

PRODUCTION ACTIVITIES

GRI 2-6, SASB IF-EU-000.B

In accordance with the legislation of the Republic of Kazakhstan in the field of electric power industry, KEGOC JSC carries out the following main activities:

- ♦ electricity transmission through the NPG;
- ♦ NPG usage service;
- ♦ technical dispatching of electricity supply and consumption in the grid;
- ♦ organization of balancing of electricity production and consumption.

The above types of services belong to the sphere of natural monopoly, and therefore the activities of KEGOC JSC are regulated by the Law of the Republic of Kazakhstan “On Natural Monopolies”.

The Company has implemented and successfully operates a quality management system (QMS) based on the international standard ISO 9001, which is an integral part of the Company’s integrated management system. The scope of the QMS is to perform the functions of a system operator in the field of electric power industry: providing system services to subjects of the wholesale electricity market for the transmission of electric energy through the NPG, technical dispatching and balancing of electricity production and consumption.

In order to confirm compliance with the KEGOC JSC QMS, a supervisory audit was conducted in 2024, based on the results of a certification audit conducted in 2023 by the independent certification body MS CERTIFICATION SERVICES PRIVATE LIMITED

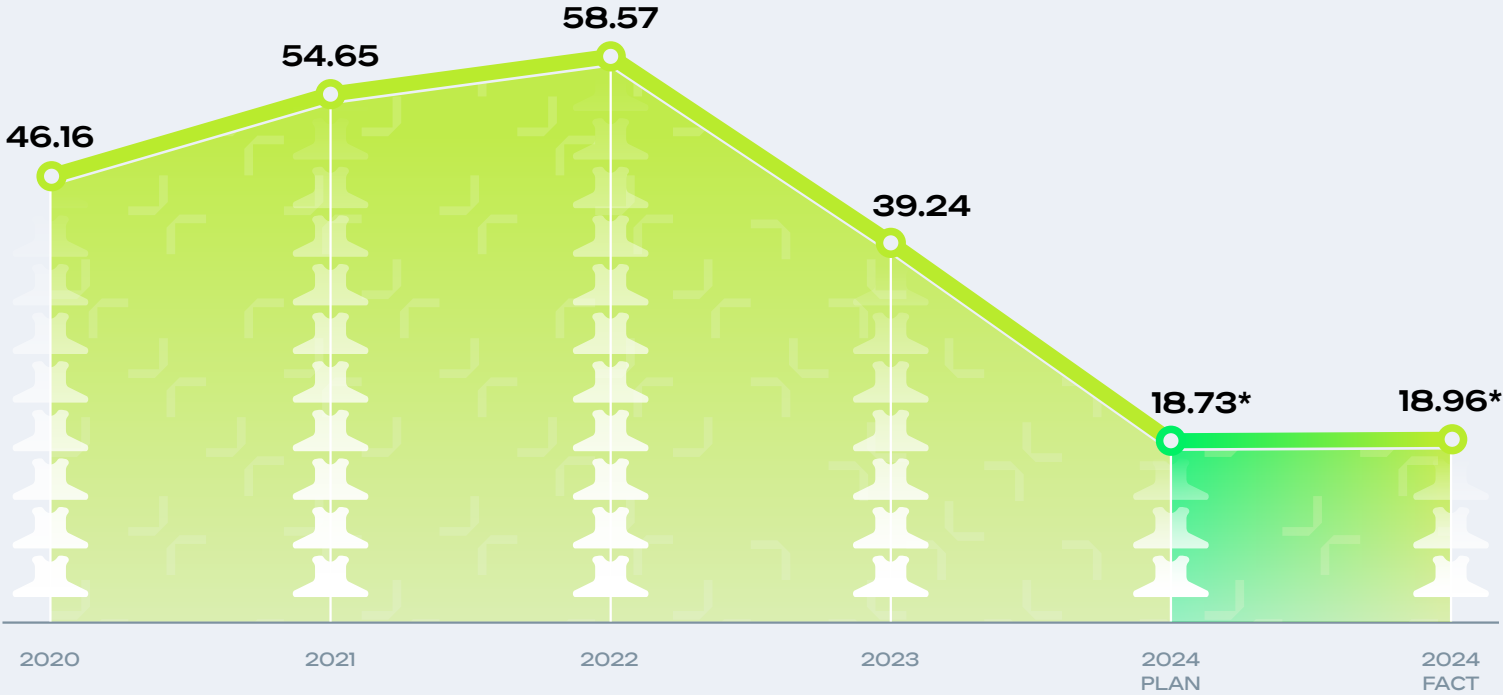
(India). The audit results confirmed the compliance of the QMS with the requirements of international standards.



