principles.

In addition, we have identified 3 significant⁴¹ investment projects, the implementation of which will create new jobs and develop infrastructure in the regions where we operate.

Rehabilitation of power unit No.1 at Ekibastuz GRES-1 with installation of new ESPs	<p>In December 2024, the rehabilitation of GRES-1 power unit with installed capacity of up to 500 MW was completed, and new electrostatic precipitators are being installed.</p> <p>In 2024, a favourable opinion was received from Gosexpertiza RSE on the project feasibility study, and procedures are underway to approve the results. The EPC contract with the Russian-Kazakh consortium and investment agreement with the Ministry of Energy of the Republic of Kazakhstan on Block 3 were signed. A public hearing on the EIA was held, and a conclusion was received from the Environmental Regulation Committee.</p>
Modernisation of Almaty TPP-2 with minimisation of environmental impact	<p>In the period from 2022 to 2026 it is planned to implement a project for the construction of a new plant using gas turbine technologies at the site of Almaty CHPP-2. Its electric capacity will be up to 600 MW, heat capacity – 800 Gcal/h.</p> <p>In 2024, several tranches were received from international financial organisations, including EBRD and ADB, totalling KZT 59.1 billion. Approved access to the site pending receipt of conclusions of RSE Gosexpertiza and finalised the development of the project's design documentation. An investment agreement was signed between AIES JSC and the Ministry of Energy of the Republic of Kazakhstan.</p>
Reconstruction of Almaty CHPP-3	<p>From 2021 to 2026, a project to modernise Almaty TPP-3 is underway, which includes the construction of a CCGT with a capacity of up to 545 MW. The aim of the project is to ensure uninterrupted electricity and heat supply to consumers in the Almaty region.</p> <p>In 2024, important contracts were signed with international companies for the supply of gas turbine units, steam turbines and a HRSG. Site entry and initial testing of the equipment were approved.</p>

In line with the principles of responsible investment, we consider environmental, social and governance factors when making investment decisions, in order to effectively manage risk. The Company's stakeholder engagement varies depending on the scale and nature of the project, potential risks and negative impacts on affected communities and the environment, and the level of public interest.

When implementing new projects, we consult with the local community through public hearings, preparing relevant materials within the legal framework, and liaising with the authorities. Disagreements are resolved within the legal framework, and the overall assessment of projects takes into account the interests of local communities.

Economic sustainability of regions

GRI 201-1, GRI 12: Coal Sector: 12.8.2, 12.21.2

We create economic value for our employees and local communities, and as a socially responsible Company, we support the well-being of the country through taxes, jobs and infrastructure.

⁴¹ Substantial projects are projects that involve an increase in existing electric generating capacity of 500 MW or more in 2024–2026.

The economic value created reflects our main sources of income generation for the Company, namely income from the generation, transmission and marketing of electricity, as well as from coal sales and fees received.

The created value is distributed among suppliers and contractors, employees of Samruk-Energy JSC, shareholders and creditors, the state, and local communities.

Distributed economic value	
Payments to suppliers and contractors	Operating expenses – cash payments to counterparties for materials, product components, equipment and services, lease payments, etc.
Employee benefits	Salary fund, social taxes and contributions, pension and insurance payments, costs of medical services to employees and other forms of employee support.
Payments to capital providers	Dividends to all categories of shareholders and interest paid to creditors.
Payments to the state	Tax deductions.
Investing in local communities	Donations to charitable and non-governmental organisations and research institutions, costs of supporting public infrastructure, as well as direct financing of social programmes, cultural and educational events.

At the end of 2024, the created economic value totalled KZT 579 billion and distributed economic value totalled KZT 491 billion, resulting in unallocated economic value of KZT 88 billion. According to the approved Development Plan for 2025-2029, it is planned to increase the created and distributed economic value in 2025.

