



Development strategy of Samruk-Energy JSC for 2022-2031 Public version

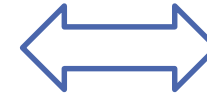
Approved by the decision of the Board of
Directors of Samruk-Energy JSC
№11/21 of October 29, 2021

October 2021

Key Priorities

In order to effectively implement the mission and strategic goals, taking into account the challenges and opportunities at the global, national and corporate levels, the key priorities of the Company have been identified through the prism of ESG.

Sustainable development



Responsible investment

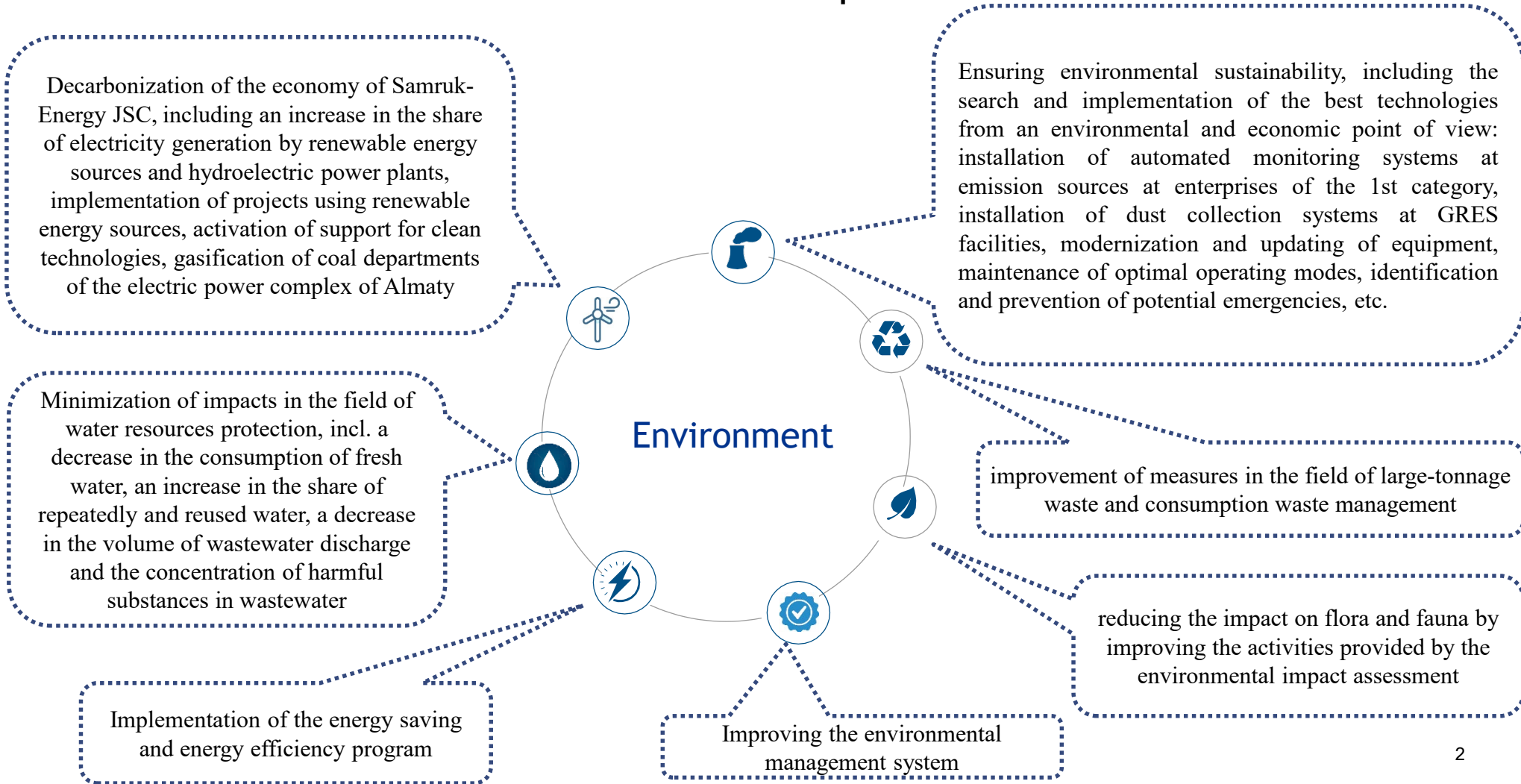


Effective and proactive
portfolio management

Environmental, Social, and Corporate Governance (*Environmental, Social, and Corporate Governance, ESG*) — is a set of characteristics **of company management** due to which the involvement by this Company into the solving the environmental, social and governance issues is achieved.

