

Business ethics and anti-corruption

We aim to become an effective operational energy holding of Eurasian significance — a leader in the Kazakhstan market. Without maintaining and enhancing trust in our activities from all stakeholders, including the Sole Shareholder, employees, and

business partners, we cannot achieve our strategic goals. The high ethical standards and corporate culture we have implemented, based on trust and zero tolerance for corruption, allow us to protect our reputation and the interests of all stakeholders.

Corporate ethics and concern for reputation

In 2023, the "Code of Conduct of Samruk-Energy JSC" was updated and approved, setting out the fundamental principles and standards of business behavior, as well as high professional and ethical standards, which all employees of Samruk-Energy JSC must adhere to, regardless of their position, considering the interests of all stakeholders.

The "Code of Conduct of Samruk-Energy JSC" was updated to include information on principles of (green) procurement, approaches, ESG criteria in selecting suppliers and monitoring their compliance with norms and laws in the social/environmental sphere, about money laundering, defining the role of the management body, the executive body, the Compliance Service, Ombudsman, the company's political involvement, human rights, principles of the "green office", and others.

The implementation and adherence to ethical standards are ensured by the Board of Directors. All company employees sign a statement acknowledging their understanding of the Business Ethics Code and Code of Conduct, and regularly reaffirm their knowledge.

The company regularly conducts training for staff and officials to understand the standards of the Code of Conduct of Samruk-Energy JSC and ensures the availability of a reporting system for potential violations.

GRI 2-26

For clarification of the requirements of the Codes and/or ethical issues, for violations of requirements, corruption and other illegal actions, the Company's officials and personnel, business partners and stakeholders have the right to apply:

- to the immediate supervisor;
- to the ombudsman;
- to the Internal Audit Service;
- to the Corporate Secretary Service;

- by telephone or e-mail of trust, as published on the website and in the office of Samruk-Energy JSC;
- through a mailbox for receiving complaints, reports and suggestions as installed in the office of Samruk-Energy JSC.

Violations of business ethics principles are considered by the Board of Directors.

According to the results of 2023, no violations of the Code of Conduct of Samruk-Energy JSC by members of the Board of Directors and the executive body of Samruk-Energy JSC were recorded.



Compliance policy

Compliance is one of the principles of Samruk-Energy JSC operations. The main task is to identify, assess, prevent, and control compliance risks in the activities of the Samruk-Energy JSC Group of companies. We form a zero-tolerance policy for corruption and bribery as well as develop the anti-corruption culture.

Basic principles of our compliance approach:

- involvement and support from the management in terms of the compliance system development — the Board of Directors considers reports on the compliance programme implementation;
- regular identification and updating of corruption risks;
- development and implementation of anti-corruption procedures corresponding to the level and nature of the identified risks, improvement and updating of internal policies and procedures;
- implementation and support of training programmes for employees regarding the principles and standards of compliance with anti-corruption laws;
- monitoring the effectiveness of the procedures implemented to prevent corruption.

The Compliance Service of Samruk-Energy JSC, being an independent structural unit, reports to the Board of Directors. The Service reports on a quarterly basis. The Board of Directors evaluates the Service's performance. As part of anti-corruption activities, the organisational structures of the Group's subsidiaries and affiliates contain the positions of compliance officers reporting to the Board of Directors / Supervisory Board of subsidiaries and affiliates.

In the reporting period, by the decision of the Board of Samruk-Kazyna JSC dated December 21, 2023 (Minutes No 60/23), the Corporate Standard for the compliance function of the Group of companies Samruk-Kazyna JSC was updated and approved. Samruk-Energy JSC and its subsidiaries and affiliates adhere to the norms of this Corporate Standard.

In November 2023, Samruk-Energy JSC successfully passed an external subsidiaries and affiliates audit for compliance with the ISO 37001 standard "Anti-bribery management systems. Requirements with guidance for use." To automate business processes, a procedure for submitting a "Declaration of Disclosure of Potential Conflict of Interest" was implemented at Samruk-Energy JSC, as well as at its subsidiaries and affiliates. During the reporting period, an analysis of the procurements of Samruk-Energy JSC was conducted based on inquiries received by the centralized procurement control service regarding the activities of Samruk-Energy JSC and its subsidiaries and affiliates, which identified the nature of violations, measures for their elimination, and provided recommendations to minimize compliance risks.

