

CAEPCO



HIGHLIGHTS

THE FUTURE OF THE COMPANY
IS IN THE HANDS OF YOUNG PROFESSIONALS

ALSO

CAEPCO VALUES
PROFESSIONALISM AND
SUPPORTS ITS EMPLOYEES
IN PERSONAL

DEVELOPMENT

2024

ANNUAL SUSTAINABILITY
REPORT

THE BEST POWER ENGINEERS WORK



CAEPCO

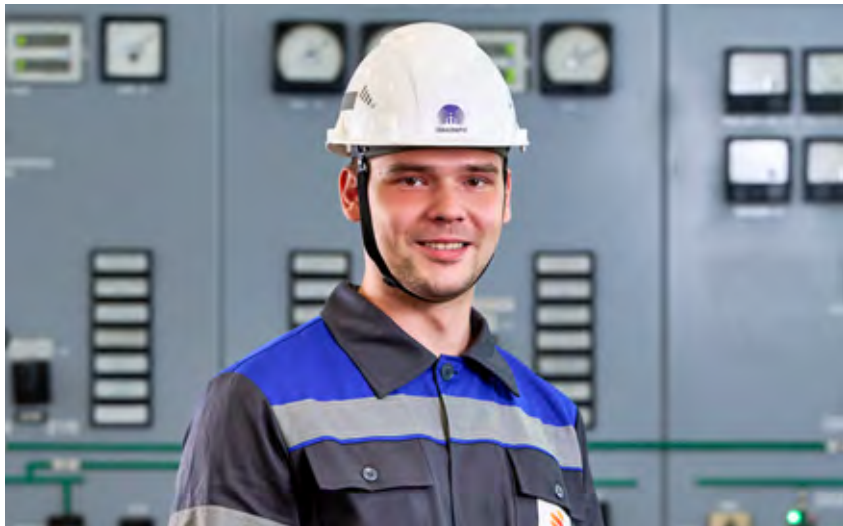
Central-Asian
Electric Power Corporation

HERE

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LETTER OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

GRI 2-22, 203-2

SDG



DEAR COLLEAGUES AND PARTNERS,

We present to your attention the Annual Report containing information on the production and financial results of the Central-Asian Electric Power Corporation JSC in 2024.

The strategic partner of Kazakhstan's energy companies today is the state. Energy security issues are identified as the most important at the highest level.

The President of Kazakhstan, addressing the nation on 2 September 2024, emphasised the key role of the energy sector in the country's economy. Kassym-Jomart Tokayev outlined the need for affordable finance for energy production, the importance of long-term tariff planning and social justice. On behalf of the President, a National project for the energy and utilities sectors was adopted. Currently, these measures serve as the basis for the further development of the industry.

2024 has become the most important in the activities of the Central-Asian Electric Power Corporation. CAEPCO enterprises, as a strategic link in the infrastructure of the regions where they operate,

demonstrate their commitment to government policy and are aimed at systematic development. Unprecedented volumes of repairs, modernisation of production facilities, and investments in human capital are qualitatively increasing the reliability of the Corporation's energy facilities.

I would like to pay special attention to the professional development of the staff of the CAEPCO Group. The systematic training of personnel allowed us to put into practice technologies unique to Kazakhstan: for example, specialists from the Pavlodar Electric Grid Distribution Company were the first in the country to carry out work under voltage.

These facts indicate a qualitative reboot of CAEPCO and the energy industry as a whole and give rise to confidence in further prospects for stability and growth.

I would like to wish success to the team of the Central-Asian Electric Power Corporation in implementing the plans. Your professionalism and dedication are deeply respected and recognised.

Best regards,
CHAIRMAN OF THE BOARD
OF DIRECTORS OF CAEPCO JSC

THE BEST POWER ENGINEERS
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TAN LEVIN

CHAIRMAN OF THE BOARD OF DIRECTORS OF CAEPCO JSC

LETTER OF THE CHAIRMAN OF THE MANAGEMENT BOARD



GRI 2-22, 203-2

SDG



DEAR COLLEAGUES AND PARTNERS,

Summing up the results of 2024, first of all, I would like to note that in the context of increased attention and growing demands for uninterrupted power supply and energy security issues, our Group of Companies Central-Asian Electric Power Corporation JSC has ensured the stable operation of all production facilities. The Corporation demonstrates a high commitment to the consistent implementation of the energy infrastructure modernisation strategy and adaptability to the challenges of the time caused by the increasing burden on the country's energy system.

Our constant priority remains the uninterrupted satisfaction of demand for electric and heat power from industry, social infrastructure facilities and the public utilities sector. In order to achieve this goal in the regions where the Group operates, the Group's enterprises have carried out large-scale scheduled repairs, reconstruction of main and auxiliary equipment, construction and commissioning of new power facilities. Among the implemented projects, we can note the commissioning of a new chimney at Pavlodar CHPP-3, the completion of the construction of a new chimney at Petropavlovsk CHPP-2, the commissioning of the 110/10 kV substation Severnaya Gorodskaya, the completion of the reconstruction of the NS-3 pumping station with conversion to a central heating station in Pavlodar. Thanks to the Investment Programs carried out, we not only increase reliability, improve the operating modes of electric and heat supply facilities, but also minimise man-made risks, increase energy efficiency and improve the quality of energy supply. In general, last year, in the regions where the Corporation operates, electric power plants generated 6.1 billion kWh of electric and 5.8 million Gcal of heat power.

Our team is the solid foundation of any achievement, highly qualified specialists with a responsible attitude and dedication to their work. Thanks to their professionalism, experience and dedicated work, we achieve our goals and create a foundation for further growth. In 2024, their high competence, honest and conscientious work were appreciated at the highest level: 13 employees of the CAEPCO Group were awarded state awards: the Orders of Honour and Labour Glory, and the Medal for Labour Distinction.

A special challenge for power engineers was the elimination of the consequences of the flood in the spring of 2024. Employees of our electric grid companies worked in difficult conditions to promptly restore power supply to populated areas. In the Akmola region, more than 20 kilometres were restored, and in the North Kazakhstan region, more than 40 kilometres of electric networks were practically built anew. Heroic work in emergency conditions testifies to the maximum dedication and sense of personal responsibility of our employees, for which I express special gratitude to them.

We also continue to closely interact with industry government agencies and associations, striving to be active participants in Kazakhstan's energy policy. Such interaction ensures the consistency of industry reforms and strategic initiatives. Only through constructive work and coordinated interaction between representatives of the energy industry and government agencies has it become possible to achieve such country indicators as a 27% reduction in the number of technological violations at stations, a 3.3-fold reduction in the rate of non-compliance with temperature schedules in 2024.

Today, CAEPCO is a supplier of stable energy supply in the regions of presence, a responsible employer and a reliable partner. Our priorities remain unchanged: investments in the modernisation of assets with a focus on sustainable development, environmental protection, increasing the reliability and stability of energy supply in conditions of peak loads and climatic anomalies, the introduction of intelligent systems and automation of processes, the development of human capital by improving the skills of employees, supporting engineering personnel, active participation in the implementation of state energy policy and legislative initiatives.

In concluding this reporting period, I express my sincere gratitude to the team for their work and dedication to the cause, and to partners for their trust and effective interaction, industry representatives of government agencies and public organisations for strategic leadership and support of our industry.

Best regards,
CHAIRMAN OF THE MANAGEMENT
BOARD OF CAEPCO JSC



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BAGDAT ORAL

CHAIRMAN OF THE MANAGEMENT BOARD OF CAEPCO JSC



KEY INFORMATION

GRI 2-1, 2-2, 2-6, 415-1 SDG



MAIN PRODUCTION CHARACTERISTICS



The total installed electric capacity of CAEPCO JSC is

1,318 MW

and according to this indicator, the Corporation is one of the leaders among private energy generating companies in Kazakhstan.



The total installed heat capacity of the Corporation is

2,949 Gcal/h

The total length of the heating networks is

627.2 km

The total length of power transmission lines is

48.4 thousand km

CENTRAL-ASIAN ELECTRIC POWER CORPORATION JOINT STOCK COMPANY IS THE LARGEST PRIVATE ENERGY HOLDING COMPANY IN KAZAKHSTAN

PRODUCTION ASSETS

PAVLODARENERGO JSC
(servicing Pavlodar, Ekibastuz, Pavlodar region)SEVKAZENERGO JSC
(servicing Petropavlovsk, North-Kazakhstan region)

Akmola Electricity Distribution Company JSC (servicing Akmola region and Astana)

provides transportation, distribution and marketing of electric energy in the Akmola region.



CAPEC Green Energy LLP

wind power plant "Astana EXPO 2017".



CAEPCO is developing both traditional coal and alternative energy. Located in the structure of the CAPEC Green Energy Corporation, it implements alternative energy (RES) projects, one of which is the wind power plant Astana EXPO-2017. It is located 40 km from Astana northeast of the village of Kostomar in the Arshaly district of Akmola region. 29 wind turbines with a nominal capacity of 3.3 MW with a power regime of up to 3.45 MW each are installed on the territory of the WPP. The total installed electric capacity is 100 MW.

SEVKAZENERGO Joint Stock Company

It is a vertically integrated company that includes enterprises of the North Kazakhstan region for the generation, transportation and sale of electric and heat power. The Company actively introduces the best global practices and operates in accordance with international standards in the area of production, environmental protection, occupational health and social area.

SEVKAZENERGO JSC comprises of:

- Petropavlovsk CHPP-2
- North-Kazakhstan Electricity Distribution Company JSC (electric networks of the North Kazakhstan region and Petropavlovsk)
- Petropavlovsk Heating Networks LLP (heat networks of Petropavlovsk)
- Sevkazenergosbyt LLP

PAVLODARENERGO Joint Stock Company

It is a vertically integrated company that includes generating, transporting and marketing units operating in the Pavlodar region, in Pavlodar city, and in the Akmola region:

- Pavlodar CHPP-2
- Pavlodar CHPP-3
- Pavlodar Electricity Distribution Company JSC
- Pavlodar Heating Networks LLP (heat networks of Pavlodar)
- Pavlodarenergosbyt LLP
- CAPEC Green Energy LLP

AKMOLA ELECTRICITY DISTRIBUTION COMPANY JSC (AEDC JSC)

AEDC JSC ("Akmola EDC") is an electric grid company that transmits and distributes electric power to consumers in the Akmola region and Astana. AEDC JSC has a subsidiary, AEDC-Energosbyt LLP, which purchases electric power in order to supply consumers of the Akmola region. AEDC JSC consists of 2 branches of inter-district electric networks, Akmola Electric Grid Enterprises and 13 district electric networks.

AEDC JSC serves 0.4 kV-110 kV electric networks located in 14 administrative districts of the Akmola region.



GEOGRAPHY OF OPERATIONS

The Corporation supplies electric and heat power to consumers in Pavlodar, Petropavlovsk; electric power – in the districts of Pavlodar, North Kazakhstan, Akmola regions.