Economic value created and distributed, thousand KZT

Area of focus	2024
1. Economic value created	579,349,549
Revenue and other income	573,489,841
Other income/expenses	2,126,560
Revenue from share in profits of associates and joint ventures	(5,855,910)
Financial income	9,589,058
2. Distributed economic value	(491,196,605)
Operating expenses	(307,768,150)
Wages and employee benefits	(81,532,105)
Wages	(80,957,740)
Other employee benefits and allowances	(574,365)
Payments to providers of capital	(35,671,225)
Interest expense	(10,855,356)
Dividends	(24,815,869)
Community investments	(823,878)
Payments to government	(44,934,278)
Taxes, excluding income tax	(10,379,183)
Current income tax expense	(34,555,095)
Other expenses	(20,466,969)
Rent expenses (%)	(368,739)
Other financial expenses	(20,098,230)
3. Undistributed economic value	88,152,944

Tax obligations

GRI 3-3, 207-1, GRI 12: Coal Sector: 12.21.1, 12.21.4

Being a major taxpayer and strictly complying with the regulatory and legal legislation of the Republic of Kazakhstan in the field of taxation, we contribute to the overall development of the country's regions.

Kazakhstan tax legislation and practice are in a state of continuous development and therefore are subject to varying interpretations and frequent changes, which may be retroactive. In some instances, tax legislation refers to IFRS provisions to determine the tax base and the interpretation of the relevant IFRS provisions by the Kazakhstani tax authorities may differ from the accounting policies, judgements and estimates applied by management in the preparation of these consolidated financial statements, which may result in additional tax liabilities for the Group of companies of Samruk-Energy JSC. Tax authorities may conduct retrospective audits within five years after the end of the tax year.

Since July 2020, the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan (hereinafter – the SRC) has launched a pilot project on the introduction of horizontal monitoring, which lasted until 31 December 2023. Thus, in 2021–2022, within the framework of the pilot project on horizontal monitoring, the SRC examined historical data at EGRES-1 LLP and Samruk-Energy JSC (Corporate Centre) for a five-year period, following the results of which tax audits were conducted and Notifications on the results of tax audits were issued. The main violations identified included deductions for loan interest, as well as understatement of CIT at source. We disagreed, and lawsuits and complaints were filed with the courts and the Appeal Commission of the Ministry of Finance of the Republic of Kazakhstan. In December 2023, the Appeal Commission of the Ministry of Finance of the Republic of Kazakhstan ruled in favour of the Group on the Corporate Centre, on 14 August 2024, the Supreme Court ruled in favour of EGRES-1 on the deduction of loan interest that was used for the “Unit No. 1 Restoration Project” and dividend payment obligations, and in favour of the tax authority on the deduction of loan interest that was used for the acquisition of bonds. As a result, EGRES-1 paid a fine and penalty in the amount of KZT 502 million out of the previously accrued provision.

KZT 93,424 million
was transferred in favour of the state in 2024

In order to regulate tax accounting based on the principles of obligation, certainty and unity of the tax system, we implemented the Tax Accounting Policy of Samruk-Energy JSC, developed on the basis of the Tax Code of the Republic of Kazakhstan and legislative acts in the field of taxation of the Republic of Kazakhstan, as well as taking into account the requirements of international financial reporting standards.

The Tax Policy of Samruk-Energy JSC shall be approved by the Company's Management Board. Decision on amendments and additions to the Tax Policy shall be made by the Company's Management Board. Heads of structural subdivisions of the financial and economic block may be the initiators of changes. Control over the implementation of the requirements is exercised by the Managing Director for Economics and Finance. The Director of the Accounting and Tax Accounting Department is responsible for management and fulfilment of the requirements, for compliance and reliability of information presentation.

Changes in the Company's Tax Policy may be initiated in cases: when changes are made to the Tax Code affecting changes in tax accounting, as well as if these changes will lead to a more reliable presentation of events and business transactions in the Company's tax reporting.

