



Zhaparkhanov Nurlan Altynkhanovich

Managing Director for Legal Support and Asset Management



We view sustainable development not as an external requirement, but as an internal guiding principle embedded in the Company's Development Strategy and upheld at all levels of governance.

We do not merely declare an ESG-oriented approach – we consistently integrate it into our investment programmes, operational processes, corporate governance system, and stakeholder engagement. This approach enables us to keep pace with global trends while creating long-term value for society and the national economy.



Managing sustainable development

Our approach

At Samruk-Energy JSC, sustainable development is embedded in everything we do, including our business goals and strategy, corporate culture, processes and guiding principles. For us, sustainability is not just a goal, but a reflection of our commitment to protecting the planet, supporting our employees, serving our customers and consumers, and ensuring the long-term sustainability and success of our business.

We continue to develop our climate-related reporting. We are progressively integrating and expanding information on climate risks and opportunities consistent with TCFD recommendations. These ongoing measures demonstrate our strong commitment to sustainable development and responsible practices.

In addition, in 2024, we reaffirmed our support for the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the Sustainable Development Goals (SDGs).

Our achievements in the field of sustainable development in 2024 gave us many reasons to be proud. In 2024, the share of RES in electricity generation in the Group of companies of Samruk-Energy JSC increased by 7.7%. At Ekibastuz SDPP-2, Almaty TPP-1 and ZTK AIES, an automated air emissions monitoring system was implemented in 2024. Data from the AEM is transmitted online to the information system of the Ministry of Ecology and Natural Resources. In 2024, specific emissions of pollutants into the atmosphere for the Group of companies of Samruk-Energy JSC decreased by 13.8% compared to 2023. Sustainable Fitch Agency within the framework of ESG rating in 2024 noted the active work of

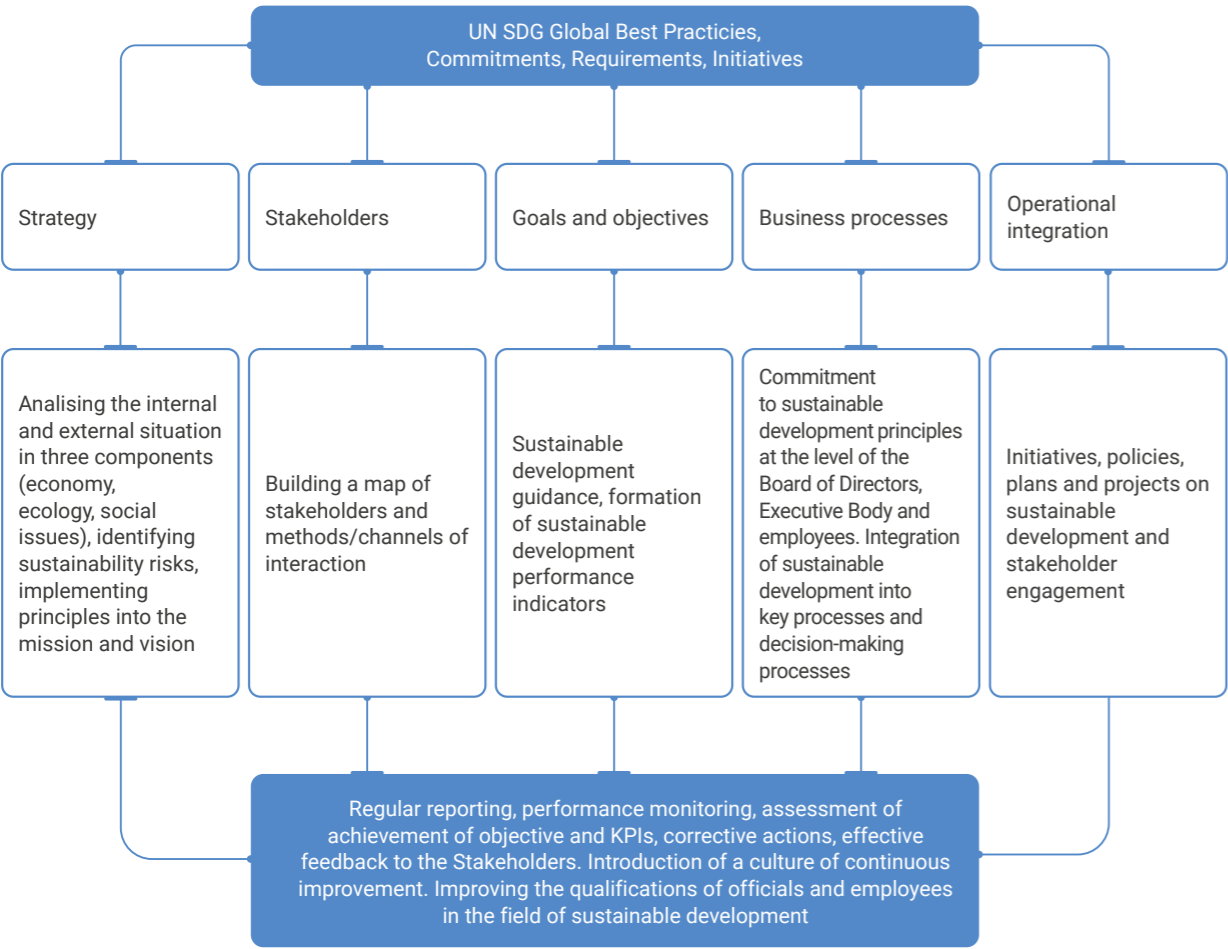
Samruk-Energy JSC Group on biodiversity protection and reduction of greenhouse gas emissions (Scope 1) for the last 4 years.

