

SUSTAINABLE DEVELOPMENT MANAGEMENT

KEY EVENTS IN THE FIELD OF SUSTAINABLE DEVELOPMENT

By the decision of the Board of Directors of KEGOC JSC dated May 28, 2024, the updated KEGOC JSC Development Plan (Strategy) for 2023-2032 was approved.

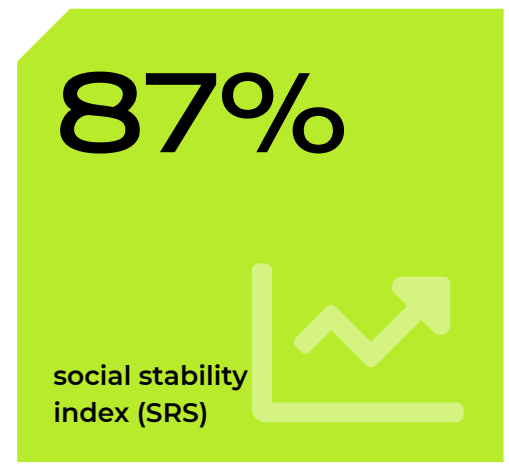
On December 26, 2024, the Management Board approved the “KEGOC JSC Climate program for 2025-2060” in accordance with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures).

During 2024, KEGOC JSC worked to develop a Human rights policy within the framework of strengthening corporate responsibility and compliance with international standards in the field of human rights and freedoms. On March 31, 2025, the KEGOC JSC Management Board officially approved the Human rights policy.

KEGOC JSC is recognized as the leader in social stability among Samruk-Kazyna JSC portfolio companies. The level of the social stability index (SRS) is 87%.

KEGOC JSC took the first place among the portfolio companies of Samruk-Kazyna JSC for achievements in the field of industrial safety by the end of 2023.

KEGOC JSC has made significant progress in the field of sustainable development, which has been confirmed by the independent rating agency S&P Global. As of January 31, 2025, the Company received an ESG rating of S&P Global CSA Score at 55/100, which is 4 points higher than the result of 2023 (51 points). The level of information disclosure was recognized as “Very High”, reflecting the transparency and completeness of KEGOC JSC’s ESG practices.



SUSTAINABLE DEVELOPMENT MANAGEMENT STRUCTURE

KEGOC JSC is aware of the importance of its impact on the economy, the environment and society and, striving to increase long-term value, ensures that its activities comply with the principles of sustainable development by aligning its environmental (E), social (S) and management (G) goals.

KEGOC JSC carries out systematic work to improve ESG principles, including corporate governance, with a focus on ensuring environmental and social responsibility, effective exercise of shareholders' rights, fair treatment of shareholders, balanced dividend policy, efficiency of the Board of Directors and the Management Board of KEGOC JSC, the system of interaction with stakeholders, proper disclosure of information about the Company to stakeholders and improvement of risk management and internal control systems.

Principles of sustainable development of KEGOC JSC

1. Green infrastructure development

KEGOC JSC is actively investing in the construction and modernization of power grids, contributing to the integration of electricity and improving the energy efficiency of the system.

2. Priority of occupational safety and health

The Company continues to implement high safety standards and is committed to the Vision zero concept, improving working conditions and minimizing workplace risks.

3. Responsible supply chain

KEGOC JSC cooperates with suppliers who share the principles of sustainability, thereby contributing to the development of sustainable business practices at the industry level.

4. Environmental management

KEGOC JSC implements resource management and waste management control systems, strengthening its position in the field of environmental responsibility.

5. Focus on employee well-being

Special attention is paid to creating a comfortable and safe working environment, implementing social support programs and ensuring a high level of staff engagement.

6. Investments in human capital

KEGOC JSC operates a continuous training and professional development system that promotes the growth of competencies and career opportunities for employees.