The adopted Tax Policy is consistent with the overall business strategy and approach to corporate governance and risk management.

The approach to taxation is to fully comply with applicable tax laws, treaties, regulations and other tax instructions, ensuring proper control over tax accounting and tax reporting.

To support and manage risk across all of our business units, we have implemented a process to regularly review our risk management policies and procedures to incorporate new developments and implement best practices.

Ongoing changes in international and local tax laws, as well as changing practice in the application of these laws in the courts, may lead to tax disputes and potential additional tax liabilities, therefore we continuously monitor and analyse domestic and international tax legislation, case law, guidance and practice. We regularly evaluate our tax positions to ensure that they are adequately reflected in our financial statements.

Tax accounting in the Company is based on accounting data, which is performed by the Department of Financial and Tax Accounting in accordance with regulatory legal acts and internal documents:

- The Code of the Republic of Kazakhstan On Taxes and Other Obligatory Payments to the Budget;
- The Law of the Republic of Kazakhstan On Accounting and Financial Reporting;
- International Financial Reporting Standards;
- The Standard Chart of Accounts approved by the order of the Minister of Finance of the Republic of Kazakhstan;
- The Company's corporate accounting policies;
- The Company's Corporate Chart of Accounts;
- Methodological recommendations, instructions, internal regulations and other normative acts on organisation and maintenance of accounting records.

The Tax Policy has a low tolerance for tax risk – we seek to minimise the risk of disputes with the tax authorities by being open and transparent about our tax operations. We seek to mitigate the level of tax risk arising from operations, to the extent practicable, by giving due attention to processes that could materially affect compliance with tax obligations.

Our approach is based on managing tax risks and tax payments in accordance with applicable legal requirements and the highest long-term expectations of our shareholders, taking into account operational, economic and reputational factors. Maintaining an open dialogue with tax authorities at various levels allows us to avoid adverse tax consequences and is an integral aspect of our Tax Policy.

Stakeholder engagement on tax matters

GRI 207-3, GRI 12: Coal Sector: 12.21.6

We maintain an active dialogue with stakeholders on tax-related issues. We advocate transparent interaction and open communication with tax authorities, ensuring that all reporting required by applicable law is done in a timely manner.

In connection with tax risks arising in the course of implementation of the MF RK KGD project “Horizontal Monitoring”, work was carried out with the state authorities to clarify the correctness of attributing the equipment for generation and conversion of electric energy in accordance with the Classifier of Fixed Assets to the group “Equipment”, which resulted in a favourable opinion for the Company.

We also take part in discussions on amendments to the Tax Code regarding VAT and CIT at the source of payment. Proposals are submitted for discussion of issues to be included in the New Tax Code.

We do not use unfair tax evasion schemes in carrying out our activities.

You can report any incidents and/or suspected facts of tax law violations to the “24/7 hotline” by sending a message: to mail@sk-hotline.kz, to WhatsApp 8 771 191 88 16, by phone 8 800 080 47 47, or use the feedback form on the website <https://www.samruk-energy.kz/en/navigation-and-support/hotline>





Development of local communities

GRI 413-1, GRI 12: Coal Sector: 12.9.2

We actively participate in the implementation of various projects and programmes that contribute to the development of socio-economic aspects in the regions where we operate and promote interaction with local communities. The activity of Samruk-Energy JSC is based on creation and implementation of programmes and projects formed annually taking into account the needs and priorities of stakeholders. The initiatives are aimed at achieving the Company's strategic goals in the reporting period, including the UN SDGs.