Our employees remain at the centre of our success and we remain committed to creating a balanced and inclusive working environment. To this end, we continue to promote pay equity and actively challenge unconscious bias. Our commitment to inclusivity includes creating a positive working environment where wellbeing, career development and collaboration are prioritised. The safety and wellbeing of our employees remains our top priority.

Unfortunately, in 2024, our operations experienced accidents that resulted in the deaths of three of our colleagues. These tragedies have strengthened our resolve to raise safety awareness and enhance measures to protect our employees. Our thoughts remain with the families, friends and colleagues affected by these tragic events.

Looking ahead, we remain focused on our mission – to improve the lives of people around the world by caring for the well-being of our employees, supporting communities and protecting the environment. We express our sincere gratitude to our colleagues, customers, partners and suppliers for their continued commitment and co-operation. Together, we will continue to make a difference.

We set the Company's sustainability priorities at a strategic level. Our management system then allows us to drill down to the project and programme level, effectively assess performance and disclose information.



GRI-2-24

Samruk-Energy JSC integrates commitments to responsible business conduct at all management levels, including the highest governing bodies and executive levels, such as human resource management, investment activities, environmental risks, procurement procedures and internal audit. We strive for transparency and legality in all aspects of our operations, adhering to high standards of business ethics. We work to implement our policies and ESG principles both within the Company and in our work with external partners and clients.

The Board of Directors is responsible for strategic guidance and control over the implementation of

sustainable development principles. The Board of Directors approves relevant policies, approves key performance indicators and monitors the fulfilment of the Company's commitments.

The Executive Body, within the scope of its authority, works on the implementation of sustainable development principles, compliance procedures, policy implementation and communicates its results to the Board of Directors.

The approved Maps of motivational KPIs for the management employees of Samruk-Energy JSC for 2025 set ESG indicators.

ESG indicators in motivational KPIs of executives Samruk-Energy JSC for 2024

Component	Indicator	Weight	Description
E (Environment)	Implementation of RES projects	16%	Implementation of investment projects operating on renewable energy sources.
	Investment projects to reduce environmental impact	10%	Investment projects aimed at minimising environmental impact.
	Updating of the Energy Transition Programme until 2060	25%	Updating the company's carbon footprint reduction strategy.
	Ensuring the level of specific consumption of fuel equivalent of national significance (EGRES-1, SEGRES-2)	20%	Improving fuel efficiency at key stations.
	Implementation of an automated environmental emissions monitoring system	15%	Emissions control at EGRES-1, SEGRES-2, AIES (CHPP-2, ZTK).
	Carbon intensity dynamics (3 years to base year)	5%	Indicator of the environmental performance of generated electricity.
S (Social)	Occupational safety (LTIFR, behavioural observations)	15%	Reducing injuries and improving safety culture.
	Share of local content value in procurement	10%	Increasing localisation of goods, works and services.
G (Governance)	No procurement violations confirmed by the authorised body	30%	Compliance with procurement procedures affecting the bottom line.
	Implementation of major and priority investment projects	40%	Fulfilment of the plan for 20 key projects of the Group of companies.
	Implementation of the Action Plan on Key Risk Management of Samruk-Energy JSC	30%	The indicator is aimed at managing key risks of Samruk-Energy JSC.