The Company consistently improves its management system in the field of sustainable development, integrating ESG principles at all levels of corporate governance. Sustainable development issues are under the constant control of the Board of Directors, which approves key policies, monitors the implementation of initiatives and ensures strategic compliance of the Company's activities with the principles of sustainable development:

- ◆ forms strategic guidelines and priorities of the Company in the field of sustainable development;
- ◆ reviews and approves reports on ESG areas;
- ◆ oversees the implementation of sustainability principles in operational activities;
- ◆ manages risks in the field of sustainable development, including climate risks.

The Board of Directors is provided with reports on the results of its activities in the field of sustainable development on a regular basis (annually and quarterly).

In addition, to organize and ensure work on management issues in the field of sustainable development, the development, implementation, and operation of the KEGOC JSC integrated management system and the continuous improvement of the effectiveness of management systems, the Company's Management Board has an advisory body, the Coordinating council for sustainable development and the IMS, headed by the Chairman of the Management Board of KEGOC JSC.

The Coordinating Council includes all managing directors and heads of subsidiaries.

The main tasks of the Coordinating Council on Sustainable Development are:

- ◆ ensuring the promotion and observance of principles in the field of sustainable development;
- ◆ ensuring the implementation of planning, determining responsibility for monitoring management activities in the field of sustainable development, as well as determining the content of information on sustainable development activities provided to stakeholders.

KEGOC JSC sustainable development management structure



INTERACTION WITH STAKEHOLDERS

GRI 2-29

KEGOC JSC considers interaction with stakeholders as one of the important components of its activities in the field of sustainable development. The Company recognizes that an open and systematic dialogue with government officials, investors, employees, business partners, local communities and other stakeholders plays an essential role in shaping the Company's positive image as an effective organization developing according to established strategic goals.

The Management Board of KEGOC JSC is responsible for implementing mechanisms for interaction with stakeholders in accordance with the Company's corporate documents. Interaction with stakeholders is carried out on the basis of internal documents, including the Communication Program, the Plan of Communication with Stakeholders and the KEGOC JSC Stakeholder Map.

According to the Communication Program, the Company has identified key principles for itself when interacting with KEGOC JSC stakeholders:

- ◆ **Openness and accessibility** — The Company strives for a high level of awareness about its activities and role in the electric power industry and its development directions.
- ◆ **Regularity and timeliness** — The Company regularly reports on results and key changes in its operations.
- ◆ **Awareness and support** — The Company conducts an open dialogue with key stakeholders, ensuring their participation in the discussion of significant topics.
- ◆ **Respect and consideration of interests** — The Company takes into account the opinions, expectations and preferences of stakeholders when making decisions.

To achieve the Company's strategic goals, it is important:

- ◆ the existence of an effectively functioning policy of interaction with stakeholders;
- ◆ achieving openness and mutually beneficial cooperation with all stakeholders;
- ◆ achieving an understanding by stakeholders of the measures taken by the Company to maximize the reduction and elimination of all real risks in the implementation of the Development Strategy;
- ◆ creating a reliable source of information about the Company's activities for stakeholders and ensuring that reliable information about KEGOC JSC's activities is promptly communicated to target groups of stakeholders.

KEGOC JSC identified groups of stakeholders jointly with all structural divisions of the Company, as well as the degree of their influence on achieving the goals of the Development Strategy and the exposure of the Company's activities to them on a five-point scale. At the same time, when summarizing the analysis, special attention was paid to the opinions of "experts", that is, structural units that directly interact with specific groups of stakeholders.

KEGOC JSC maintains a constant open dialogue with these groups and regularly discloses information related to KEGOC JSC's activities, including in the field of sustainable development.

When implementing the planned activities, the Company organizes interaction with local communities within the framework of the environmental impact assessment (EIA) procedure in accordance with the requirements of the legislation of the Republic of Kazakhstan. Interaction begins with preliminary informing of the population

through local media and information stands about the planned project and upcoming public hearings. At the stage of documentation preparation, open hearings are held with the participation of representatives of local communities, government agencies and NGOs, where information is provided on the project, potential environmental and social impacts, as well as proposed measures to reduce them. All comments and suggestions received during the discussions are recorded and taken into account when finalizing the project.