ELECTRICITY TRANSMISSION THROUGH THE NPG

SASB IF-EU-000.B

Transmission of electricity via KEGOC JSC networks, billion kWh



*The Law of the Republic of Kazakhstan “On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan on administrative Reform in the Republic of Kazakhstan” amended the Law “On Electric Power Industry” regarding the introduction of a Single Electricity Buyer model and the launch of a balancing electricity market from July 1, 2023. In this regard, the structure of the volume of services for the transmission of electric energy by NPG has been changed.

The actual volume of electricity transmission services provided via NPG in 2024 amounted to 19.0 billion kWh, which is higher than planned by 0.23 billion kWh or 1.2%, due to an increase in the volume of electricity transmission through interstate transit.

Thus, according to the Law “On Electric Power Industry”, the NPG electric power transmission service is a service provided to conditional consumers, consumers of the hybrid group, during interstate transit of electricity, export/import of electricity and subjects of the wholesale electric energy market when they purchase electric energy under bilateral agreements from energy—producing organizations using renewable energy sources.

In this regard, the volume of services provided by KEGOC JSC for the transmission of electricity via NPG in 2023-2024 is indicated in accordance with the amendments to the Law “On Electric Power Industry”.

In 2024, interstate transmission (transit) of electricity was carried out via KEGOC JSC networks along the Russia–Kazakhstan–Russia route and the Russia–Kazakhstan–Kyrgyzstan route. The volume of electricity transit services provided amounted to 6.6 billion kWh. In addition, exports from the energy system of the Republic of Kazakhstan to the Kyrgyz Republic via KEGOC JSC networks in the amount of 1.2 billion kWh were carried out.

19.0
billion kWh

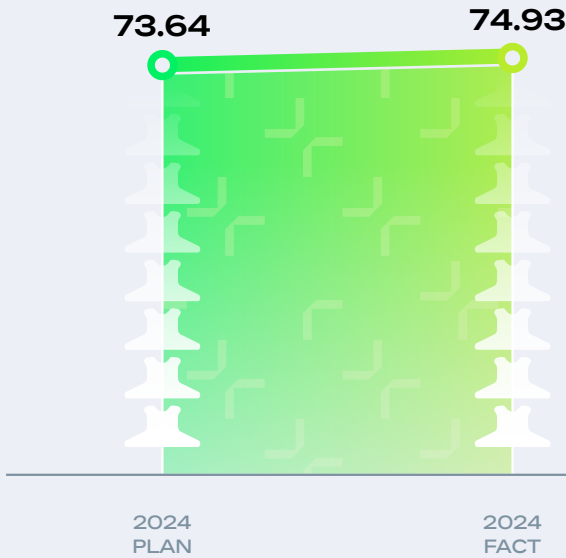
the actual volume of electricity
transmission services provided via
NPG in 2024



NPG USAGE SERVICE

SASB IF-EU-000.B

NPG usage service, billion kWh



In 2024, the actual volume of services provided for the use of NPG amounted to 74.9 billion kWh, exceeding the planned figure by 1.3 billion kWh, or 1.8%. The increase in volume is due to an increase in electricity consumption in the wholesale market of the Republic of Kazakhstan.