SEVKAZENERGO JSC

Supply of heat power in 2024 amounted to



1.9
mln Gcal

Electricity generation in 2024 amounted to



2.3
mln kWh

The number of employees of the Company in 2024 amounted to



2,130
people

SEVKAZENERGO JSC is a vertically integrated company that includes generating, transporting and marketing units of the North Kazakhstan region and Petropavlovsk:

- Petropavlovsk CHPP-2
- North-Kazakhstan Electricity Distribution Company JSC (electric networks of the North Kazakhstan region)
- Petropavlovsk Heat Networks LLP (heat networks of Petropavlovsk city)
- Sevkazenergosbyt LLP

Petropavlovsk
NORTH-KAZAKHSTAN
REGION

Astana

AKMOLA REGION

PAVLODARENERGO JSC

The supply of heat power in 2024 amounted to



4
million Gcal
(including ECHPP – 827.1 Gcal)

Electric power generation in 2024 amounted to



3.8
billion kWh
(including ECHPP – 34.7 million kWh)

The number of employees of the Company in 2024 amounted to



4,229
people

PAVLODARENERGO JSC is a vertically integrated company that includes generating, transporting and marketing units operating in the Pavlodar region, in Pavlodar city, and in the Akmola region:

- Pavlodar CHPP-2
- Pavlodar CHPP-3
- Pavlodar Electricity Distribution Company JSC
- Pavlodar Heating Networks LLP (heat networks of Pavlodar)
- Pavlodarenergosbyt LLP
- CAPEC Green Energy LLP

Pavlodar

PAVLODAR REGION

AKMOLA ELECTRICITY DISTRIBUTION COMPANY JSC

The number of employees of the Company in 2024 amounted to



2,567
people

AEDC JSC ("Akmola Electricity Distribution Company") is an electric grid company that transmits and distributes electric power to consumers in the Akmola region and Astana.

AEDC JSC consists of 2 branches of inter-district electric networks, Akmola Electric Grid Enterprises and 13 district electric networks.

AEDC JSC serves 0.4 kV-110 kV electric networks located in 14 administrative districts of the Akmola region.



Installed capacity

CHPP, wind farms	Installed electric power, MW	Installed heat capacity, Gcal-hr	Year of commissioning
Pavlodar CHPP-3	555	1,154	1972
Pavlodar CHPP-2	110	332	1961
Ekibastuz CHPP	12	750	1956
Petropavlovsk CHPP-2	541	713	1961
CAPEC Green Energy	100		2019

Heat network length

The total length of the heating networks is

627.17 km	Pavlodar Heating Networks LLP	416.81 km
	Petropavlovsk Heating Networks LLP	210.36 km

PTL length (km)

PTL type	Pavlodar EDC JSC	North-Kazakhstan EDC JSC	Akmola EDC JSC
220 kW	13.73	84.84	-
110 kW	2,809.924	1,380.64	2,506.946
35 kW	2,421.75	2,840.83	5,199.026
6-10 kW	5,722.58	4,412.38	7,031.56
0.4 kW	4,265.40	4,311.08	5,396.44

IMS certificates

Ser. No.	Standard	Reg. Certificate No.	Validity period	Audit type in 2024
PAVLODARENERGO JSC (CHPP-2 and CHPP-3)				
1	ISO 14001:2015	01 104 132 1810	from 20 December 2024 to 19 December 2027	1 st supervisory audit
2	ISO 9001:2015	01 100 132 1810	from 20 December 2024 to 19 December 2027	1 st supervisory audit
3	ISO 45001:2018	01 213 132 1810	from 1 February 2024 to 31 January 2027	2 nd supervisory audit
4	ISO 50001:2018	01 407 132 1810	from 20 December 2024 to 19 December 2027	1 st supervisory audit
PEDC JSC				
5	ISO 14001:2015	01 104 1319426	from 23 August 2024 to 22 August 2027	1 st supervisory audit
6	ISO 9001:2015	01 100 1319426	from 23 August 2024 to 22 August 2027	1 st supervisory audit
7	ISO 45001:2018	01 213 1319426	from 23 August 2024 to 22 August 2027	1 st supervisory audit
8	ISO 50001:2018	01 407 1319426	from 2 June 2022 to 1 June 2025	Recertification audit
Pavlodar Heating Networks LLP				
9	ISO 14001:2015	01 104 2143050	from 23 April 2024 to 22 April 2027	1 st supervisory audit
10	ISO 9001:2015	01 100 2143050	from 23 April 2024 to 22 April 2027	1 st supervisory audit
11	ISO 45001:2018	01 213 2143050	from 23 April 2024 to 22 April 2027	1 st supervisory audit

Number of substations by type

Substation type	Pavlodar EDC JSC	North-Kazakhstan EDC JSC	Akmola EDC JSC
220 kW	4	4	2
110 kW	75	36	52
35 kW	101	121	193
6-10 kW	3,505	2,175	3,304



IMS certificates

Ser. No.	Standard	Reg. Certificate No.	Validity period	Audit type in 2024
SEVKAZENERGO JSC				
12	ISO 14001:2015	01 104 2026502	from 10 September 2023 to 9 September 2026	2 nd supervisory audit
13	ISO 9001:2015	01 100 2026502	from 10 September 2023 to 09 September 2026	2 nd supervisory audit
14	ISO 45001:2018	01 213 2026502	from 7 October 2023 to 6 October 2026	2 nd supervisory audit
North-Kazakhstan REDC JSC				
15	ISO 14001:2015	01 104 1518811	from 28 June 2024 to 27 June 2027	1 st supervisory audit
16	ISO 9001:2015	01 100 1518811	from 28 June 2024 to 27 June 2027	1 st supervisory audit
17	ISO 45001:2018	01 213 1518811	from 28 June 2024 to 27 June 2027	1 st supervisory audit
Petropavlovsk Heat Networks LLP				
18	ISO 14001:2015	01 104 2026503	from 8 July 2024 to 7 July 2027	1 st supervisory audit
19	ISO 9001:2015	01 1002026503	from 01 December 2023 to 31 November 2026	2 nd supervisory audit
20	ISO 45001:2018	01 213 2026503	from 8 July 2024 to 7 July 2027	1 st supervisory audit
AEDC JSC				
21	ISO 14001:2015	01 104 1819000	from 20 August 2024 to 19 August 2027	1 st supervisory audit
22	ISO 9001:2015	01 100 1819000	from 20 August 2024 to 19 August 2027	1 st supervisory audit
23	ISO 45001:2018	01 213 1819000	from 20 August 2024 to 19 August 2027	1 st supervisory audit

CAEPCO JSC is a member of:



KEY PERFORMANCE INDICATORS FOR 2024

GRI 2-1, 2-2, 2-6, 415-1

SDG



Energy production and sales

Generation

	Electric power, bln kWh			Heat power, mln Gcal		
	2022	2023	2024	2022	2023	2024
	5.4	5.9	6.1	6.3	5.8	5.8

Product release

	Electric power, bln kWh			Heat power, mln Gcal		
	2022	2023	2024	2022	2023	2024
	5.2	6.7	8.9	5.5	5.2	5.4

Net profit for 2024 amounted to
17.4 billion tenge

Total assets are
486.8 billion tenge

EBITDA is
84.1 billion tenge

EBITDA Margin
28.84%

I'VE ALWAYS
DREAMED OF DOING
VOCAL
PROFESSIONALLY

MY FRIENDS SAY THAT
I SING
VERY WELL

I CAN FEEL
THE MUSIC,
THE TEMPO

THE BEST POWER ENGINEERS
WORK HERE



MY GOAL IS TO BECOME A
QUALIFIED SPECIALIST, TO GET A
POSITION WITH ENGINEERING
AND MANAGERIAL
RESPONSIBILITY

ENERGY SECTOR IS A CONSTANT
CHALLENGE: ACCIDENTS,
WEATHER CONDITIONS,
NON-STANDARD TASKS

KADYRKHAN
OSKINBAI

Engineer of the Substation Maintenance Group of Akmola
Electric Grid Enterprises substation service of AEDC JSC





ABOUT THE CORPORATION

GRI 2-1, 2-2, 2-6, 415-1 SDG



KEY EVENTS IN THE COMPANY'S HISTORY

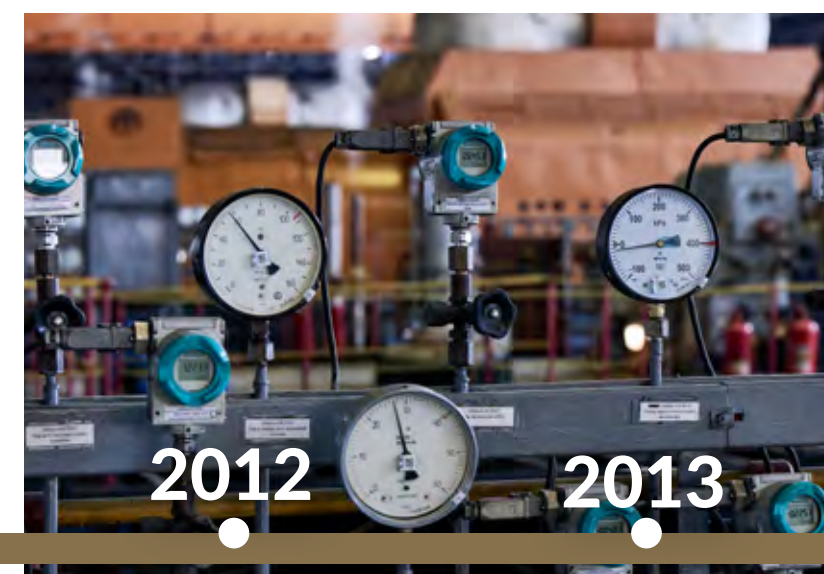
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Central-Asian Electric Power Corporation (CAEPCO) Joint Stock Company was established on 8 August 2008.

The issue of shares of CAEPCO JSC was registered on 10 October 2008 by the Agency of the Republic of Kazakhstan for Regulation and Supervision of the Financial Market and Institutions.