The Company provides feedback on the results of reviewing comments, and, if necessary, conducts repeated consultations with the public. During the project implementation period, a constant dialogue is maintained with the communities, especially on issues of impact monitoring and risk management. Consultations are conducted both as planned and at the request of interested parties, as well as in case of significant changes in the project or the occurrence of environmental and social incidents.

Stakeholder map of KEGOC JSC



RESULTS OF STAKEHOLDER ENGAGEMENT IN 2024

GRI 2-29, 2-26

SHAREHOLDERS

Objectives of Engagement

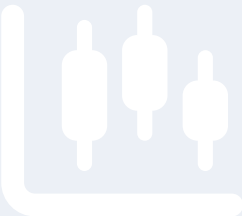
The Company's interaction with shareholders is aimed at protecting and respecting their rights and legitimate interests, as set out in KEGOC JSC's Corporate Governance Code and Charter.

Engagement Channels

- ◆ Annual reports;
- ◆ General Meetings of Shareholders;
- ◆ National and regional media and the Company's website;
- ◆ Responses to enquiries;
- ◆ Meetings with shareholders and investors, round tables, presentations, roadshows.

2024 Results

- ◆ Issuer Days were held at AIX and KASE trading platforms.
- ◆ Two General Meetings of Shareholders were held in 2024.



FINANCING INSTITUTIONS

Objectives of Engagement

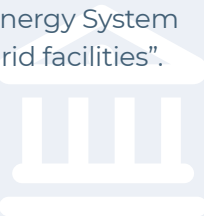
The Company meets its financial obligations to investors in a timely and full manner, aiming for long-term cooperation based on mutual trust.

Engagement Channels

- ◆ Annual reports;
- ◆ Round tables, summits;
- ◆ Company's website;
- ◆ Information on KASE.

2024 Results

- ◆ KEGOC JSC and the Asian Development Bank (ADB) signed a financing agreement worth KZT 58.2 billion to implement the project for strengthening the electrical grid in the Southern Zone of Kazakhstan's Unified Power System (UPS).
- ◆ A loan agreement was signed between KEGOC JSC and the European Bank for Reconstruction and Development (EBRD), and a credit line agreement was signed between KEGOC JSC and the Development Bank of Kazakhstan. These agreements are aimed at implementing the project "Integration of the Western Kazakhstan Energy System with the UPS of Kazakhstan. Construction of power grid facilities".



GOVERNMENT AND REGULATORY
AUTHORITIES

Objectives of Engagement

As a strategic entity of the Republic of Kazakhstan and a natural monopoly, KEGOC JSC acknowledges its responsibility to the state and is committed to fulfilling legal and ethical obligations and complying with regulatory requirements.

Engagement Channels

- ◆ Annual reports;
- ◆ Corporate events;
- ◆ National and regional media and the Company's website;
- ◆ In-person meetings with Company management;
- ◆ Participation in summits, interdepartmental and intergovernmental advisory bodies.

2024 Results

- ◆ Environmental permits were agreed and obtained for the construction phase of the project "Strengthening the Electrical Grid in the Southern Zone of Kazakhstan's UPS".
- ◆ The Committee for Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan approved an adjustment of the tariff estimates for KEGOC JSC's regulated services for the 3rd regulatory period (Order No. 82-OD dated 11.09.2024).



RESULTS OF STAKEHOLDER ENGAGEMENT IN 2024

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PROFESSIONAL AND EXPERT ORGANIZATIONS,
PUBLIC ASSOCIATIONS, MEDIA

Objectives of Engagement

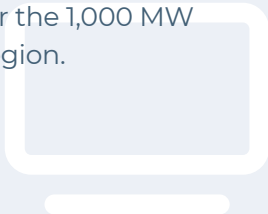
KEGOC JSC is a member and participant of international, regional, and national industry organizations, with a focus on deeper integration mechanisms and a coordinated electricity development strategy in Kazakhstan and beyond. The Company builds reputational capital and a positive media image.