Special session on sustainable development

On 26 December 2024, Samruk-Energy JSC held a special session for members of the Management Board and heads of structural subdivisions dedicated to sustainable development issues. The session discussed key aspects of the Company's Development Strategy for 2024–2033, including changes in ESG initiatives, focus on sustainable development, introduction of RES and progress in achieving energy efficiency targets.

The main discussion topics are:

- Estimation of Scope 3 emissions;
- Support gender equality and employee engagement;
- Reduction of occupational injuries;
- Strengthening Compliance Practices;
- Expansion of disclosed ESG metrics;
- Sustainable Fitch rating results.

As part of the special session, areas for further refinement of certain environmental indicators related to the implementation of infrastructure projects were identified. Measures to strengthen coordination in the field of energy transition and sustainable development were also initiated. In addition, among the priorities, consideration was given to the possible expansion of the scope of indirect impact assessment within the framework of the Company's climate initiatives.

ESG risk and opportunity management

Risk and opportunity management is embedded in our business practices at all levels of Samruk-Energy JSC. Our Risk Management Policy describes the Company's approach to identifying, analysing, managing and reporting significant risks and opportunities.

Our approach is formalised through the Group's risk management process, which sets out how our business units and Company functions assess risks and opportunities and develop response plans for the most significant identified risks and opportunities. This takes place in parallel with the development of our business plans.

By resolution of the Board of Directors dated 23 December 2024 (Minutes No.17/24), the following ESG indicators were additionally set for the Company's executive employees for 2025:

- Execution of measures of the Roadmap on improvement of the sustainable development management system of Samruk-Energy JSC for 2025 within the authority of the Management Board with the weight of 10% of the relevant functional map of the employee;
- Implementation of IT investment projects with the weight of 25% of the relevant employee functional map.

The Guidelines in the field of sustainable development regulate our work in the field of ESG, and are based on the principle of ensuring fundamental human rights and freedoms. The document expresses the Company's position to support internationally proclaimed human rights not only within the framework of the Company itself, but also in relation to third parties with whom Samruk-Energy JSC works.

More information on the guidelines can be found here: [Sustainability Guide](#)

The Company has embedded responsible business commitments, including commitments to respect human rights, in all of its operations and business relationships, as set out in policies and other internal documents. We regularly conduct training on documented sustainability aspects for employees (business ethics, occupational health and safety, protection, human rights, etc.), as well as conduct to suppliers on sustainable supply chain requirements.



Key groups of sustainability risks:

- Social risks include human resource management issues, community impacts, and human rights;
- Environmental risks cover impacts on the environment and climate change;
- Economic risks include the economic impact on the community and the country as a whole.

We assess risks using a systematic approach to sustainable development:

- Assess current and future risks associated with global sustainability factors;

- Forecast economic, socio-demographic and environmental trends;
- Analyse social, environmental and economic aspects of regional impacts;
- Develop measures to manage impacts, mitigate risks and realise opportunities;
- Increase risk culture and evaluate the effectiveness of risk management measures.

Read more about Risks in the section Risk Management and Internal Control.

Positions in ratings

Name of rating	Current position
Sustainable Fitch	ESG 3 rating with an enterprise rating of 52 points
ESG Disclosure Rating of PWC Kazakhstan	A+ 1. Best ESG information disclosure in the energy sector 2. Best Sustainability Strategy Disclosure 3. Best disclosure of corporate governance issues
Moscow Exchange Annual Report Contest	Silver winner in the Grand Prix nomination – Best Annual Report of a Non-Public Company
Rating of annual reports RAEX Rating Agency	5 stars, Highest Quality Annual Report status

Key sustainable development events in 2024

On 26 February 2024, the Board of Directors of Samruk-Energy JSC approved the updated Sustainable Development Management Roadmap for 2024. Changes were made taking into account the ESG rating and the need to maintain and improve it, as well as the completion of part of the activities in 2023. The roadmap aims to improve ESG processes, increase transparency and manage ESG risks. In 2024, measures to improve the quality of information disclosed in the Annual Report and on the company's website were successfully implemented, along with the introduction of a number of ESG-related policies and regulations. At year-end, the Roadmap was 98% fulfilled.