2008



Central-Asian Electric Power Corporation Joint Stock Company was established, uniting SEVKAZENERGO JSC, PAVLODARENERGO JSC and Astanaenergoby LLP. As of the date of registration, Central-Asian Power Energy Company JSC was the only founder of CAEPCO JSC

Turbine unit No. 1 was installed at the Ekibastuz CHPP

The European Bank for Reconstruction and Development bought out 24.99% of the shares of CAEPCO JSC

The corporation's Investment Program for 2010-2015 was approved

A new boiler unit No. 1 has been installed at Pavlodar CHPP-3

A boiler unit No. 1 has been modernised at Pavlodar CHPP-2

The Islamic Infrastructure Fund (KazHoldingsCooperatiefU.A., Amsterdam) became one of the shareholders of CAEPCO, having bought out 12.89% of the Corporation's shares

The tennis center "Energetik" (Pavlodar) was built

A new turbine generator No. 1 has been installed at Pavlodar CHPP-3

A new cooling tower No. 2 has been installed at Pavlodar CHPP-2

A turbine generator No. 6 has been modernised at Petropavlovsk CHPP-2

A boiler unit No. 6 has been modernised at Petropavlovsk CHPP-2

A boiler unit No. 7 has been modernised at Petropavlovsk CHPP-2

A new turbine generator No. 4 has been installed at Petropavlovsk CHPP-2





CAPEC LLP was established on 23 July for implementing investment projects in the area of renewable energy sources (RES Energy)

A new boiler unit No. 8 has been installed at Petropavlovsk CHPP-2

A new boiler unit No. 6 was installed at the Ekibastuz CHPP

A turbine generator No. 5 has been modernised at Pavlodar CHPP-3

A boiler unit No. 3 has been modernised at Pavlodar CHPP-3

2014



2015

The Central-Asian Electric Power Corporation acquired 48.41% of the shares of Akmola Electric Distribution Company JSC, consolidating 100% of the Company's shares. Previously, 51.59% of the company's shares were transferred to the authorised capital of CAEPCO JSC by its controlling shareholder, Central-Asian Power Energy Company JSC

According to the results of the Expert-200-Kazakhstan rating, CAEPCO is recognised as the largest private energy company in Kazakhstan

A new turbine generator No. 1 has been installed at Petropavlovsk CHPP-2

A new turbine generator No. 2 has been installed at Pavlodar CHPP-3

A new cooling tower No. 5 has been installed at Pavlodar CHPP-3

A turbine generator No. 4 has been reconstructed at Pavlodar CHPP-3

A turbine generator No. 2 has been modernised at Pavlodar CHPP-3

A turbine generator No. 7 has been modernised at Petropavlovsk CHPP-2

A new Central Control Room for the Pavlodar region's energy system has been put into operation

The shareholders of CAEPCO included the subsidiary funds of Baiterek NMH JSC: KIFENERGYS.a.r.l., BaiterekVentureFund JSC, CKIFENERGYS.a.r.l.

The Alakai kindergarten was commissioned in Petropavlovsk. The facility was built under a public-private partnership project between the Akimat of the North Kazakhstan region and the shareholder of CAEPCO JSC with the support of SEVKAZENERGO JSC



2016

A turbine generator No. 5 has been reconstructed at Pavlodar CHPP-3

A new turbine generator No. 5 has been installed at Petropavlovsk CHPP-2

Modernisation of boiler unit No. 12 has been completed at Petropavlovsk CHPP-2

The subsidiaries of CAEPCO JSC signed a trilateral agreement on the implementation of projects for the modernisation of heat supply systems in the Pavlodar, Petropavlovsk, and Ekibastuz with the European Bank for Reconstruction and Development and the Ministry of Economy of the Republic of Kazakhstan as part of the implementation of the Nurly Zhol state infrastructure development program

A new 90-apartment small-family dormitory has been opened in Petropavlovsk for employees of SEVKAZENERGO JSC and residents of the city

Modernisation of turbine unit No. 6 has been completed at Pavlodar CHPP-3

A new enterprise, Ekibastuzteploenergo LLP, was established as part of PAVLODARENERGO JSC

The planned withdrawal of the European Bank for Reconstruction and Development and the Islamic Infrastructure Fund from the shareholders of CAEPCO JSC was carried out. The EBRD's mission in modernising the Corporation's energy facilities has been completed

2017

A new 200-bed dormitory has been opened for power engineering students of Pavlodar Assembly College

2018





The first start-up complex of the Astana Expo-2017 wind farm with a capacity of 50 MW has been commissioned

The second start-up complex of the Astana Expo-2017 wind electric farm with a capacity of 50 MW has been commissioned. The station has reached its design capacity of 100 MW. The Astana Expo-2017 WPP has allowed to ensure the annual energy consumption of more than ten thousand families, reduce greenhouse gas emissions by 230 thousand tons per year and save over 79 thousand tons of fuel per year

Akmola Electric Distribution Company JSC commissioned the Garden Village substation

The construction of a reinforced concrete trunk of a new chimney has been completed at Pavlodar CHPP-3

The construction of a 110 kV Makinsk – Nikolskoye overhead power transmission line with a length of 48.2 km has been completed in Akmola region

On 27 November 2022, an accident occurred on the heating networks in Ekibastuz, as a result of which the Ekibastuz CHPP was forced to stop

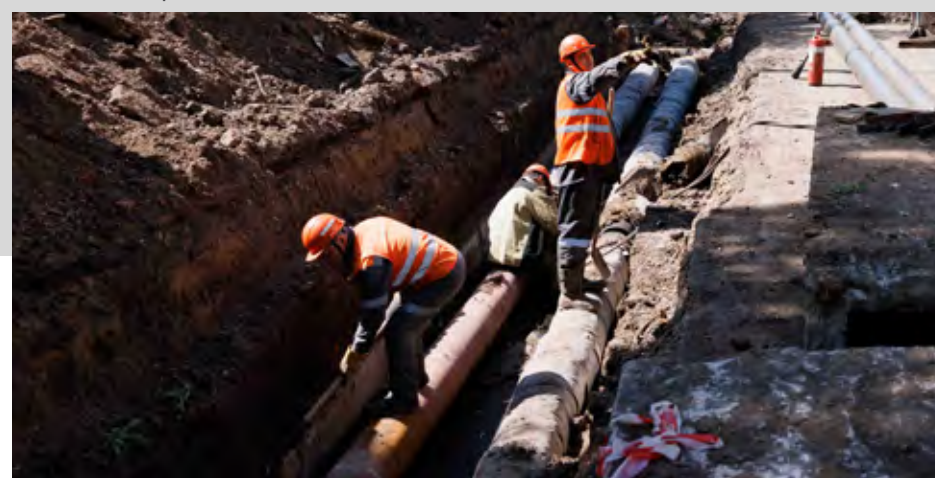
Major repairs of boiler units No. 6, 7, 8, 11, 12, 13, 14 have been carried out at the Ekibastuz CHPP, as well as the current repair of boiler unit No. 5

Modernisation of boiler unit No. 11 has been completed at Petropavlovsk CHPP-2

The construction and reconstruction of thermal pipelines with the use of preinsulated pipes of 1.267 km was completed:

Pavlodar – 0.246 km

Petropavlovsk – 1.021 km



2024

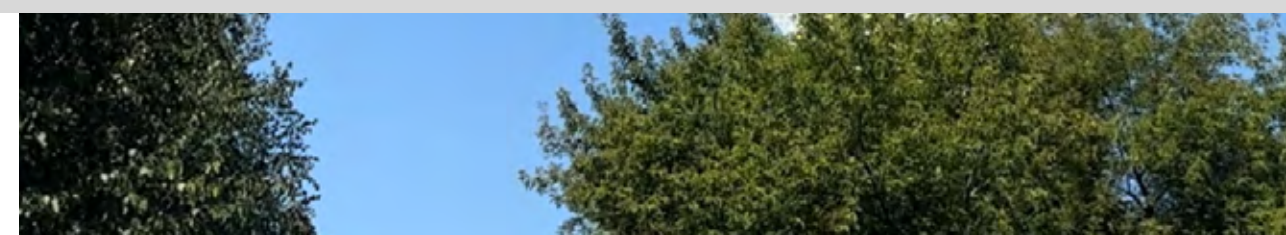
After major repairs and successful completion of the 2023-2024 heating season, Ekibastuz CHPP was transferred to state ownership free of charge

The construction of a new 180-meter-high chimney shaft has been completed at Petropavlovsk CHPP-2

A new chimney has been put into operation at Pavlodar CHPP-3

Specialists of Pavlodar Electric Distribution Company were the first in Kazakhstan to implement live work on electric networks without disconnecting consumers

The 2023 Annual Report of CAEPCO JSC's was awarded the KASE award in the nomination "Best Annual Report of a Manufacturing Sector Company"



BUSINESS MODEL

EQUITY



FINANCIAL CAPITAL

46.043
bln tenge
Share capital

486.8
bln tenge
Assets



PRODUCTION CAPITAL

3 CHPP **3** sales companies

627.2 km
of heat networks

48.4 thousand km
of electric power networks



NATURAL CAPITAL

As part of its production activities, the Corporation uses various types of fuel (fuel oil and coal), water resources and electricity, as well as the resources of the air basin.



INTELLECTUAL CAPITAL

Implemented systems Ellipse, Mobility, ASCAEE, ASCAHE, THESIS automated system for control over the process of technological connection to electricity networks, billing, boiler and turbine generator automated control system, ASM.



SOCIAL CAPITAL

The Corporation establishes trust relations with communities in the regions of presence and makes a significant contribution to the social and economic development of the regions being a major employer and an important link in the industrial sector.



HUMAN CAPITAL

9,041
employees

852
persons in
employee pool

1,291
employees -
participating in the program
for supporting young specialists
within PROFENERGY project

33.3%
with a university
degree

34%
is the share
of employees
in trade unions

11%
staff turnover

PRINCIPAL ACTIVITIES

TRANSPORTATION AND DISTRIBUTION OF HEAT AND ELECTRIC POWER

shall mean transmission of energy from places of generation to the places of consumption carried out through heat and electric power networks, which include converters, power lines and switching gears.

GENERATION OF HEAT AND ELECTRIC POWER

Combined generation of heat and electric power at CHPPs of the Corporation, as well as electricity generation based on renewable energy sources.

SALES OF HEAT AND ELECTRIC POWER

shall mean activities for the sale of heat and electric power to consumers.

INVESTMENTS IN DEVELOPMENT

- Power equipment modernisation
- Heat networks and electric grids reconstruction
- Process automation

PERFORMANCE INDICATORS FOR 2024



CONSUMERS

Heat power
205,434
subscribers

Electric power
541,795
subscribers



STATE

26.2
billion tenge
taxes paid



PRODUCTION

5.8
mln Gcal
of heat
power

6.1
bln kWh
of electric
power



EMPLOYEES

6,779
employees
completed training

4.7
billion tenge
were allocated for
occupational health
and safety measures
and improvement of
working conditions

REGIONS OF PRESENCE

**Pavlodar, North Kazakhstan,
Akmola region, Astana**



MISSION

The Company sees its mission in improving the quality of life of consumers and creating conditions for the economic development of the regions where it operates. These goals are achieved by providing high-quality energy and life support services to the population, industrial enterprises, budget and commercial organisations in Pavlodar, North Kazakhstan, Akmola regions, Pavlodar, Petropavlovsk, Astana.

The quality of the services provided implies reliable and uninterrupted power supply in compliance with all technical requirements and a high level of customer service.

The Company's sustainability is driven by the team work of its highly professional and goal-oriented employees.

VISION

Central-Asian Electric Power Corporation JSC is a leader among private energy companies in Kazakhstan.

The Company operates in the most challenging climate conditions in the north of the country.