ESG priorities at Samruk-Energy JSC: Environment

The main initiatives and priority directions of development of Samruk-Energy JSC in the field of environmental protection



ESG priorities at Samruk-Energy JSC: Social

The main initiatives and priority directions of development of Samruk-Energy JSC in the field of social development

1. Raising the level of social responsibility, adherence to the principles of the UN Global Compact

2. Introducing high ethical standards, developing a value system and building a corporate culture based on trust, investing in human capital and professional development

3. Provision of social guarantees and social stability in the Company (growth of personnel involvement, regulation of social and labor relations based on the principle of social partnership and social responsibility)

4. Social security (prevention of cases of discrimination, prevention of cases of violation of human rights, equal rights and opportunities)

5. Promotion of the principles of gender equality (increasing the number of women in the labor force, ensuring the optimal number of women in leadership positions, increasing the number of women in the personnel reserve)



7. Development of HR branding

6. Control of staff turnover. Retaining internal talents and attracting highly professional personnel (talent management, development of internal competencies)

8. Improving the occupational health and safety management system and increasing its results; increasing the transparency of reports on implemented incidents in order to avoid cases with more serious consequences; improving safety culture through the involvement of employees in the labor protection management system and increasing the effectiveness of control of the labor protection management system using international standards

ESG priorities at Samruk-Energy JSC: Governance

The main initiatives and priority directions of development of Samruk-Energy JSC in the field of corporate governance



Application of the best corporate governance practices through further implementation of the principles and provisions of the Corporate Governance Code

Effective risk management and internal control system, which facilitates access to external capital, reduces the cost of capital and improves the Company's reputation;



Improving the management reporting system, including in the field of Sustainable Development at different levels of management



Improving the efficiency of the Board of Directors and its Committees, as well as the Executive body and its Committees, management bodies of subsidiaries and affiliates

Implementation of sustainable development principles and application of a risk-based approach in the practice of project management at all investment stages: assessment and management of impacts on the social, environmental and economic spheres (involuntary resettlement, biodiversity, cultural heritage, etc.) in accordance with the Guidelines in the field sustainable development of the Company



Promoting responsible procurement based on the principles of fair and free competition, mutual benefit, transparency and full responsibility for the obligations assumed, as well as introducing the requirement for suppliers to comply with ethical standards and the Guidelines for the Company's suppliers, enshrined in the Company's Sustainable Development Guidelines

ESG priorities at Samruk-Energy JSC: Governance

The main initiatives and priority directions of development of Samruk-Energy JSC in the field of corporate governance

Development of an integrated business continuity system

Strict observance of the rights of shareholders, investors and other stakeholders

Clear division of powers and responsibilities between the Company's bodies and divisions

Avoiding corporate conflicts and conflicts of interest

Anti-corruption and business ethics


Improving financial sustainability



Ensuring the availability of effective planning processes and systems, internal control, compliance and internal audit, risk management, sustainable development management



Effective interaction with shareholders and other stakeholders and improvement of the principles of information transparency (formalized and transparent policy and procedure for remuneration of directors and managers of the Company, transparent dividend policy, publication on an annual basis of an annual report with financial statements and a report on sustainable development, in accordance with the standards GRI and IFRS, etc.)

Development strategy for 2022-2031

Mission, Vision and strategic directions

VISION

An efficient high-tech operating energy company with high social and environmental responsibility
- the leader of the energy sector in Kazakhstan