On 25 September 2024, the Board of Directors of Samruk-Energy JSC approved a new version of the Sustainability Guide. Changes were made to improve practices and compliance with international standards. In particular, in the field of ecology, priority areas were expanded, aspects related to air, water, waste, biodiversity and site restoration were detailed. A new section on site closure and rehabilitation has been included.

In 2024, a Local Community Engagement Programme was developed based on annual community development initiatives. Initial monitoring of the Programme implementation in subsidiaries, including Alatau Zharyk Company JSC, AlmatyEnergoSbyt LLP, Moynak HPP JSC and others.

In the reporting period, Samruk-Energy JSC implemented a centralised digital system of ESG data collection and storage. It allows processing and exporting data on key sustainability indicators, including energy consumption, water use, emissions, human resources and social indicators. The system has been put into commercial operation in 14 subsidiaries since 15 April 2024.

In 2024, Samruk-Green Energy LLP for the first time issued and sold more than 15 thousand I-REC certificates confirming the production of electricity from RES. This demonstrates the growing demand in the domestic and international markets. I-REC certificates are recognised in 50+ countries and help attract investments, develop ESG strategies and support sustainable development.

On 8 October 2024, Samruk-Energy JSC posted the CDP 2024 Questionnaire on the ORS online platform to assess the company's greenhouse gas, water and biodiversity management system. The questionnaire covers the topics of governance, risk, strategy and stakeholder engagement. According to the results of the International Greenhouse Gas Emissions Disclosure Agency, the Company was assigned a rating of "D" for greenhouse gas emissions and "C-" for the "Water" aspect.

Training and development in ESG and corporate values

In 2024, workshops and online meetings are organised to raise employee awareness of ESG best practices.