The Company successfully uses the advantages of the holding structure by combining dynamism and flexibility of its business units (companies within the Group) with stability and reliability of centralised management on the Group level.

Employees of the Company are a team of professionals who are striving for higher goals. The Company's relations with its customers and suppliers are based on the principles of respect and mutual responsibility.

DEVELOPMENT STRATEGY

GRI 301-1 SDG



Building a vertically integrated private power company rendering its consumers consistent and reliable services through synergy of generation, distribution, transmission and guaranteed sales of both electric power and heat is the strategic goal for the company.

The main directions for pursuing the strategic goal of CAEPCO JSC:

- Targeted market expansion with guaranteed sales and low risk.
- Improving production efficiency through improving the technical level of production and updating fixed production assets and infrastructure.
- Introduction of promising projects through the balanced development of innovative areas.
- Implementation of the best management standards through continuous training of personnel in new effective technologies in the production sector and enterprise management.

To achieve its strategic goal, the Corporation is implementing the following:

- Providing enterprises with highly qualified personnel.
- Maintaining up-to-date certification for compliance with the requirements of international standards in the area of ecology, personnel health protection, industrial safety.
- Introduction of energy-saving and energy-efficient technologies in the production and transmission of energy.
- Minimisation of specific consumption for production of a unit of heat and electric power.
- Reduction of excess losses during transportation of heat and electric power.
- Reconstruction and modernisation of equipment of power generating facilities through investment programs, reducing the risks of accidents and eliminating downtime.



The development strategy has been developed taking into account the tasks of strengthening the energy infrastructure of the Unified Electric Power System.

The Corporation's Development Strategy takes into account the requirements dictated by the development of the modern energy market and global trends, such as the development of alternative energy, energy efficiency and energy conservation.

IN THE PAST,
I WAS SERIOUSLY
INTO
POWERLIFTING

NOW I'M MORE
focused on raising
**MY DAUGHTERS -
WE DO SPORTS WITH
THE WHOLE FAMILY**

The eldest daughter is preparing to take
**A BLACK BELT
IN KARATE,**
THE YOUNGEST IS FOLLOWING
IN HER FOOTSTEPS

THE BEST POWER ENGINEERS
WORK HERE



I AM RESPONSIBLE FOR THE "EYES
AND HANDS" OF THE STATION:
FOR THE INSTRUMENTS AND SENSORS
THAT CAN BE USED TO TRACK THE
STATION'S WELL-BEING. IT ALL STARTED
COMPLETELY BY ACCIDENT:
I WAS WONDERING HOW THIS HUGE
COMPLEX MECHANISM WORKS, HOW
ENERGY IS GENERATED

WELDER, ELECTRICIAN, ENGINEER —
I'VE BEEN HERE FOR 14 YEARS NOW,
AND I'M STILL INTERESTED IN MY WORK

NIKOLAY
KUZNETSOV

Engineer of the thermal instrumentation and control shop
at Petropavlovsk CHPP-2



MARKET ANALYSIS

GRI 2-6

SDG



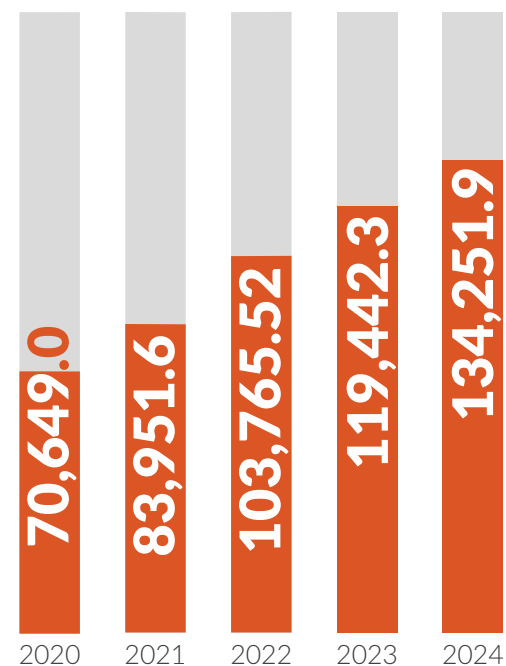
In 2024, Kazakhstan's economy demonstrated steady growth: according to preliminary data from the Bureau of National Statistics, the country's gross domestic product amounted to 134.25 trillion tenge, an increase of 4.8% in real terms compared to the previous year. Agriculture, construction, trade, transport and warehousing, as well as the information and communication sector and the manufacturing industry have become the drivers of the economic recovery.

The production of goods accounted for 35.4% of GDP, while the service sector reached 58.4%. Industry continues to make the most significant contribution, accounting for 25.7% of GDP.

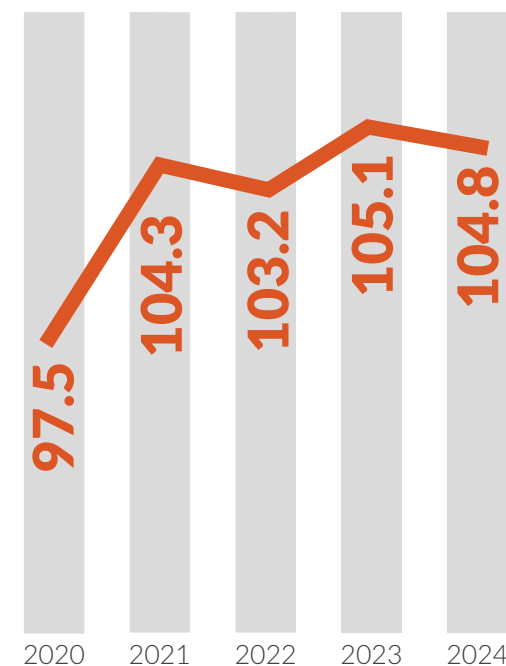
The industrial production index was 102.8% compared to the previous year.

The manufacturing industry strengthened due to the growth of pharmaceuticals (+21.8%), mechanical engineering (+9.7%), metallurgy (+6.9%) and metal products (+28.5%). The supply of electricity and gas also showed positive dynamics, increasing by 4.5% due to an increase in the volume of generation, transmission and distribution of electricity. At that, the mining industry declined by 0.2% due to lower oil and gas production.

Gross product volume, billion tenge



Dynamics of gross domestic product, % compared to the prior year



OVERVIEW OF THE ELECTRIC POWER INDUSTRY IN 2024

Production

2024 was a year of recovery and dynamic growth for the electric power sector of Kazakhstan. The total volume of electric power production in the country's Unified Energy System amounted to 117,915.4 million kWh, which is 4.5% more than in the previous year.

In the Northern Zone, which accounts for approximately 73% of the country's electricity generation, production growth in 2024 was 2.4% and reached 86,489.7 million kWh. In the Southern zone, production increased by 10.6% to 15,565.7 million kWh, and in the Western zone by 3.2% to 15,860.0 million kWh.

Production at heating power plants increased by 1.2%. Gas turbine installations showed an increase of 8.1%. A significant increase was provided, in particular, by hydroelectric power plants, where output increased by 28.3%, and wind farms with an increase of 18.2%.

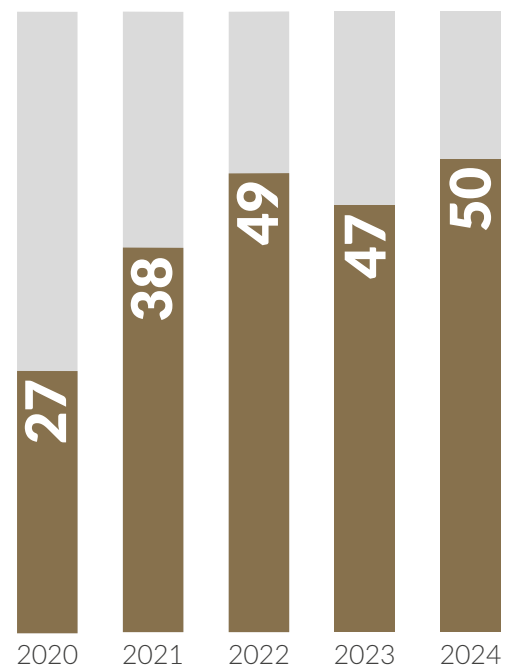
Kazakhstan continues to pay strategic attention to increasing the share of renewable energy sources. The total volume of renewable energy generation in 2024 amounted to 7,555.1 million kWh, which is 12.5% higher than in 2023. The share of renewable energy in the total balance reached 6.4%.

A significant increase in generation was recorded in a number of regions, including Zhetysu (+30.7%), Kostanay (+24.6%), East Kazakhstan (+20.9%), Zhambyl (+17.1%), Abai (+16.9%) and Atyrau regions (+15.0%). At that, a decrease was observed in Akmola and Kyzylorda regions.

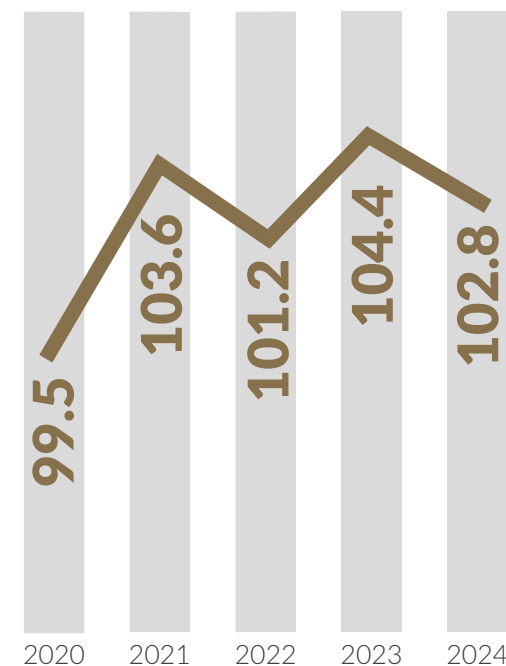
Noticeable progress was also observed in the development of capacities. By the end of the year, 608 MW of traditional generation capacity was put into operation, including projects at Atyrau, Zhezkazgan CHPP and Ekibastuz state regional power plant 1. In addition, 8 renewable energy projects with a total capacity of 163 MW have been commissioned. In 2025, it is planned to build another 166 MW of traditional generation and 9 renewable energy projects with a capacity of 455.5 MW.

In 2024, special attention was paid to the development of nuclear energy. On 6 October, a referendum was held, during which the majority of citizens approved the construction of a nuclear power plant. Already in December, the construction site was determined — Zhambyl district of Almaty region. In March 2025, another strategically important industry reform took place — the creation of the Agency of the Republic of Kazakhstan for Atomic Energy, reporting directly to the President of the Republic of Kazakhstan.