MISSION

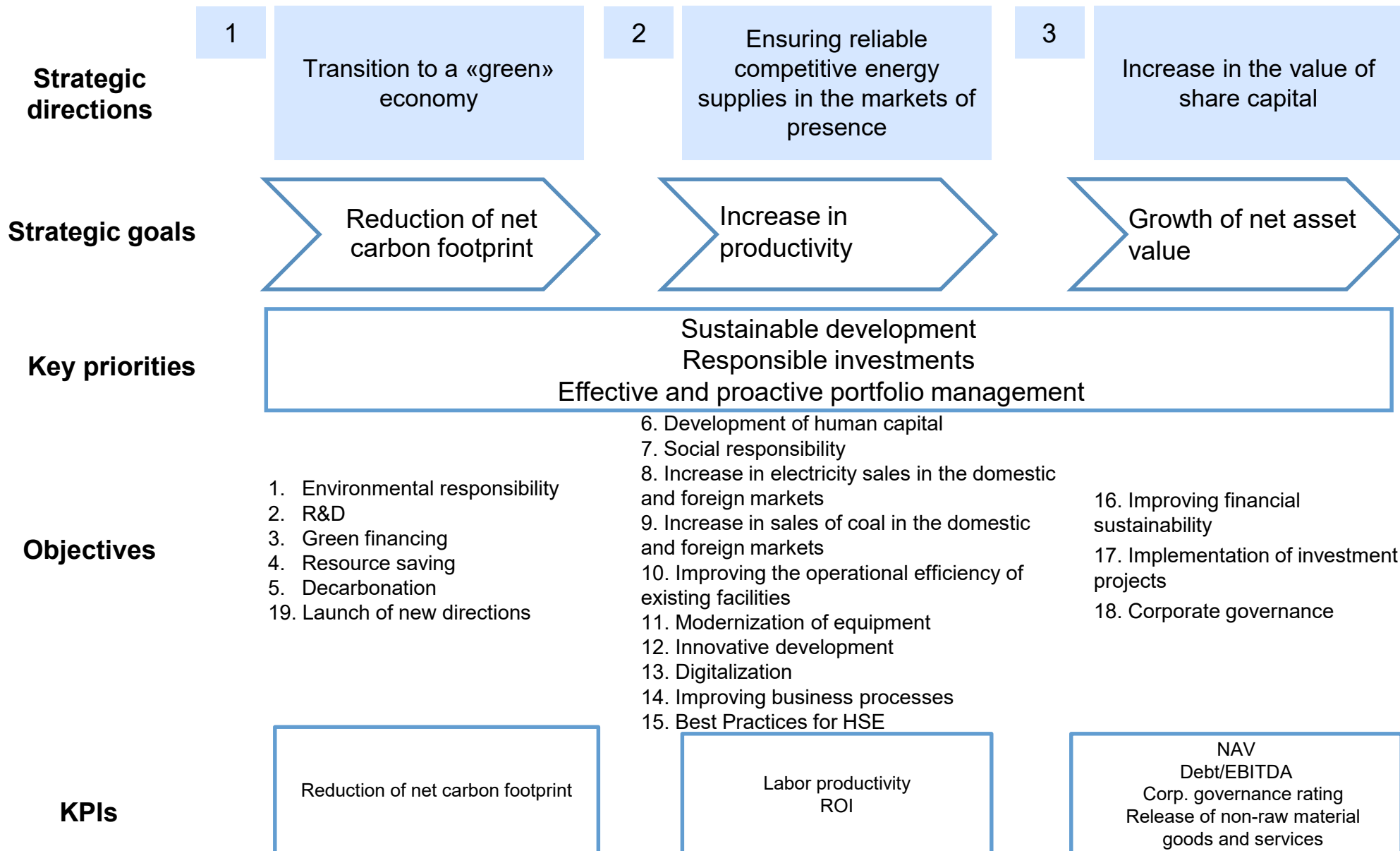
Create value for shareholders, meet growing demand through reliable energy supplies, high-tech development, environmental friendliness, guided by the principles of sustainable development

STRATEGIC DIRECTIONS

- 1) Transition to a "green" economy
- 2) Ensuring reliable competitive energy supplies in the markets of presence
- 3) Increase in the value of share capital