74.9
billion kWh

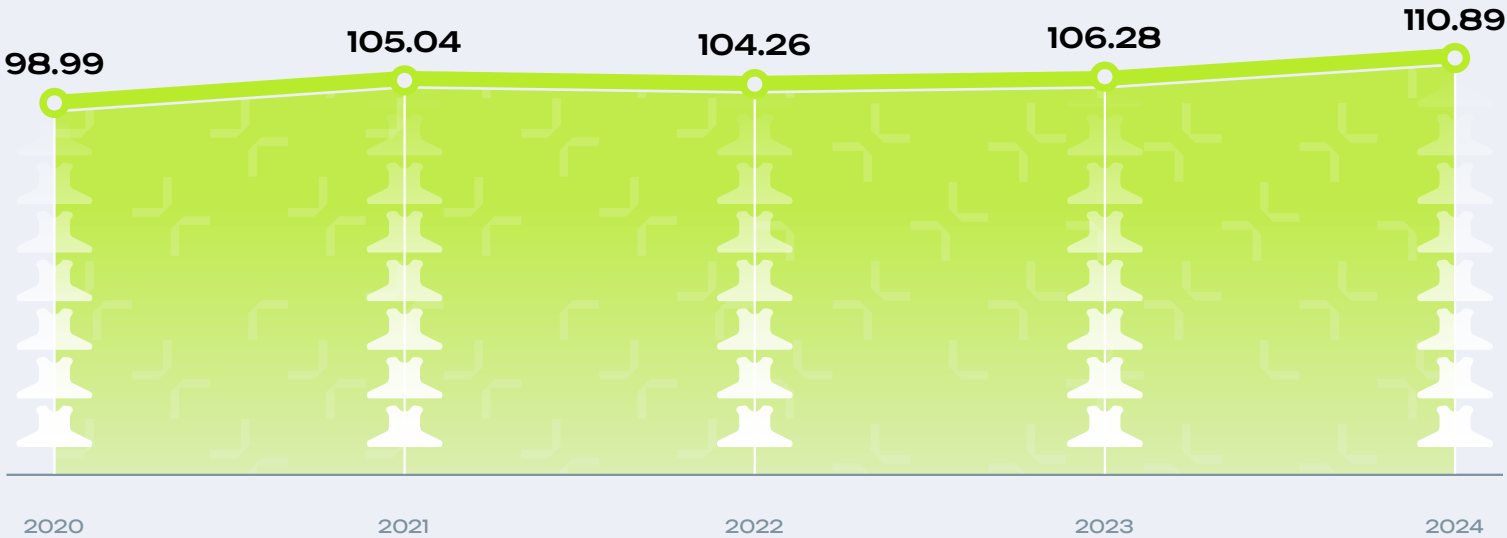
the actual volume of services
provided for the NPG usage
in 2024



TECHNICAL DISPATCHING

SASB IF-EU-000.B

Technical dispatching of KEGOC JSC , billion kWh



In 2024, the actual volume of services provided for technical dispatching of electricity supply to the grid and consumption amounted to 110.9 billion kWh, exceeding the planned figure by 4.6 billion kWh or 4.3%. The increase in volume is due to an increase in the volume of electric energy production in the wholesale market of the Republic of Kazakhstan.

110.9
billion kWh

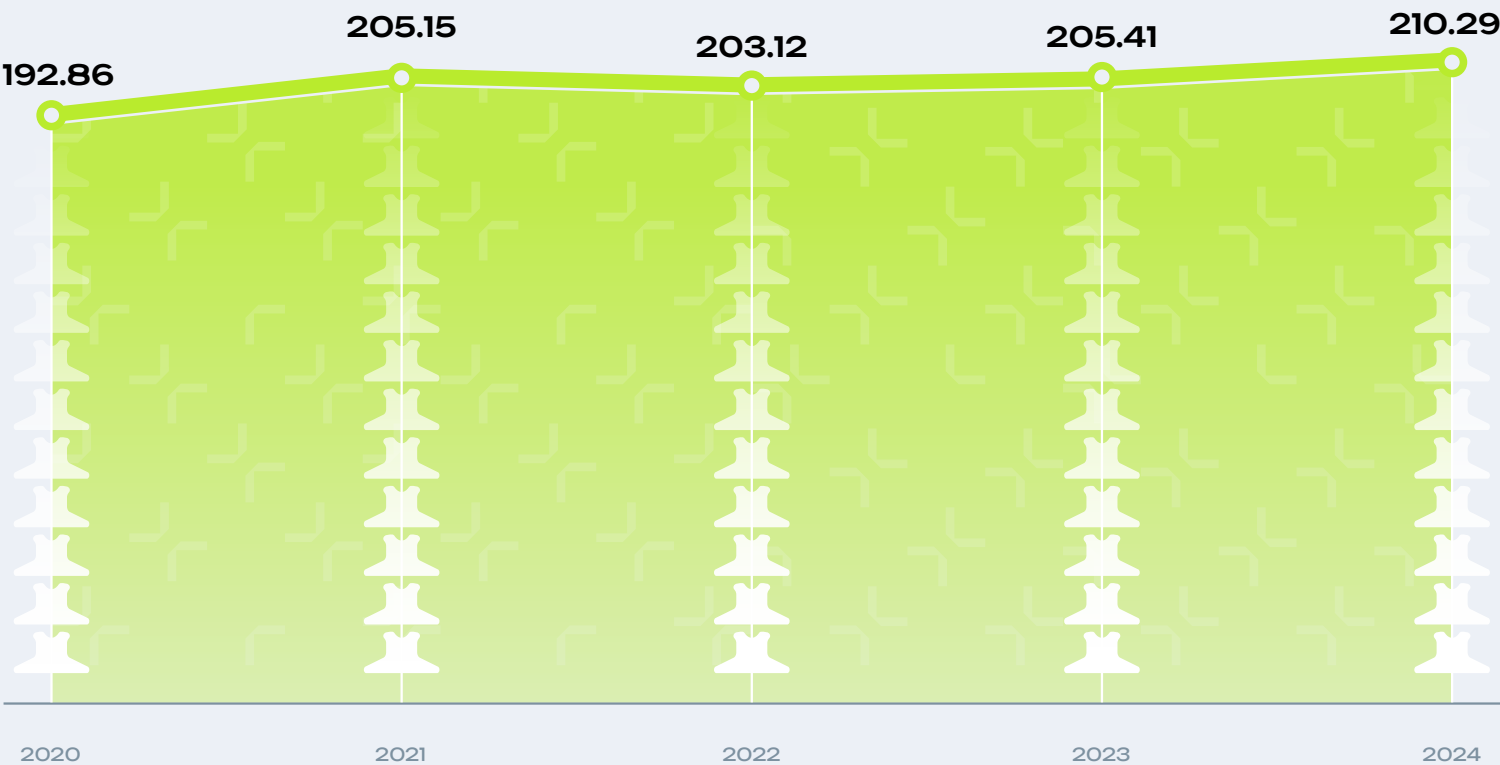
the actual volume of services provided for
technical dispatching of electricity supply to the
grid and consumption in 2024