The volume of industrial production, trillion tenge



Industrial production dynamics, % compared to the prior year

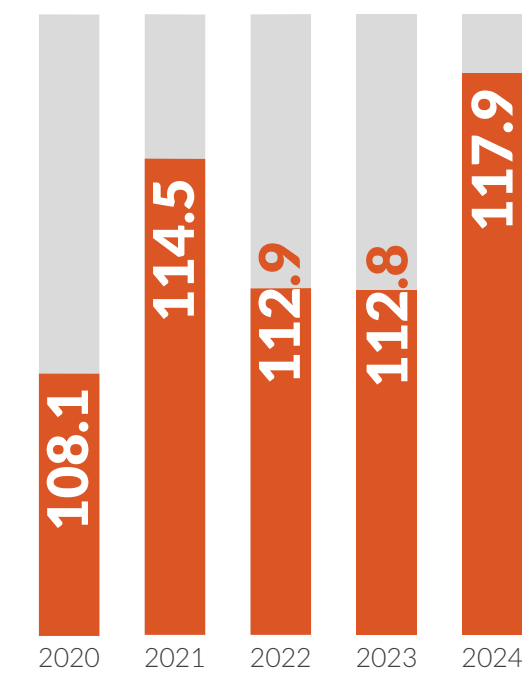


Source: The Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

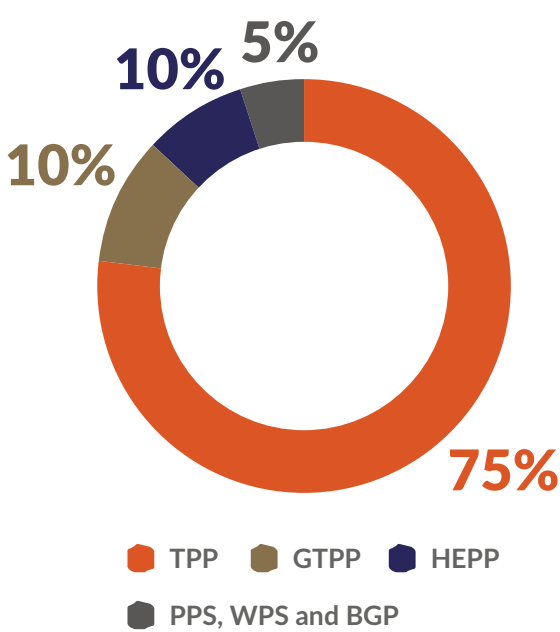




Electric power generation in the Republic of Kazakhstan, billion kWh



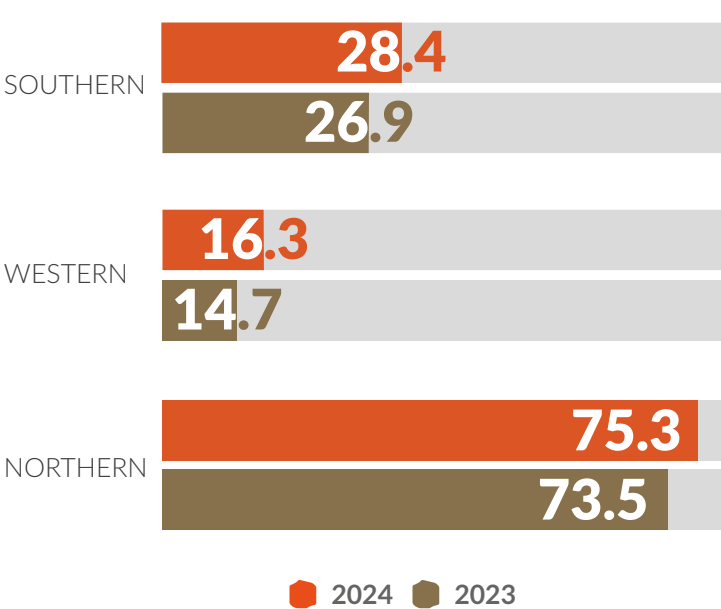
The structure of electric power generation in Kazakhstan in 2024 by type of generation



Electric power consumption in the Republic of Kazakhstan, billion kWh



Electric power consumption by zones, billion kWh



Electric power production by generation types, billion kWh

Generation type	2022	2023	2024	Change
TPP	88.62	87.36	88.38	1%
GTPP	10.94	11.02	11.92	8%
HEPP	9.19	8.75	11.22	28%
PPS, WPS and BGP	4.12	5.69	6.39	12%

Electric power production by zones, billion kWh

Integrated power system zone in the Republic of Kazakhstan	2022	2023	2024	Change
Northern	83.91	84.43	86.49	2%
Southern	14.44	14.05	15.57	11%
Western	14.52	14.34	15.86	11%

Consumption

It should be recalled that since 2023, there has been a single buyer of electric energy on the market and a balancing market in real time. All volumes of electric power produced are purchased centrally by the buyer, and the balancing market ensures the correction of deviations in the Unified Energy System. Participation in this market is mandatory for all subjects of the wholesale market.

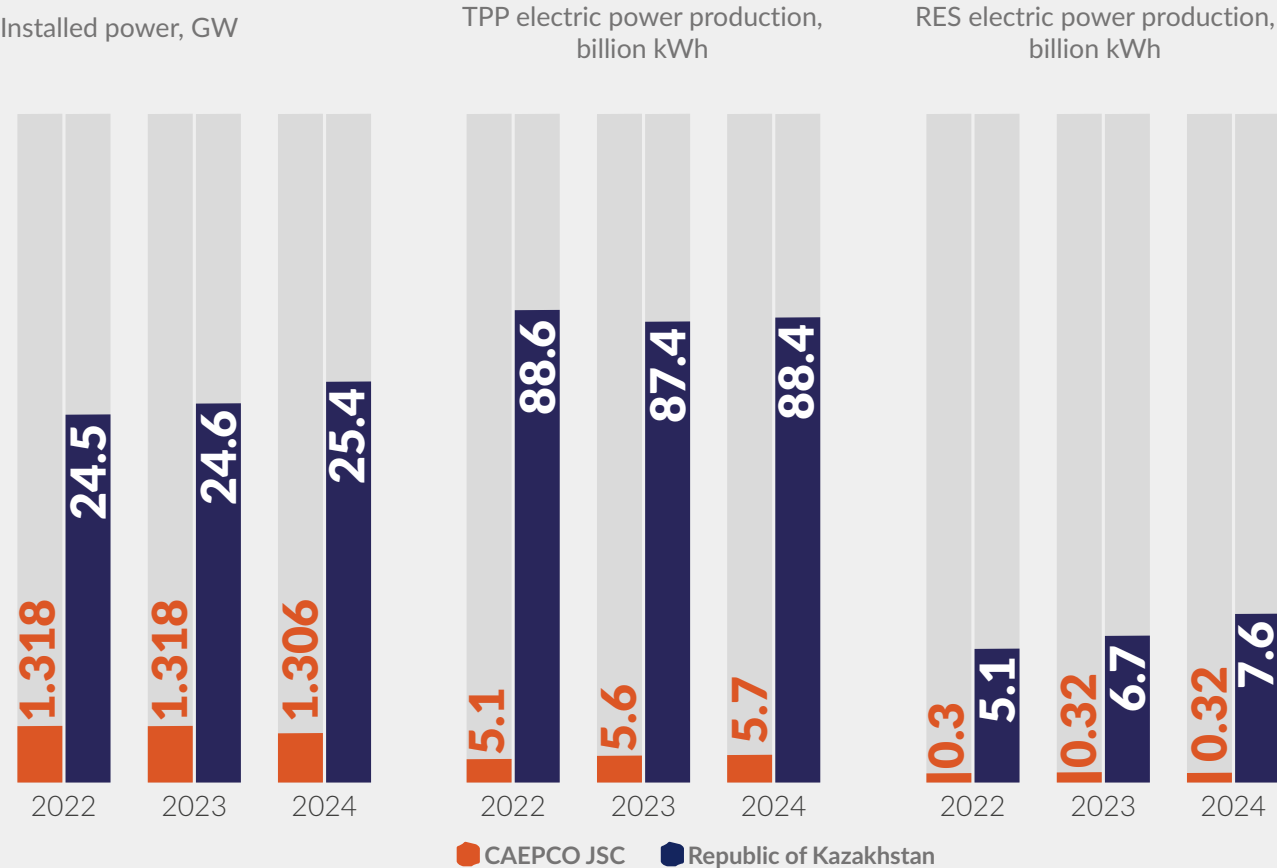
In 2024, the growth in electricity production was accompanied by an increase in consumption: electric power consumption in the country increased by 4.1%, amounting to 119,995.5 million kWh.

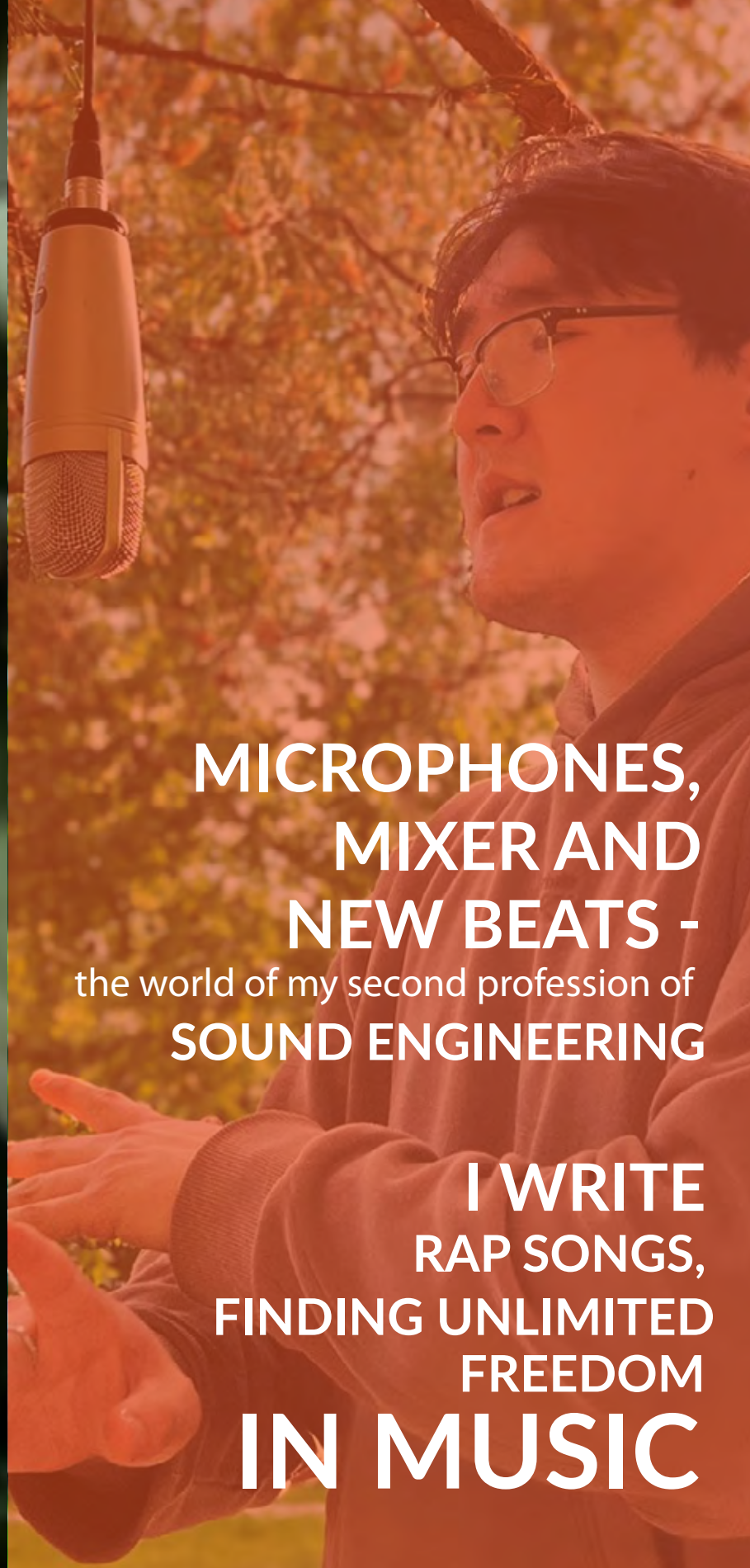
Atyrau (+14.15%), Turkestan (+7.17%), Kyzylorda (+6.71%) and Mangystau regions (+6.16%) were the leaders in consumption growth.