Engagement Channels

- ◆ Annual reports;
- ◆ Company website;
- ◆ Press releases, press conferences and briefings;
- ◆ Press tours;
- ◆ Meetings with partners and investors;
- ◆ Engagement in expert and professional communities;
- ◆ Social media.

2024 Results

- ◆ The Company organized a series of events for media outlets: briefings, interviews, and Issuer Day at KASE, where investors, professional securities market participants, and media representatives were informed about the Company's performance, strategic plans, and investment projects.
- ◆ Collaboration was carried out with major partners in RES projects (CPIH, ACWA Power, Total, Hevel). In 2024, an Investment Agreement and Power Purchase Agreement were signed for the 1,000 MW Masdar wind power plant project in Zhambyl Region.



SUPPLIERS

Objectives of Engagement

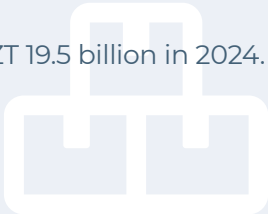
When procuring goods, works, and services, the Company adheres to principles of transparency, quality, equal access, fair competition, accountability, and minimizing intermediaries.

Engagement Channels

- ◆ Kazakh business media;
- ◆ Company website;
- ◆ Annual reports;
- ◆ Responses to specific enquiries;
- ◆ Presentations, conferences, business meetings;
- ◆ Official Zakup.sk.kz portal.

2024 Results

- ◆ KEGOC JSC and China Energy International Group signed a memorandum of cooperation in power grid development and discussed future collaboration.
- ◆ KEGOC JSC hosted a meeting with subsoil users on ensuring reliable power supply in the western power hub; during public hearings, reports were presented on the execution of the approved tariff estimate, the approved investment programme, and compliance with service quality and reliability indicators.
- ◆ KEGOC JSC signed offtake contracts totalling KZT 19.5 billion in 2024.



CONSUMERS

Objectives of Engagement

The Company follows a customer-centric approach and has established a mechanism for identifying and meeting consumer needs.

Engagement Channels

- ◆ Company website;
- ◆ Annual reports;
- ◆ Responses to specific enquiries;
- ◆ Presentations, conferences, business meetings;
- ◆ Customer satisfaction surveys.

2024 Results

- ◆ As part of the project “Integration of the Western Kazakhstan Energy System with the UPS of Kazakhstan”, funded by EBRD replacement funds, Open House events were held in all regions affected by the project, including meetings with local residents and regional NGOs.
- ◆ Customer satisfaction level — 95%.



RESULTS OF STAKEHOLDER ENGAGEMENT IN 2024

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EMPLOYEES

Objectives of Engagement

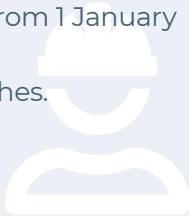
The Company respects and values its employees, considers their needs and interests, and strives to ensure safe working conditions, decent wages and benefits, as well as professional training and development.

Engagement Channels

- ◆ Company website;
- ◆ Internal portal;
- ◆ Corporate publications (KEGOC AQPARAT newspaper, corporate news digest, etc.);
- ◆ Information boards;
- ◆ Management town halls, staff meetings, meetings with talent pool members;
- ◆ Surveys;
- ◆ Corporate events;
- ◆ National and regional media;
- ◆ Ombudsperson Institute.

2024 Results

- ◆ Annual meetings between the Board of Directors and management of KEGOC JSC and talent pool members were held.
- ◆ Social stability level within the Company — 87%.
- ◆ The “Online KEGOC” community was launched on WhatsApp to strengthen internal communication, including regular HR news updates and course distribution.
- ◆ In 2024, wages and tariff rates were increased by 15% from 1 January to enhance pay competitiveness.
- ◆ The Ombudsperson held meetings in nine MES branches.



SUBSIDIARIES

Objectives of Engagement

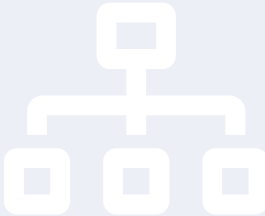
The Company strives for balanced development of its subsidiaries, supported by effective corporate governance mechanisms.