ORGANIZATION OF BALANCING OF ELECTRICITY PRODUCTION AND CONSUMPTION

SASB IF-EU-000.B

Organization of balancing of electricity production and consumption, billion kWh



In 2024, the actual volume of services provided for balancing electricity production and consumption amounted to 210.3 billion kWh, exceeding the planned figure by 4.9 billion kWh or 2.4%. The increase in volume is attributed to the growth in electricity consumption in the wholesale market of the Republic of Kazakhstan.

210.3
billion kWh

the actual volume of services provided for balancing electricity production and consumption in 2024



ELECTRIC ENERGY PURCHASE AND SALE OPERATIONS

SASB IF-EU-000.E

In accordance with the Law “On Electric Power Industry”, KEGOC JSC performs the function of the UPS System Operator of the Republic of Kazakhstan for interaction with the energy systems of neighboring countries to manage and ensure the stability of parallel operation modes.

Electricity consumption in UPS of the Republic of Kazakhstan during the day has a pronounced unevenness: consumption decreases at night, increases by the beginning of the working day and reaches peak (maximum) values in the evening. At the same time, UPS of the Republic of Kazakhstan, where the main share of generating capacity is accounted for by thermal power plants, which, according to their technology, operate in the basic mode (they cannot quickly change their load), cannot fully cover the variable consumption schedule with its own power plants. As a result, there are imbalances between electricity production and consumption in UPS of the Republic of Kazakhstan. The situation of shortage of maneuverable generating capacities in UPS of the Republic of Kazakhstan is also aggravated by emergency shutdowns of equipment of existing power plants and high rates of commissioning of RES facilities, which are characterized by unstable generation. In this regard, maintaining the frequency and covering the emerging imbalances in UPS of the Republic of Kazakhstan is ensured, among other things, through interaction in parallel with UPS of the Russian Federation.

In accordance with the Agreement between the Governments of the Republic of Kazakhstan and the Russian Federation on measures to ensure parallel operation of the parties' energy systems dated

November 9, 2023, electricity purchase and sale agreements are concluded on an annual basis between KEGOC JSC and Inter PJSSC in order to compensate for hourly deviations in the actual interstate balance of electricity flow from the planned one at the UPS border of the Republic. Kazakhstan and UPS of the Russian Federation. In accordance with this Agreement, the financial result of the purchase and sale of deviations is a fair payment for the physical settlement of UPS deviations by the UPS power system of the Republic of Kazakhstan.

In 2024, the purchase of electricity by KEGOC JSC in order to compensate for hourly deviations in the actual interstate balance of electricity flow from the planned one at the border of UPS of the Republic of Kazakhstan and UPS of the Russian Federation amounted to 1,925.9 million kWh in the amount of 35,859.2 million tenge (18.62 tenge/kWh).

The sale of electric energy to KEGOC JSC, in order to compensate for hourly deviations in the actual interstate balance of electric energy flows from the planned one at the UPS border of the Republic of Kazakhstan and UPS of the Russian Federation, was carried out in the amount of 1,456.1 million kWh in the amount of 9,454.0 million tenge (6.49 tenge/kWh).

1,925.9
mln kWh

electricity purchase to compensate for hourly imbalance volumes at the border between the Kazakhstan UPS and the Russian UPS in 2024