GRI 205-1

The management of Samruk-Energy JSC and its subsidiaries and affiliates periodically initiate risk assessments in the field of corruption in accordance with the Rules for the identification and assessment of risks.

The purpose of assessing corruption risks is to identify specific processes and activities of the Group of companies of Samruk-Energy JSC, where the likelihood of the commission of corruption offenses by officials and employees of the Company and its subsidiaries and affiliates is highest, both for the purpose of obtaining personal benefits and for the benefits of the Company and its subsidiaries and affiliates.

Total number and proportion of subsidiaries and affiliates subject to corruption risk assessment

Organization	2023	
	pcs.	%
Group of companies of Samruk-Energy JSC	11	44

Subsidiaries and affiliates for which significant risks related to corruption have been identified

Organization	2023
Group of companies of Samruk-Energy JSC	0

GRI 205-3

In the company, a practice of verifying the reliability of third parties has been implemented, used by the compliance service to eliminate corruption risks and risks of loss of business reputation. To extend the provisions of the "Code of Conduct" to business partners, suppliers, and other third parties working with

the company, standard economic contracts include "Anti-Corruption Clauses." In 2023, Group of companies of Samruk-Energy JSC had not a single case of corruption.

Training and informing employees

To form anti-corruption culture and zero tolerance for any form of bribery and corruption, we conduct regular compliance and anti-corruption training sessions for personnel to explain the requirements, adopted compliance policies and anti-corruption laws.

In 2023, as part of the implementation of anti-corruption activities, the Company carried out training sessions to form the anti-corruption culture among employees of the Company and subsidiaries and affiliates. We held meetings with authorized employees to explain current changes in anti-corruption legislation.

GRI 205-2, GRI 12: Coal Sector: 12.20.3

During the reporting period, more than 70 training events were conducted across all subsidiaries and affiliates, which included explanations about changes in anti-corruption legislation, tax declaration procedures, and the operation of the "hotline."

11,541 employees of Samruk-Energy JSC were familiarised with the requirements of the Policy of fraud and corruption prevention.

Informing about the anti-corruption policy of Samruk-Energy JSC

Indicator, including by region	2021		2022		2023	
	person	%	person	%	person	%
Board of Directors and Management Board	10	100%	12	100%	65	100%
South	-	-	-	-	25	38.4
Centre	-	-	-	-	0	0
East	-	-	-	-	12	18.4
North	10	100	12	100	28	43.2
Personnel	17,645	100%	17,650	100%	11,541	100%
South (Administrative and managerial staff)	7,851	44.5	7,856	44.5	133	1.15
South (Production staff)	-	-	-	-	7,808	67.65
Centre (Administrative and managerial staff)	258	1.45	258	1.45	0	0
Centre (Production Personnel)	-	-	-	-	0	0
East (Administrative and management staff)	10	0.05	10	0.05	12	0.1
East (production staff)	-	-	-	-	316	2.74
North (Administrative and management staff)	9,518	54	9,518	54	75	0.65
North (production staff)	-	-	-	-	3,197	27.7
Business partners	-	-	159	100%	8,420	100%
South	-	-	-	-	3,085	36.6
Centre	-	-	-	-	0	0
East	-	-	-	-	44	0.5
North	-	-	159	100	5,291	62.9

Number of employees trained in anti-corruption, by region as of 31 December 2023*