Engagement Channels

- ◆ Meetings with the management and staff of subsidiaries;
- ◆ Public hearings;
- ◆ In-person and online conferences;
- ◆ Corporate events.

2024 Results

- ◆ Company representatives participated in Board of Directors meetings of Energoinform JSC and Batys Transit JSC.
- ◆ The Ombudsperson held meetings in nine branches of the Company.



NEIGHBOURING POWER SYSTEMS

Objectives of Engagement

To ensure parallel operation of Kazakhstan’s power system with those of neighbouring countries, the Company fosters mutually beneficial and effective cooperation with the Russian Federation and Central Asian states.

Engagement Channels

- ◆ Company website;
- ◆ Board meeting notifications;
- ◆ Updates on negotiations;
- ◆ Participation in the Coordination Electric Power Council of Central Asia (CEC CA), the CIS Electric Power Council, and other international organizations;
- ◆ Approval of regulatory and technical documents for coordinated parallel operation.

2024 Results

- ◆ KEGOC JSC participated in a meeting of energy system heads from Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, and Russia on national grid development.
- ◆ KEGOC JSC took part in the meeting of the Coordination Electric Power Council.



PARTNERSHIP

GRI 2-28

KEGOC JSC is a member and participant of several industry associations and the National Chamber of Entrepreneurs of the Republic of Kazakhstan “Atameken” (NCE “Atameken”):



Associations of legal entities ‘Kazakhstan Electric Power Association’ (KEPA ALE, www.kea.kz), the main tasks of which are:

- ◆ providing support to all organizations whose activities are directly or otherwise related to the electric power industry;
- ◆ participation in the development of government programs, laws and regulations related to the electric power industry;
- ◆ support and protection of the positions of its members in matters where the interests of the industry depend on decisions of the Government, judicial and other bodies.



Associations of legal entities ‘Kazakhstan Association of Organizations of the oil and gas and energy complex ‘KAZENERGY’ (‘KazEnergy’ ALE, www.kazenergy.com) the main objectives of which are:

- ◆ protection of the rights and interests of its members in state bodies, harmonization of the legislative framework;
- ◆ creation of a unified information field for suBGPiface users, electricity producers, transporters and consumers of energy sector products and services;
- ◆ development and support of intra-industry cooperation and entrepreneurship projects at the local, regional and international levels;
- ◆ spreading the positive image of KazEnergy, its members and the industry as a whole at the regional and global levels;
- ◆ stimulating the economic, social, environmental, scientific and technical activity of the Kazakh society.



NCE ‘Atameken’ (www.atameken.kz), the main task of which is to protect the rights and interests of business, and to ensure the broad coverage and involvement of all entrepreneurs in the process of forming legislative and other regulatory rules of business.



Associations for the Development of Competition and Commodity Markets (www.ark.org.kz) the main task of which is to represent and protect common interests in government agencies, government structures, international and public organizations on the development of competition and commodity markets, initiate and promote necessary changes to antimonopoly legislation in the interests of its members, participate in the development of draft regulatory legal acts, develop international non-governmental contacts for the exchange of experience, conduct seminars, conferences, round tables and other events, promotion of competition and entrepreneurship, prevention of violations of antimonopoly legislation.

In addition, KEGOC JSC, in order to contribute to the creation of an efficient electric power market with neighboring countries and the development of international cooperation, constantly participates in the work of such international industry organizations as:

- ◆ the CIS Electric Power Council;
- ◆ International Council for Large High Voltage Electrical Systems (Conseil International des Grands Réseaux Électriques — CIGRE);
- ◆ Eurasian Economic Commission (Republic of Armenia, Republic of Belarus, Republic of Kazakhstan, Russian Federation, Kyrgyz Republic);
- ◆ World Energy Council;
- ◆ Coordinating Electric Power Council of Central Asia (CEPC CA).