Main projects and programmes implemented in 2024



SDG 1 No poverty

Name of subsidiaries and affiliates	Event
Financial assistance to the population	
JSC Ekibastuz SDPP-2	Station employees voluntarily organised fundraising and assistance to regions affected by floods. The funds raised were used to purchase 41 power generators. GRES-2 employees teamed up with residents of Solnechny settlement to raise funds and sent humanitarian aid to Atyrau, Uralsk and Atbasar. In addition, a collection point was organised to collect items for the victims. Together with Lider.kz volunteers from Ekibastuz, aid was sent to those most in need.
Almaty Electric Stations JSC	In response to the natural disaster, AIES JSC promptly allocated KZT 50 million to support the affected regions. The funds were allocated to restore infrastructure and help local residents affected by natural disasters.
AlmatyEnergoSbyt LLP	On 16 April 2024, a charitable donation agreement was concluded to support the residents of Atyrau region affected by floods. The funds are used to provide assistance to the affected people, as well as to purchase necessary materials to strengthen the coastal dams, including polythene bags, rubber boats, boots, shovels, lanterns and other means.
Shardara HPP JSC	Monthly payments are made to 39 pensioners of the Company and 8 soldiers-internationalists for 350 kWh of consumed electricity. Within the framework of the action Biz birgemiz humanitarian aid was provided to the residents of the West Kazakhstan region affected by floods in the amount of KZT 1,040,000.
Samruk Green Energy LLP	In April 2024, the Company's employees initiated an action to help flood victims by voluntarily allocating 1% of their salaries to support the victims. Necessary items were purchased and donated for the amount of about KZT 500,000.
Bogatyr Coal LLP	Charity care provided: • Religious confessions – KZT 8,252,000 (coal, repayment of debts on public utilities). • Non-profit organisations – KZT 248,568,000 (coal, crushed stone, New Year gifts for children, organisation of forums and events, repair of buildings and equipment). • Individuals – KZT 15,561,000 (for treatment, surgeries, funerals).
AES Ust Kamenogorsk HPP LLP	Payment of electricity to veterans of the WWII (East Kazakhstan region): KZT 6,500 was credited to the personal accounts of veterans to pay for electricity. The campaign has been organised since 2010. Assistance to flood victims: the funds of employees (KZT 355,000) were used to purchase pillows, blankets, gas cookers, cylinders, stew, hygiene products and handed over to the victims in Kostanay region.



Name of subsidiaries and affiliates	Event
Alatau Zharyk Company JSC	Employees of the company voluntarily transferred one day's salary, collecting KZT 29.4 million. The funds were donated to the Kazakhstan Khalkyna public fund. In support of the affected regions, the company sent 20 tonnes of humanitarian aid, including food, hygiene products and other necessary items in accordance with the requests of the population.
AES Shulbinsk HPP LLP	The company organised a festive event for the residents of the village including: • Treating with pilaf, nuryz kozhe, hot tea. • Handing out sarkites. • Setting the festive table. Total expenses amounted to KZT 1,221,000.
Support for socially vulnerable groups	
Ekibastuz GRES-1 LLP	In 2024, as part of the Kurban Ait holiday, food packages were given to families with many children and parents of pupils from local schools. Also, as part of the Road to School project, 162 employees from socially vulnerable groups were provided with monetary assistance.
Ekibastuz GRES-2 JSC	Two Stars charity music contest was held, which raised KZT 6 million for children in need of treatment. The funds were donated to the families of children with serious illnesses.
Almaty Electric Stations JSC	Charity events for children and the elderly were organised, including assistance to orphanages and nursing homes in Almaty and Iliysk district. An action in honour of Ramadan – auyzashar – was also held for children in the Perzent Muslim orphanage.
Shardara HPP JSC	Participation in the Mektepke Zhol campaign, with KZT 250,000 allocated for school supplies for children from low-income families.
Samruk Green Energy LLP	The collection of items from Kindness Boxes and the distribution of food packages were organised for large and low-income families, along with charity concerts and fairs.