Development Strategy for 2022-2031

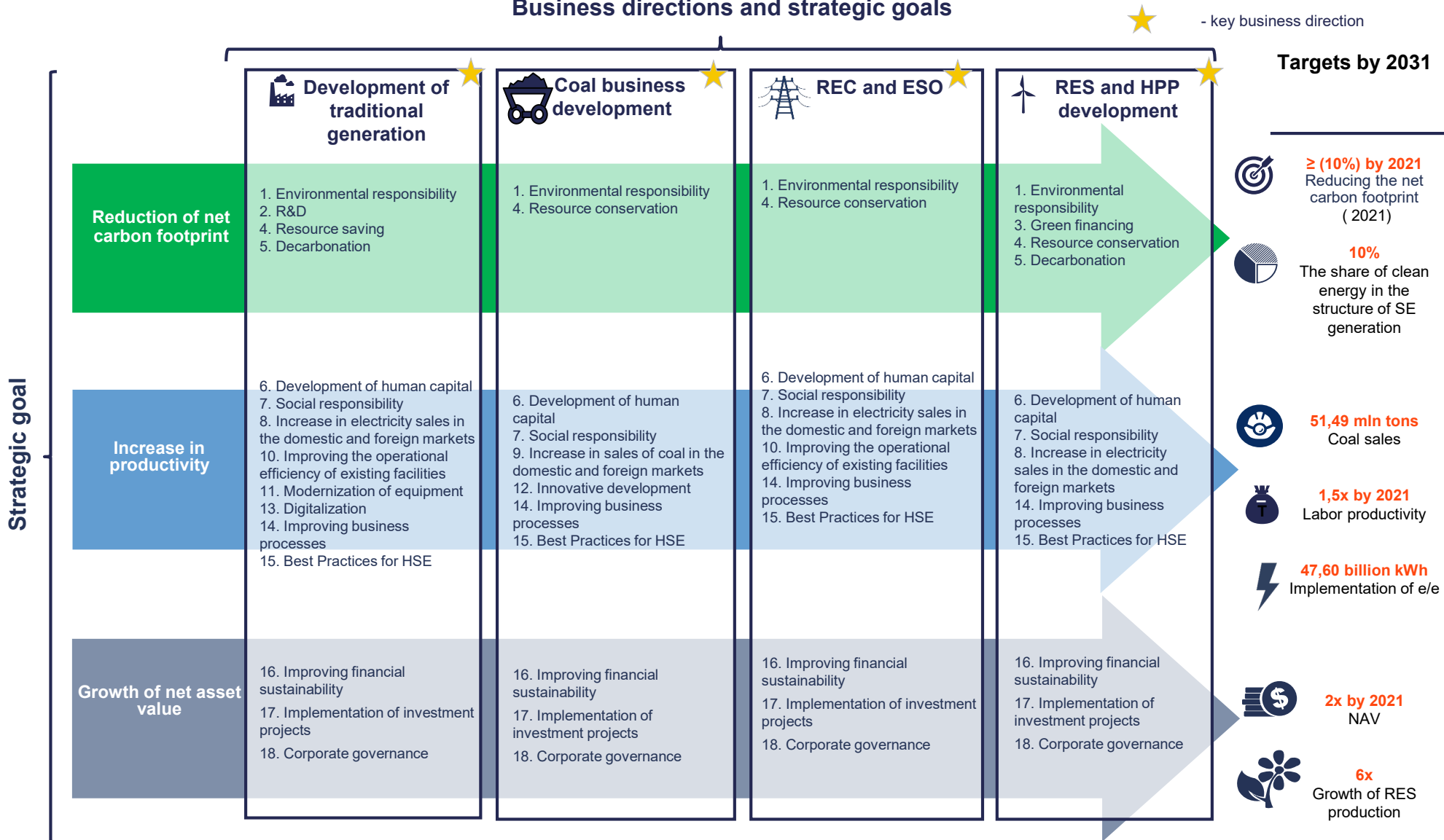
Strategic directions, goals, objectives and KPIs



Development Strategy for 2022-2031

Strategic goals for business directions

Business directions and strategic goals



* Task 19. Launch of new directions will be carried out within the framework of a new business direction

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Strategic KPI and targets

Strategic directions of activity	Goal	Strategic KPI	Unit of measures	2024	2027	2031
Transition to “green” economy (33,3%)	Reducing the net carbon footprint	Reducing the net carbon footprint (100%)	%	-	-	≥(-10%) κ 2021
Ensuring reliable competitive energy supplies in the markets of presence (33,3%)	Increased productivity	Labor productivity (100%/50%)*	coefficient	1,1x κ 2021	1,2x κ 2021	1,5x κ 2021
		ROI (0%/50%)*	%	>CoE	>CoE	>CoE
Increase in the value of share capital (33,3%)	Increase in net asset value	NAV (25%)	Coefficient	1,2x κ 2021	1,5x κ 2021	2x κ 2021
		Debt/EBITDA (25%)	Coefficient	≤ 3,5	≤ 3,5	≤ 3,5
		Corp. governance rating (25%)	Rating	BBB	A	AA
		Release of non-raw material goods and services (25%)	Coefficient	1,1x κ 2021	1,2x κ 2021	1,5x κ 2021

* KPI ROI will be applicable in case of asset realization. In this case weight of ROI will be 50%.