In the Northern Zone, consumption increased by 2.4% and reached 75,335.4 million kWh. The largest growth was observed in the Western Zone +9.87% to 16,283.3 million kWh. In the Southern Zone, consumption growth reached 28,376.9 million kWh, an increase of 5.3%.

To maintain a balance between generation and consumption, Kazakhstan exported 1,456.1 million kWh to Russia and imported 2,252.7 million kWh, ensuring the sustainability of energy supply.

The share of CAEPCO JSC in the energy sector of the Republic of Kazakhstan





**MICROPHONES,
MIXER AND
NEW BEATS -**
the world of my second profession of
SOUND ENGINEERING

**I WRITE
RAP SONGS,
FINDING UNLIMITED
FREEDOM
IN MUSIC**

THE BEST POWER ENGINEERS
WORK HERE



I ALWAYS FEEL THE SUPPORT OF MY
FAMILY IN MY PROFESSIONAL SUCCESSES.
THERE IS NO ONE CLOSER THAN MY
FAMILY, SO I CONSIDER IT VERY
IMPORTANT TO SPEND AS MUCH TIME AS
POSSIBLE WITH MY LOVED ONES. MY
FAMILY GIVES ME STRENGTH FOR MY LIFE
PATH

ARKHAT
KERIMOV

Environmental Protection Engineer at Petropavlovsk CHPP-2



OPERATING RESULTS

GRI 2-24 SDG



RESULTS OF THE IMPLEMENTATION OF THE INVESTMENT PROGRAM 2024

GRI 203-1



PAVLODAR CHPP-2 OF PAVLODARENERGO JSC

The third largest power generating asset of CAEPCO JSC provides electricity to industrial enterprises of the city, local service facilities, as well as households.

The installed heat capacity is 332 Gcal-hr

Installed electric power is 110 MW

The composition of the power plant equipment:

- 5 boiler units
- 3 turbine units
- Overhaul of boiler unit BKZ-160-100 of station No. 5
- Reconstruction of the condenser of the PT-60- 90/13 turbine unit No. 3
- Reconstruction of the air heater cubes of the BKZ-160-100 boiler of stations No. 4 and 5
- Reconstruction of railway tracks No. 28
- Purchase of raw materials and start of work on the construction of the 2nd start-up complex of the 3rd stage of the ash dump for CHPP-2
- Installation of an automated system for monitoring environmental emissions at CHPP-2
- Expansion of the CHPP-2 teleautomation system for own needs

PAVLODAR CHPP-3 OF PAVLODARENERGO JSC

The largest power generating asset of CAEPCO JSC

Installed heat capacity is 1,154 Gcal-hr

Installed electric power is 555 MW

The composition of the power plant equipment:

- 6 boiler units
- 6 turbine units
- Reconstruction of the air heater cubes of the BKZ-420-140 boiler of stations No. 1, 3, 5
- Reconstruction of the flues of boiler units No. 3 - No. 6 for transfer to the chimney No. 2
- Installation of a container-type filling station
- Installation of an automated system
- Monitoring environmental emissions at CHPP-3
- Installation of an automated system
- Monitoring environmental emissions at Chimney No. 2
- Reconstruction of the clarifier No. 1 of the cold-rolling department
- Purchase of SD-32 Shantui bulldozer

EKIBASTUZ CHPP OF PAVLODARENERGO JSC

The fourth largest power generating asset of CAEPCO JSC (until June 2024)

Installed heat capacity is 750 Gcal-hr

Installed electric power is 12 MW

The composition of the power plant equipment:

- 10 boiler units
- 1 turbine unit
- Reconstruction of the roof of the ECHPP office building
- Reconstruction of the roof of the administration and amenity building
- Reconstruction of the roof of the building of the KVTk hot water shop, row D-E, axis 1-29 +18.000
- Reconstruction of the roof of ECHPP buildings (pipe bending section, clarified water pumping station No. 1, No. 2)
- Reconstruction of the roof of ECHPP buildings (carpentry shop, RSC building, water purification plant building, stage III)



PETROPAVLOVSK CHPP-2 OF SEVKAZENERGO JSC

The largest power generating asset of CAEPCO JSC

Installed heat capacity is 713 Gcal-hr

Installed electric power is 541 MW

The composition of the power plant equipment:

- 12 boiler units
- 7 turbine units
- Construction of the shaft of a new reinforced concrete chimney
- Reconstruction of boiler station No. 2 (installation of foundations, installation of the boiler station furnace)
- Major repair of boiler units No. 1, 3, 9, 10
- Major repair of thermal generating units No. 3, 6
- Completion of construction of the enclosing dams of section 3 of the ash dump No. 2 (stage 2)
- Major repairs of the main building
- Major repairs of the roofs of PCHPP-2 buildings
- Major repairs of railway tracks
- Replacement of belt scales on conveyor 5A, B
- Replacement of the SM-170 hammer crusher
- Replacement of mains water heaters for BU-3 and BU-6
- Installation of an automated system
- Monitoring environmental emissions at chimney No. 3
- Replacement of the mill exhausters of boiler units at station No. 6, resulting in an increase in the cost of fixed assets
- Replacement of rotating grid No. 3





Reconstruction of electric grid facilities

PAVLODAR EDC JSC

An examination of the design estimate for the reconstruction of 110 kV cells equipment and PSP at 220/110/10 kV Promyshlennaya substation for construction and installation work in 2026-2030 was carried out.

- Reconstruction of the 110/10 kV Leninskaya substation has begun with the replacement of 110 kV oil switches with 3 gas-fired switches, with completion of work in the 2nd quarter of 2025.
- Payment was made in full according to the Payment Schedule under the agreement with the State Institution "Department of Finance of Pavlodar" for the transfer to trust management with the right of subsequent purchase of the 110/10 kV Usolskaya substation and the 110 kV double-circuit overhead line with a 110 kV overhead cable insert.
- The construction of the Kyzyl-Kuroma - Belogorye overhead line 35 kV in the Maysky rural district, with a length of 24.526 km, has been completed.
- The examination of the PSP for the construction of the 35 kV overhead line "Olginovskiy - Timiryazevskiy" in the Uspensky and Pavlodar districts has been completed.
- Construction of 110/10 kV Severnaya - Gorodskaya substation, 110 kV double-circuit overhead line Promyshlennaya substation - Severnaya - Gorodnaya substation and installation of two 110 kV cells at 220/110 kV Promyshlennaya substation, including construction of KL-10 kV - 12.53 km and overhead line 110 kV - 11.61 km with a cable insert of 5.47 km.
- Installation of security and fire alarm systems at the facilities of PEDC JSC - 2 units in Zhelezinsky district and in Aksu.
- 1,198 units of ASCAE technical metering devices were installed at 10-220 kV substations.
- Reconstruction of buildings and structures in the amount of 71 units was completed.
- For the purchase of technological equipment, special mechanisms and other fixed assets (office equipment, furniture), 156 units were supplied, including a quadcopter, a reflectometer, computers and printers, generators, air conditioners, megaohmmeters, cabinets for work clothes.
- Construction of a 10 kV overhead line section from support No. 21 F-10 of the 35/10 kV Zhanatlek substation with the installation of KTP-10/0.4 kV 160 kVA and the construction of a 0.4 kV overhead line in the village of Zhanatlek Bayanauli district, with a total length of 0.683 km.
- Construction of a 10 kV overhead line section from support No. P-18-70 F-19 of the 110/0 kV Zarya substation with the installation of KTP-10/0.4 kV 100 kVA in Birlik village, Pavlodar region, with a length of 0.555 km.

- In Pavlodar, the construction of KL-10 kV - 13,006 km, KL-0.4 kV - 1,058 km was completed, the repair of unit substation with the replacement of 10/0.4 kV power transformers - 24 units, the installation of complete block-modular substations - 2 units. (No. 116 and No. 73).
- Reconstruction/construction of overhead line -0.4 kV in Pavlodar region - 27,705 km, including in Aktogay district - 1,437 km, in Aksu district - 2.63 km, in Bayanaul district - 2.395 km, in Irtysh district - 1.8 km, in Mayskiy district - 1.88 km, in Velezinsky district - 1.291 km, in Pavlodar district - 4.61 km, in Uspensky district - 0.697 km, in Shcherbaktinsky district - 2.299 km, in Akkula district - 1.491 km, in Terenkolsky district - 3.774 km, in Atameken village of Pavlodar - 3.401 km.
- Major repairs of the 10/0.4 kV complex transformer substation were carried out with the replacement of equipment and 10/0.4 kV power transformers in the amount of 68 units, including 8 units in the Aktogay district, 2 units in the Aksu district, 7 units in the Bayanaul district, 6 units in the Zhelezinsky district, 7 units in the Mayskiy district units, in Pavlodar district - 5 units, in Uspensky district - 6 units, in Shcherbaktinsky district - 6 units, in Irtysh district - 7 units, in Terenkolsky district - 5 units, in Akkula district - 5 units, Atameken village, Pavlodar - 4 units.
- Antenna and mast structures were installed - 1 unit in the village of Maraldy, Shcherbaktinsky district.
- Major repairs of 110 kV (1 unit) transformers have been completed. 110/10 kV Pravoberezhnaya substation, Pavlodar.