SDG 3 Good health and well-being

Name of subsidiaries and affiliates	Event
Improving the health of employees and their families	
Ekibastuz GRES-1 LLP	The Company provided 1,064 employees with recreation in the areas of Anzyz land and Birch grove in winter, and in summer 1,045 employees were able to relax on the shore of Zhasybay Lake. Also, 136 employees underwent health resort treatment, and 110 children of employees had a holiday at the Karlygash children's camp.
Almaty Electric Stations JSC	Supported the recreation of 247 children and grandchildren of Company employees by organising their trip to the Edelweiss camp with 50% of the voucher cost compensated, totalling over KZT 16 million.
AlmatyEnergoSbyt LLP	Financial assistance was provided to 21 employees for health resort treatment, allocating KZT 1.2 million from the trade union fund. Also, with the support of the trade union, a children's summer camp was organised, where 39 children of the Company's employees had a rest.
Shardara HPP JSC	131 employees were sent for health resort treatment. In addition, one child of an employee took part in an excursion tour to the cities of Kazakhstan under the TuFan Yelge Sayakhat programme from Samruk-Kazyna JSC.
Bogatyr Coal LLP	The Company allocated 130 vouchers to the Saryagash sanatorium, of which 49 employees have already taken the opportunity to rest, including 18 people who received the benefit free of charge due to working in challenging conditions. In addition, 397 employees received an advance payment for sanatorium and health resort treatment. During the summer period, 2,595 employees spent their holidays at the Berezka recreation center, and 1,340 children enjoyed their time at the Karlygash children's wellness center.
AES Shulbinsk HPP LLP	Partially paid (50%) for sanatorium treatment and children's vouchers for 5 employees in the amount of KZT 455,520.



SDG 4 Quality education

Name of subsidiaries and affiliates	Event
Interaction with educational institutions	
Almaty Electric Stations JSC	As part of the training program for future turbine and boiler equipment operators, dual education has been implemented, combining theoretical knowledge with practical skills. The Company actively cooperates with Satbayev University and Al-Farabi KazNU, offering students opportunities for site visits, internships, and work placements. In 2024, students from the Kazakh-German University also visited the Company's production facilities.
Samruk Green Energy LLP	A contract was signed with Al-Farabi KazNU to provide professional internships for four students. The Company also organised an excursion to the solar power plant in Konaev for 20 students and specialists under a USAID project on renewable energy.
Bogatyr Coal LLP	Quarterly meetings with students were held, and agreements on practice were signed with colleges and universities in Ekibastuz. In 2024, more than 300 students were accepted for internship.



SDG 15 Life on land

Name of subsidiaries and affiliates	Event
Environmental initiatives	
Ekibastuz GRES-1 LLP	Greening of the industrial site: 1,800 trees were planted (plan 1,200). Greening of the sanitary protection zone of the ash dump: 500 Karagach trees were planted. 8.58 tonnes of waste paper were recycled. City-wide subbotniks were organised, with 5,210 tonnes of rubbish collected.
Ekibastuz SDPP-2 JSC	Spruce seedlings were planted in Victory Park, Solnechny settlement. Plogging was held for World Environment Day, with the collected rubbish sent for recycling.
Almaty Electric Stations JSC	6.099 hectares were landscaped, 11,100 trees and 623 saplings were planted. Environmental actions included the cleaning of the Prokhodnaya River and Butakov Gorge. Containers for battery collection were installed (80.1 kg). A "Be in the Eco-Trend!" challenge promoting refusal of plastic bags was organised.
Shardara HPP JSC	0.84 hectares were landscaped, 240 seedlings were planted. Clean-up days were held (19 March and 12 April) – cleaning of the station territory, car garage, central road. A contest "Cleanest site/workshop" was organised for the Environment Day.
Bogatyr Coal LLP	Greened 16.2213 hectares, planted: silver elm – 1793 pcs, small-leaved elm – 554 pcs, spruce – 64 pcs, acacia – 413 pcs. 25.2 tonnes of waste paper were sold. Participation in subbotniks – 1,600 employees were involved, 700 m² of territory was cleaned, 115 tonnes of rubbish was removed.