Indicator, including by region	2021		2022		2023	
	person	%	person	%	person	%
Board of Directors and Management Board	10	100%	12	100%	65	100
South	-	-	-	-	25	38.4
Centre	-	-	-	-	0	0
East	-	-	-	-	12	18.4
North	10	100	12	100	28	43.2
Personnel	17,645	100%	17,650	100%	11,541	100%
South (Administrative and managerial staff)	7,851	44.5	7,856	44.5	133	1.15
South (Production staff)	-	-	-	-	7,808	67.65
Centre (Administrative and managerial staff)	258	1.45	258	1.45	0	0
Centre (Production Personnel)	-	-	-	-	0	0
East (Administrative and management staff)	10	0.05	10	0.05	12	0.12
East (production staff)	-	-	-	-	316	2.74
North (Administrative and management staff)	9,518	54	9,518	54	75	0.65
North (production staff)	-	-	-	-	3,197	27.7

* No anti-corruption trainings were conducted among business partners in 2023.

Hotline

GRI 2-26

As part of the compliance program, all stakeholders can report actual and suspected violations of laws, regulatory requirements, and internal documents related to ethics and compliance through the Proactive Reporting Line ("hotline"/Speak up).

Annually, the Compliance service conducts information sessions and training aimed at increasing the awareness of the company's employees, its subsidiaries, and joint ventures about the reliability of the hotline for confidential reporting of violations. At every enterprise within the Group of companies Samruk-Energy JSC, information about the operation of the hotline and the reliability of handling reported violations is displayed in public areas.

Compliance service, hotline — phone: 8 800 080 47 47 47
Mailing address: mail@sk-hotline.kz

In accordance with best international practices and to protect the interests of whistleblowers, the hotline is administered by an independent company. All complaints and appeals received through the Hotline are registered and forwarded to the Compliance Service, which ensures professional and confidential consideration. Responses to anonymous reports are provided by the independent company for forwarding to the complainant.

Statistics on appeals and complaints

Source	2021	2022	2023
"Hotline" (including personal appeals to the Compliance Service)	70	91	95
Office of Samruk-Energy JSC, of which:	10,296	9,457	9,339
from State bodies	321	335	315
from the Shareholder	737	758	802
Appeals, including chancellery subsidiaries and affiliates	76	101	112
Security Service	0 (11 ³³)	4	0 (11 ³⁴)
Feedback form on the website	1	6	0
Ombudsman and trade unions	73	90	41
Courts and tribunals and affiliated bodies	5	4	4
Written appeals to the Chief Executive (including the Chief Executive's blog)	18	12	4
Conciliation committees	10	36	34
Total	253	344	290

During the reporting period, the majority of inquiries related to issues of salaries, rewards, and other payments, procurement procedures, and improper actions/inaction by employees and officials at the Group of companies of Samruk-Energy JSC.

Stakeholders were interested in issues related to salary increases and indexing, disagreements over payments, cancellations of disciplinary action orders, and non-payment of bonuses, as well as additional payments for substituting workers. There were also inquiries related to labor organization, violations of working conditions, safety techniques, and labor legislation (untimely provision of specialized clothing, inadequate social and living conditions, and labor processes such as refusal of transfer, non-transparent hiring, changing working conditions without prior agreement, and concealment of accidents).

For the first time in the reporting period, four complaints were recorded related to the non-provision of responses to inquiries, contact details, and in-

complete responses. Previously, there had been no such complaints regarding the non-provision of responses. All incoming inquiries are analyzed based on the initial data. Depending on the circumstances described, interaction with the complainant is carried out, responses are provided within the deadlines set by the Law "On the Appeals of Individuals and Legal Entities," on-site checks are conducted, or commissions are formed in accordance with the Rules for Conducting Service Investigations at Samruk-Energy JSC.

In the reporting period, appropriate measures were taken based on confirmed facts of discrepancies/violations. The confidentiality and anonymity of the inquiries were guaranteed.

During the reporting period, explanatory meetings with the staff were held, monitoring of incoming inquiries was conducted, and the popularization of feedback channels was carried out.

Ombudsman

To protect the rights of employees, the Company has the position of the Ombudsman, designed to prevent/settle corporate conflicts, conflicts of interest and reports of illegal actions. The Ombudsman promotes the establishment and development of corporate values and culture, high standards of professional behaviour and business ethics in the Company. The Ombudsman is a high-level independent manager reporting only to the Board of Directors.