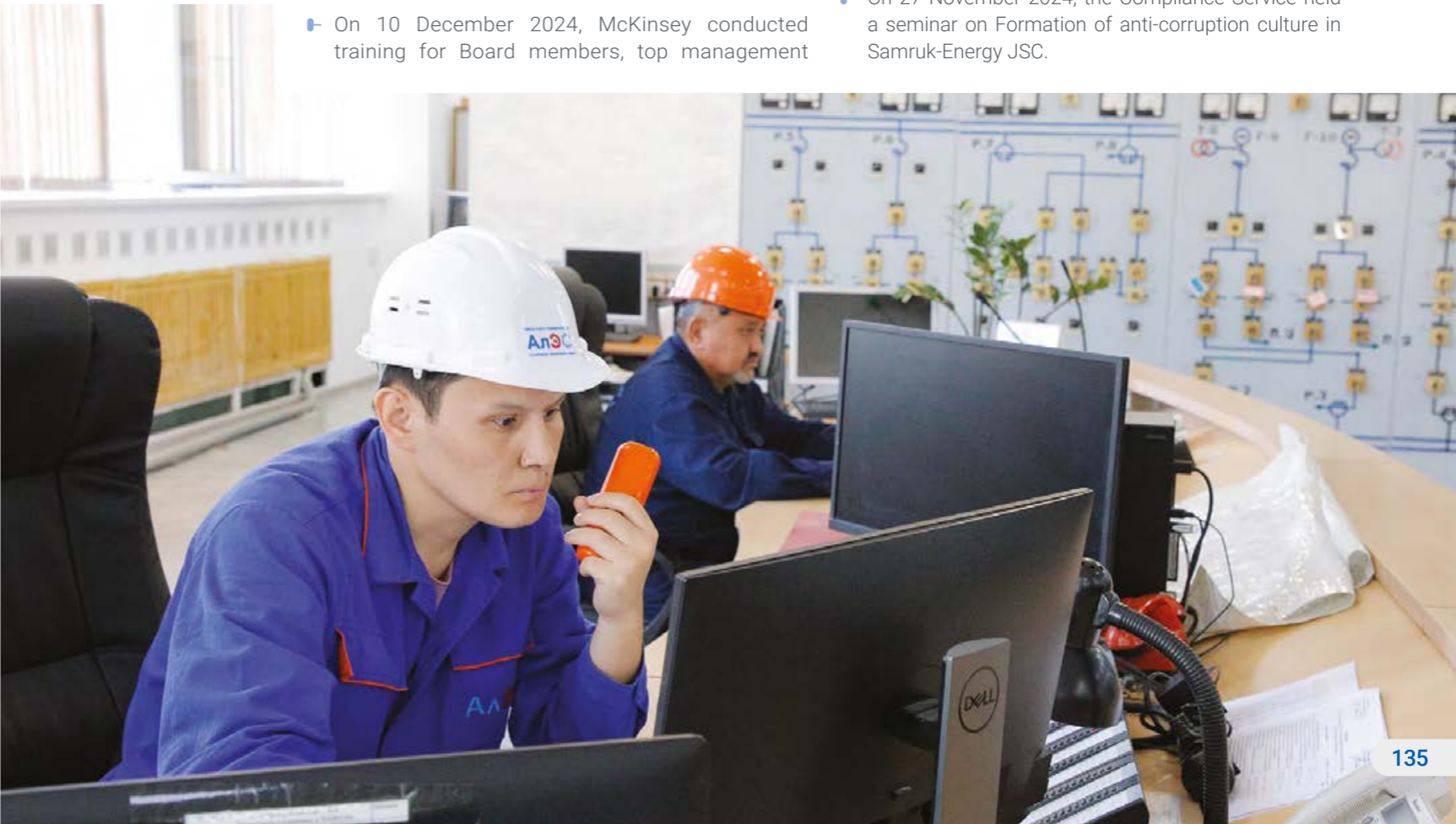
- On 25 September 2024, an online meeting was held for all portfolio companies on the topic Annual Report. Best Practices organised by the Corporate Governance and Sustainable Development Department.
- On 28 November, a corporate seminar on Climate Risks for Energy Sector Enterprises was held, organised by the Risk Management and Internal Control Department with the involvement of a training organisation.
- On 9 December 2024, a meeting was held for portfolio companies of Samruk-Energy JSC on Sustainable Development: Global Context, National Challenges and Contribution of Samruk-Energy JSC Group. Results of 2024 and Plans for 2025.
- On 10 December 2024, McKinsey conducted training for Board members, top management

To ensure the proper implementation of corporate governance and sustainable development principles across the Group, the Company conducts annual audits of these processes and develops recommendations for subsidiaries in line with international best practices. In 2024, an analysis of corporate governance and sustainable development was carried out at AES Shulbinsk HPP LLP and AES Ust Kamenogorsk HPP LLP following their inclusion within the perimeter of portfolio companies.

and executives on Climate Change and Energy Outlook.

In addition, as part of strengthening corporate values:

- On 10 July 2024, a webinar was organised for employees on Effective Negotiation Skills. The Harvard Method.
- On 11 July 2024, a training session for employees on Effective Communications. Conflict Management.
- On 8 August 2024, the Department of Human Resource Management, with the involvement of a training organisation, conducted training for all employees on the topic of Professionalism.
- On 27 November 2024, the Compliance Service held a seminar on Formation of anti-corruption culture in Samruk-Energy JSC.





Materiality assessment

GRI-3-1

The materiality assessment process is aimed at identifying and prioritising the most significant impacts on the economy, environment, people and human rights. The assessment of significant impacts included analysis of Samruk-Energy JSC's ESG activities, current ESG trends, legislation and regulatory framework, external standards and systems in the field of sustainable development, as well as stakeholder opinions were taken into account.

We also took into account and considered the material topics for the industry highlighted by GRI 12: Coal Sector 2022, SASB, analysed the list of material topics assessed by the leading rating agencies in the electric power industry (S&P Global Ratings and MSCI ESG

Ratings) and made a benchmark analysis of the peer companies of Samruk-Energy JSC Group of companies.

We ensured that our list of essential topics was in line with the Global Compact Principles and the UN Sustainable Development Goals.

The most material topics were selected based on the principle of double materiality: we considered the topics that are the most material in terms of their impact on the Company's financial results and the topics that are the most material to society in terms of our impacts.