NORTH-KAZAKHSTAN EDC JSC

- Construction of KL-10 kV F No. 7 from 110/35/10 kV Bishkul substation from pillar No. 21 to ZRU-10 kV, with a length of 5.6 km has been completed.
- Reconstruction (restoration) of 110 kV Siberia - Ulyanovsk overhead line with a length of 8.0 km has been completed



- Reconstruction (restoration) of 110 kV overhead line Siberia - Novomikhailovka - 6.6 km has been completed.
- Reconstruction (restoration) of 110 kV overhead line PCHPP-2 - Gorod III, IV chain, section from support No. 64 to support No. 65 - 1.0 km has been completed.
- Reconstruction (restoration) of the 35 kV overhead line Pokrovka - Amangeldinskaya - 7.7 km has been completed.
- Reconstruction (restoration) of the 35 kV overhead line Bishkul - Novokamenka - 5.92 km has been completed.
- Reconstruction (restoration) of the 35 kV overhead line Novokamenka - Bogolyubovo - 1.06 km has been completed.
- Reconstruction (restoration) of 10 kV F5 overhead line Novonikolsk - Novoaleksandrovka - 2.1 km has been completed.
- Reconstruction (restoration) of 10 kV F8 overhead line Bogolyubovo Settlement - 0.33 km has been completed.
- Reconstruction (restoration) of 10 kV F7 overhead line from 110/35/10 kV Bishkul substation - 1.36 km has been completed.
- Reconstruction (restoration) of 10 kV No. 6 overhead line Sokolovka - Tashkent - 2.2 km has been completed.
- Replacement of switchyard-35/110 kV units at substations in the region has been completed.
- Replacement of the lightning protection cable at 110 kV overhead line Timiryazevskiy - Blagoveshchenka has been completed.
- Reconstruction (removal from the wetlands) of 110 kV Nikolaevka - Troitskaya overhead line - 3 km has been completed.
- Reconstruction (removal from a wetland area) of 110 kV overhead line 35 kV overhead line Troitskaya - Kyzylasker - 19 km has been completed.
- Reconstruction (removal from the wetlands) of the 35 kV overhead line Opytnaya - Rublevka - 13.4 km has been completed.

Akmola EDC JSC

- 10 kV voltage transformers - 2 units, 35 kV oil switches - 4 units were replaced at 35/10 kV Maximovka substation; installation of a complete 2-section 10 kV open switchgear on 10 kV vacuum reclosers.
- The power transformer was replaced at the 35/10 kV Elevator substation - 1 unit, 35 kV oil switches - 3 units, TSN-10 kV - 2 pcs.; installation of a 10 kV complete switchgear - 1 unit, an operational current control cabinet - 1 unit.
- 10 kV voltage transformers - 2 units were replaced at the 35/10 kV Zarechnaya substation.
- 10 kV voltage transformers - 2 units were replaced at the 35/10 kV Kiima substation.
- 110 kV inputs on a power transformer - 3 units, 110 kV voltage transformers - 6 units, 35 kV voltage transformers - 6 units, 35 kV current transformers - 4 units were replaced at 110/35/10 kV Derzhavinskaya substation.
- 35 kV oil switches - 5 units, 35 kV voltage transformers - 6 units were replaced at the 110/35/10 kV Novoaleksandrovka substation.
- 10 kV voltage transformers - 2 units were replaced at the 110/10 kV Kankrynka substation.
- 35 kV current transformers - 4 units, 35 kV voltage transformers - 6 units, 10 kV voltage transformers - 2 units were replaced at 110/35/10 kV Karamyshevka substation.
- 110 kV current transformers - 6 units, 35 kV current transformers - 4 units, 10 kV voltage transformers - 2 units were replaced with 220/110/35/10 kV Tselinnaya substation.
- The installation of an electric gas switch VTB- 110 kV - 1 unit on the 110/35/10 kV substation Shortandy.
- The installation of a power transformer at the 110/35/10 kV substation "Balkashino" - 2 units.
- An electric gas switch VTB-110 kV -1 unit was installed at the 110/35/10 kV Kurgaldzhino substation.
- The installation of a VTB-110 kV gas circuit breaker - 4 units, a 3-winding 110/35/10 kV power transformer protection cabinet - 2 units, and a 110 kV line protection cabinet - 2 units at the 110/35/10 kV Pyatigorsk substation.
- An electric gas switch VTB-110 kV -2 units was installed on the 110/35/10 kV Turgai substation.
- Construction of the 35 kV overhead line Sabunda - M. Mametov - 29.8 km.
- Construction of the 35 kV overhead line Chelkarskaya - M. Mametov - 12.2 km.
- Reconstruction of 110 kV overhead line Kurgaldzhino - Krasnoznamenska - 81.6 km.



PROCESS AUTOMATION

A comprehensive modernisation and automation of production, accounting and related information systems was carried out at subsidiaries of CAEPCO JSC. All projects are aimed at improving labour productivity, transparency of activities and economic efficiency.

Thus, automatic heat flow controllers, industrial controllers and modems are installed at heat-transmitting enterprises of the Corporation to connect mechanisms and control and measuring devices with the dispatching unit. All the equipment of heat points is introduced into a single network, which allows dispatchers to quickly control hydraulic and temperature conditions, and specialists to make decisions faster in emergency situations.

In addition, the Corporation applies advanced technologies to detect sources of heat energy losses: thermovision inspection devices for monitoring and diagnostics of main pipelines, ultrasonic flaw detectors.

Reconstruction of heat networks

In 2024, the construction and reconstruction of thermal pipelines with the use of preinsulated pipes of 1.993 km was completed:

Pavlodar – 1.008 km

Petropavlovsk – 0.985 km

In 2024, as part of the approved Investment Program of Pavlodar Heating Networks LLP, the following activities were carried out:

- Reconstruction of pumping station No. 3 with the installation of a central heat supply station in "Lesozavod" microdistrict
- Reconstruction of the TM-20 thermal pipeline with an increase in capacity (up to DN 1000) on the NO-52-NP-6 section with a length of 0.280 km
- Reconstruction of the heating network from TK-134 to TK-134/8 of 0.728 km
- Purchase of special equipment for carrying out current and major repairs

The following activities were carried out in Petropavlovsk Heating Networks LLP in 2024:

- Reconstruction of heating main No. 3 2DN-500mm on Satpayev street from TK-6-19 to TK-3-15v - 0.3 km
- Major repairs of the elements and structures of the NS-1 building – 1 unit
- Reconstruction of heating main No. 6 2DN400- 2DN500mm on Ruzheynikov street from UN-6-10 to TK-6-14 - 0.685 km
- Major repairs of mains pump foundations and mains pump connection schemes in the NC-1 building



Results of work on process automation in 2024

In 2024, the Company has consistently upgraded its IT production, accounting and service systems, focusing on increasing productivity, process transparency and maximising economic returns.

Draft project	Completed work	Expected effect
Mobile Application and Application Management System	1. Implemented in NK EDC JSC and PEDC JSC. 2. The process of collecting readings of commercial and technical accounting devices with data integration into billing systems (Billing, Vesta) and the "Techuchet" subsystem has been automated. 3. Reports have been implemented: on indications, requests, inspections and staff effectiveness.	Improving accounting accuracy, reducing data processing time, and reducing the impact of the human factor.



Draft project	Completed work	Expected effect
Corporate billing system	1. Integration of online payments with Kaspi Bank (sole proprietors) and Halyk Bank (individuals). 2. Automatic SMS-mailing about debt through a mobile operator. 3. Updating of charging algorithms (hot water, heat, tariff differentiation). 4. Optimisation of reporting and printing forms, automation of contracts and recovery of doubtful debts.	Increasing the speed of payments, improving customer service, compliance with legislation, and improving system performance.
THESIS document and task management system	1. The upgrade to the current version of the system has been completed. 2. Automation and improvement of personnel procedures. 3. Updating and development of information security processes. 4. Preparatory measures for the deployment of the mobile application have been completed. 5. Performance and administration activities have been carried out.	Reducing paperwork, reducing operational risks, and increasing access control.
Other initiatives	1. Optimisation of the Datamart showcase: a set of works has been completed to accelerate its operation, increase the reliability of data processing and improve integration with other information systems. 2. Upgrade of the 1C platform: all configurations of the 1C Billing block have been upgraded to the current version, which ensured the modernisation of business processes, increased productivity and closer integration with other corporate systems.	Acceleration of data processing, a single up-to-date technological core for integrations.

Process automation plans for 2025

Direction	Key events
THESIS document and task management system	• Output to mobile devices • Integration of EDS into the main business processes • Expansion of integration with 1C UPP – automated EDS of personnel management documents • Further automation of information security processes: flexible routing and accelerated processing of access requests
Billing	• Assessment and preparation of the implementation of the corporate billing system in subsidiaries • Transfer of the functionality of the 1C-Billing system from the energy retail to the energy transmission company with the refinement of key modules



Expected result:

1.

Improved accuracy of accounting and calculation data – reduced losses, increased revenue.
2.

Speeding up document flow – reducing the time needed to coordinate corporate decisions.
3.

Improving customer service through online payments and automatic notifications.
4.

Enhanced information security through enhanced control of rights and EDS.

The current results demonstrate progress in the company's digital transformation. The implementation of the 2025 plans will consolidate the achieved effect and lay the foundation for further growth in efficiency and quality of services.





WORKING WITH CONSUMERS

C CAEPCO JSC includes three energy supply organisations (ESO) in the Pavlodar, North Kazakhstan and Akmola regions of the country.

The main activity of the ESO is the reliable and uninterrupted supply of energy resources in volumes that meet the needs of consumers, as well as the correct and timely settlement of settlements with consumers for electric power and heat.

All energy supply organisations of subsidiaries of CAEPCO JSC are guaranteeing suppliers in the retail electricity market.

According to the accepted definitions, the guaranteeing supplier of electric energy is an energy supply organisation that provides energy to consumers in cases of termination of energy supply to consumers by all other energy supply organisations through no fault of the consumer.

The guaranteeing supplier is determined from among the energy supply organisations, which include the majority of household consumers in comparison with other energy supply organisations, in accordance with the area of responsibility.