The main tasks of the Ombudsman include:

- Assisting in resolving labor disputes, conflicts, and problematic issues of a social and labor nature;
- Monitoring the staff's adherence to principles of business ethics;
- Helping to enhance the rating and image of the supervised company;
- Preventing and resolving disputes and conflicts;

³³ Number of appeals reviewed jointly with other structural divisions

³⁴ Number of appeals reviewed jointly with other structural divisions

- Facilitating informal communications between officials and employees of the company to timely identify problems and directions for improvement;
- Making suggestions for improving the company's policies and procedures;
- Informing the Board of directors about identified systemic issues that require comprehensive measures, and providing constructive suggestions for their resolution.

The performance of the Ombudsman is based on the principles of:

- independence;
- publicity;
- impartiality;
- objectivity;
- honesty;
- integrity;
- informality;
- confidentiality.

In accordance with the Regulations on the Ombudsman (clause 15), the Ombudsman should ensure the anonymity of the employee or official who reported for violation of the provisions of the Code of Business Ethics, the laws of the Republic of Kazakhstan and the Company's internal documents.

GRI 2-26

Everyone can report the facts of illegal actions of officials and other employees of the company by calling the following helpline numbers:

+7 (7172) 55-30-15, +7 (7017) 88-84-16, as well as by sending an appeal to the following e-mail address: akylov@samruk-energy.kz, ombudsman@samruk-energy.kz

In 2023, the Ombudsman officially received 37 appeals via various channels including group electronic document management, the "Nysana" hotline, e-otynish, mobile phone, email, and written and oral communications. Most of these appeals were related to complaints and consultations on labor legislation, grievances against unlawful actions by management, conflicts between managers and employees of structural units, illegal dismissals, unfair punishments and denial of bonuses, unfair allocation of employee vacations, as well as dissatisfaction with pay and bonuses. Additionally, over 100 individuals sought telephone consultations.

The Ombudsman consulted on all appeals, provided answers and recommendations, guaranteed anonymity and confidentiality, provided comprehensive assistance (including psychological and moral support), held personal meetings (conversations) with employees, consulted and provided recommendations to the heads of the Corporate Centre and subsidiaries and affiliates.

GRI 406-1, GRI 12: Coal Sector: 12.19.8

During the reporting year, there are no confirmed facts of discrimination, infringement of rights based on nationality, gender, race or religion. All employee rights are respected, excluding possible hostile and humiliating atmosphere.

Subsidiaries and affiliates performance

During the reporting year, the Ombudsman visited all subsidiaries and affiliates of the company. During these visits:

- Employees were presented with the "Ombudsman's Report on the Work Done in 2023";
- A presentation was organized entitled "The Role of the Ombudsman at Samruk-Energy JSC";
- Frequently asked questions were addressed;
- Information about the Code of Conduct (business ethics) was disseminated, clarifying the goals and objectives of the Code. Additionally, sections such as "Ethical Behavior," "External Communications," "Equal Employment and Labor Conditions," "Prohibition of Discrimination and Harassment," and "Conflict of Interests" were thoroughly discussed;
- Employees were informed about communication channels (hotline phones, Ombudsman, Compliance Service, HR), their responsibilities, and the consequences of non-compliance with the code;
- Explanations were provided regarding the company's internal regulations and procedures to prevent and mitigate potential conflicts, including the "Policy on the Settlement of Corporate Conflicts and Conflict of Interests at Samruk-Energy JSC";
- Informative sessions were conducted on resolving social and labor disputes, explaining the provisions of Chapters 15 and 16 of the Labor Code of the Republic of Kazakhstan regarding individual and collective labor disputes, and consultative assistance was provided on labor law issues. Informal meetings with teams were held, and the social and domestic conditions were checked.

To prevent and mitigate potential conflicts and address problematic issues with employees of subsidiaries and affiliates, informational and explanatory talks were held, aimed at a unified understanding and resolution of social and labor disputes, problems, and conflicts. The Ombudsman also conducted personal (including confidential) receptions for those who requested it. Explanations and recommendations were provided for all inquiries.