The list of material topics in 2024 has not changed from the last reporting period.



List of material topics

GRI 3-2

Material topic	Type of impact				GRI Standards	Principles GC	UN SDGs
	Negative	Positive	Direct	Indirect			
 Climate change and the environment							
Climate change					305	7, 8	    
Energy transition to sustainable sources					302	9	   
Energy availability					302	9	   
Water resources management					303	7, 8	 
Air quality					301	7, 8	 
Sustainable waste management					305	7, 8	    
Biodiversity					304	7, 8	  
 Caring for people							
Management, development and motivation of employees					401, 402, 404		    
Safety and health in the workplace					403		  
Diversity, equality and inclusion					405, 406	1, 2, 6	  
 Good governance and integrity							
Contribution to economic performance					201, 203		      
Sustainable supply chain					204		
Compliance with legislation and anti-corruption					205	10	
Public policy					415		

Principles of the UN Global Compact

Samruk-Energy JSC implements the principles of environmental protection, social responsibility and best corporate governance in all areas of activity taking into account the principles of the UN Global Compact, which the Company joined in 2011.

Principles of the Global Compact	Section of the Report
Businesses should support and respect the protection of internationally proclaimed human rights	Respect for human rights
Business should not be complicit in human rights violations	
Businesses should support freedom of association and real recognition of the right to collective bargaining	Investments in human capital Procurement management
Businesses should advocate for the elimination of all forms of forced and compulsory labour	
Businesses should advocate for the total elimination of child labour	
Businesses should advocate for the elimination of discrimination in labour and employment	Caring for our planet Contribution to climate change mitigation
Businesses should support a precautionary approach to environmental issues	
Businesses should undertake initiatives to increase environmental responsibility	
Businesses should promote development and dissemination of environmentally sound technologies	Business ethics and anti-corruption
The business community must stand up to all forms of corruption, including extortion and bribery	

Our contribution to the UN Sustainable Development Goals

Samruk-Energy JSC has integrated the Principles of Sustainable Development into its activities, and is also committed to the 17 UN Sustainable Development Goals. The Company, carrying out its activities, endeavours to contribute to the achievement of the following UN Sustainable Development Goals.

01

Eradicate poverty in all its forms everywhere



UN SDG targets

- 1.1 By 2030, eradicate extreme poverty for all people worldwide, currently measured by the number of people living on less than \$2.15 a day.
- 1.2 By 2030, reduce by at least half the proportion of men, women and children of all ages living in poverty in all its manifestations according to national definitions.
- 1.3 By 2030, ensure that all men and women, especially the poor and vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technologies.

Results 2024:

- The staff turnover rate in 2024 was 10.9%.
- The average salary of employees in the Group of companies of Samruk-Energy JSC increased by 15% and totalled KZT 561,704 per month. Salary indexation was 9.5%, with special attention paid to low-paid employees. During 2024, in accordance with the approved tariffs, additional indexation of wages by 10% was made for employees of Shardara HPP JSC, Moynak HPP JSC, Ekibastuz SDPP-1 LLP, Ekibastuz SDPP-2 JSC and Almaty Electric Stations JSC.
- The level of employees' social well-being (well-being index) reached 69%.
- Percentage of senior management hired from the local community at significant locations of operation was 100%.
- The share of the company's group in Kazakhstan's electricity market was 33.7%.
- The share of RES generation in the electricity market of Kazakhstan is 6.4 %.
- The company's share in production accounted for 38.1% of the total coal production in Kazakhstan.

Company projects/objectives/KPIs

- Job retention by controlling, set KPI "Staff turnover" not more than 14%.
- Ensuring competitive salaries, indexation of salaries.
- The Action Plan for Enhancing Social Stability of Samruk-Energy JSC.
- Monitoring of KPI "Ensuring compliance with the proportion of senior managers hired from the local community".
- Monitor the KPI "Staff Wellbeing Rate" at a minimum of 65%.
- The Company ensures uninterrupted power supply to all its regions of operation, including remote areas and settlements to enable sustainable farming of the local population.
- Research and Development (R&D) Activities.
- Study of the possibility of application of carbon capture and storage technologies at coal-fired power plants. Introduction of technology for oil-free firing of boiler units (plasma-fuel system).