During direct interactions with the management of subsidiaries and affiliates at the senior and middle levels, the principle of "Listening Leadership" is consistently communicated. This principle emphasizes the necessity of organizing systematic meetings with teams, recording, and resolving problematic issues, particularly those that arise on a regular basis. Thanks to the implementation of this principle, many recurrent social, domestic, and sanitary-hygienic issues have been resolved.

Furthermore, the Ombudsman of Samruk-Energy JSC continuously conducts anonymous surveys (questionnaires) among the employees of the Corporate Center and subsidiaries and affiliates to keep them informed about the Ombudsman's activities.

The questionnaire aims to identify recurrent problematic issues and gauge the collective's opinion on various aspects:

- The moral and psychological climate within the team (in the department/office);
- Frequency of independent decision-making;
- Opportunities to be creative and use innovative approaches;
- Relationships with colleagues (management/subordinates/peers);
- Satisfaction with business relationships (with the manager/subordinates/colleagues);
- Support provided by the manager;
- Trust in the company's management and strategic development plan;
- Satisfaction with the salary and bonus system;
- Satisfaction with the social benefits package;
- Awareness of and methods for submitting complaints and inquiries.

The suggestions received from employees, along with a number of recurring problematic issues, are currently under review by the Ombudsman for further discussion and resolution with the relevant structural divisions, management of subsidiaries and affiliates, and, if necessary, with the Board of Directors of Samruk-Energy JSC.

Professional development

In July 2023, on the site organised NAC Kazatom-prom JSC, training on the programme "Methods and Organisations of Negotiations in Labour Conflict Management. The role of the Corporate Ombudsman in resolving labour conflicts", where a certificate of successful completion of training was obtained based on the results.

Engagement and Communication

In 2023, the Ombudsman regularly participated in meetings of the Council of Ombudsmen (involving all ombudsmen from the portfolio companies of Samruk-Kazyna JSC), where various issues were discussed, experiences exchanged, and common problems addressed with solutions proposed.

- In July 2023, the Ombudsman participated in the Trade Union Leaders and Corporate Ombudsmen Forum organized by Samruk-Kazyna JSC and the Center for Social Interaction and Communications, where the Ombudsman of Samruk-Energy JSC spoke about "The Role of the Ombudsman in the Company," covering the moral and psychological aspects of the ombudsmen's work.
- In September 2023, the Council of Ombudsmen met at the premises of Samruk-Energy JSC. All participants visited the facilities of Bogatyr Komir LLP, EGRES-1 LLP and First Wind Power Plant LLP directly familiarizing themselves with the entire production cycle from coal mining to electricity generation.
- In December 2023, the Ombudsman participated in a forum on "Social and Labor Partnership in the Group of Portfolio Companies of Samruk-Kazyna," attended by the CEO-1 on social and labor issues, corporate ombudsmen of portfolio companies, heads of IR services, and trade union leaders of portfolio companies.
- On March 16-17, 2023, the Ombudsman participated in a meeting of the Professional Committee of Batyr Komir — the main trade union organization of Bogatyr Komir LLP.
- On October 10, 2023, the Ombudsman participated in an event dedicated to "Day of Trade Unions of Kazakhstan," where a Letter of Appreciation was presented to the Chairman of the Public Association "Kazakhstani Energy Industry Trade Union" from the Esil branch of the "Amanat" party.
- On October 11, 2023, the Ombudsman held a meeting with the Trade Union Leader of Pavlodar Region in the field of education.



Additionally, as part of external communications, the Ombudsman engaged with government agencies, conducting several meetings directly with experts on legislative activities from the Ministry of Labor and Social Protection of the Population and Deputies of the Mazhilis of the Republic of Kazakhstan.

As part of external communications, it is planned to continue working with representatives of local executive bodies (Akimat), where the Company's facilities are located, in order to improve social, sports, recreational and cultural activities, the main objective of which is to attract the Company's employees to the development of the region or personal development of employees in their free time.