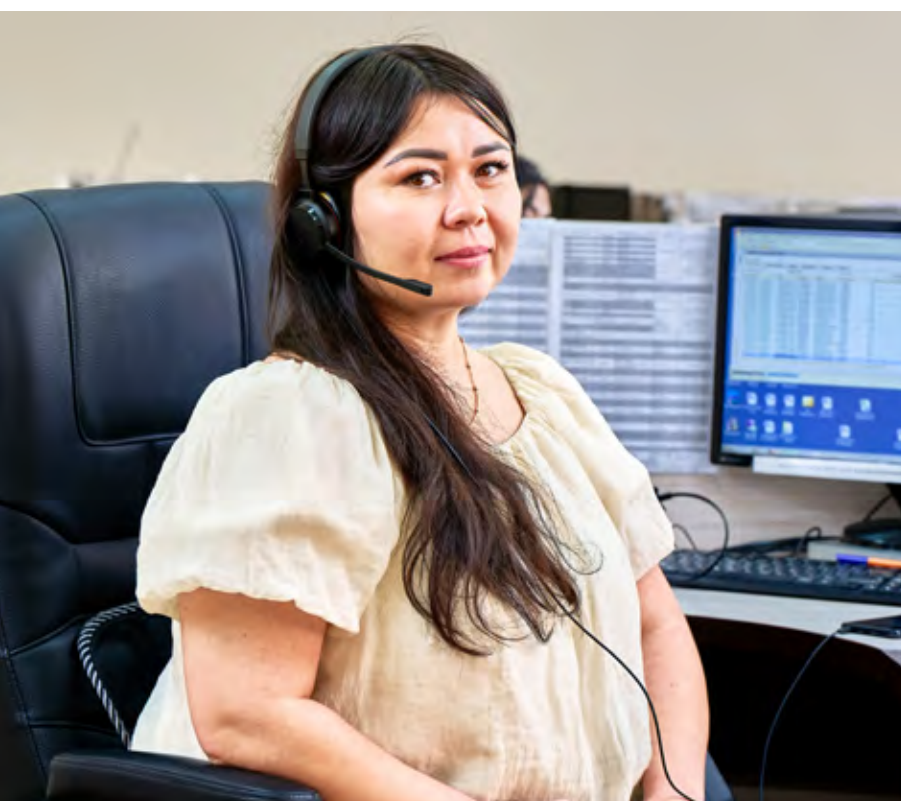
Analysis of the implementation of electric and heat power of ESO for 2024

Compared to 2023, the volume of sales of electric power in 2024 increased by 19%, the volume of sales of heat — by 3%.

ESO indicators	Volume	Amount
	thousand kWh	thousand tenge, VAT inclusive
Sale of electric power:	3,586,002	110,366,683
legal entities	2,204,403	80,231,761
individuals	1,381,599	30,134,923
Pavlodarenergosbyt LLP	1,502,145	46,001,288
legal entities	887,216	33,485,225
individuals	614,929	12,516,064
Sevkazenergosbyt LLP	1,148,823	30,927,895
legal entities	816,261	24,717,136
individuals	332,562	6,210,759
AEDC-Energosbyt LLP	935,034	33,437,500
legal entities	500,926	22,029,400
individuals	434,108	11,408,100

ESO indicators	Volume	Amount
	thousand Gcal	thousand tenge, VAT inclusive
Sale of heat:	4,091	30,749,077
legal entities	1,645	19,550,481
individuals	2 447	11,198,596
Pavlodarenergosbyt LLP	2,705	18,630,011
legal entities	1,126	11,665,591
individuals	1,579	6,964,420
Sevkazenergosbyt LLP	1,386	12,119,066
legal entities	519	7,884,890
individuals	868	4,234,176

ESO implementation in 2024, thousand tenge with VAT



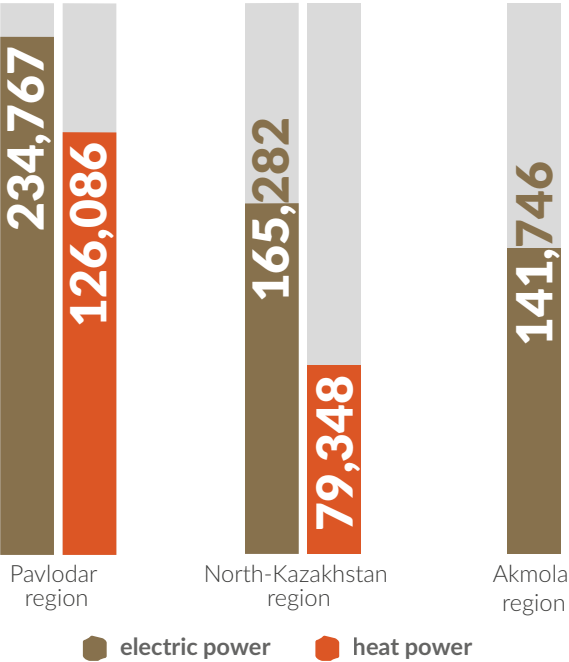
The number of consumers by region of energy supply organisations

The growth in the number of ESO consumers in 2024, compared with 2023, amounted to 2.9% for electric power and 1.6% for heat.

Region	The number of consumers as at 1 st January 2025					
	Electric power			Heat power		
	domestic consumers	non-domestic consumers	total	domestic consumers	non-domestic consumers	total
Pavlodar region	225,533	9,234	234,767	122,858	3,228	126,086
North-Kazakhstan region	158,553	6,729	165,282	76,792	2,556	79,348
Akmola region	134,729	7,017	141,746	-	-	-
Total	518,815	22,980	541,795	199,650	5,784	205,434



The number of consumers as at 1st January 2025



Organisation of customer service works

In 2024, all ESOs operating in the regions where CAEPCO JSC operates recorded a significant increase in electric power sales due to the massive shift of consumers from unregulated energy supply organisations starting on 1st April 2024.

The volume of consumption by the population in the general consumption structure takes over 50%.

Since the beginning of 2024, the average discharge tariff for the supply of electric power has increased by 15%, and the average discharge tariff for the supply of heat by 5%.

Name of energy sales organisation	Average discharge tariff for electric power supply, tenge/kWh net of VAT			Average discharge tariff for the supply of heat, tenge/Gcal net of VAT		
	as at 01.01.2024	as at 31.12.2024	Growth	as at 01.01.2024	as at 31.12.2024	Growth
Pavlodarenergosbyt LLP	23.10	29.04	26%	6,051.87	6,268.83	4%
Sevkazenergosbyt LLP	21.13	24.57	16%	7,393.19	7,821.51	6%
AEDC-Energosbyt LLP	29.952	31.141	4%	-	-	-

Implementation of projects
AEDC-Energosbyt LLP in 2024

Since September 2020, AEDC-Energosbyt LLP has been working on signing applications for acceptance with consumers of electric power. As of 1st September 2020, the number of consumers who signed acceptance statements was 13,386 (11%), including 1,835 legal entities (32.7%), individuals – 11,551 units (9.7 %). As of 1st January 2025, the total number of consumers who have signed acceptance statements is 130,975 (92.4%), including legal entities – 6,815 units (97%), individuals – 124,160 units (92.1 %). This event allows to increase the number of sent payment documents and SMS notifications.

To improve the security of the Consumer’s Personal Account, the stable version of PHP 8.3.4 is currently being used.

Implementation of projects
Pavlodarenergosbyt LLP in 2024

In October 2023, Pavlodarenergosbyt LLP introduced the Chatbot service for receiving readings in automatic mode based on WhatsApp and Telegram messengers. The robotic chat system allows you to cover the entire flow of incoming messages, and transfer the contact center staff involved in this process to work with clients via telephony, which significantly reduces the queue and waiting time for consumers. The growth dynamics of the readings adopted in 2024 shows that the chat system fully met expectations and found a response from consumers.

In December 2024, 1C Billing software was integrated with a mobile operator to notify consumers of existing arrears for energy consumed through mass text messaging. Due to the transfer of power supply functions to PEDC JSC from 1st January 2025, PEDC JSC is planning to put this project into commercial operation in 2025.



Implementation of Sevkazenergosbyt LLP projects in 2024

The contact center, established in 2013, allows to quickly service calls received on a multi-channel phone both automatically and by talking to an operator. On average, in 2024, on weekdays, the Contact Center staff handles about 1,295 calls, and the maximum number of received calls can reach 2,051 per day.

From January 2024 to December 2024, 1,541 household and 232 non-household consumers used the Personal Account service on the SEVKAZENERGO website.

The official website of SEVKAZENERGO has a «Feedback» section, through which 1,047 requests were received from consumers in 2024. Consumers are given the opportunity to send an appeal or request, thus, the consumer does not need to personally contact the Service centers.

In all ESOs, the Consumer's Personal Account service for household consumers is integrated with billing systems, which makes it possible to use the following functionality:

- Viewing the subscriber's card (information about the consumer, accruals, readings, payments)
- Entering readings of electric meters and hot water flow meters
- View and print the invoices
- Tariff calculator
- Payments via online banking
- Correspondence management (built-in correspondence management system with the service provider, allows to ask questions and receive answers)

In order to increase convenience for consumers, the possibility of remote payment for services through Kaspi.kz and Homebank (Halyk Bank of Kazakhstan JSC) mobile applications is provided. Additionally, payment is available through QIWI Kazakhstan, Astana-Plat (kassa24) payment systems, as well as through second-tier banks, ATMs and terminals.

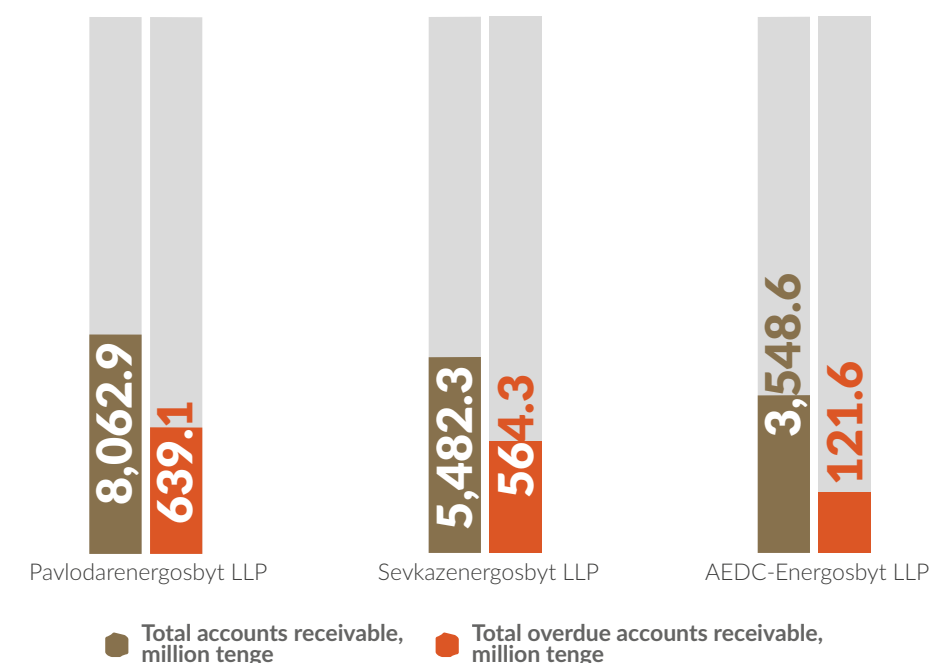
Analysis of accounts receivable

One of the main directions of ESO in working with consumers is accounts receivable management, which is aimed at reducing the amount of overdue accounts receivable.

The table shows the total and overdue accounts receivable as of 1st January 2025.

Name of energy sales organisation	Total accounts receivable, million tenge	Total overdue accounts receivable, million tenge	Share of overdue accounts receivable, %
Pavlodarenergosbyt LLP	8,062.9	639.1	8%
Sevkazenergosbyt LLP	5,482.3	564.3	10%
AEDC-Energosbyt LLP	3,548.6	121.6	3%

Accounts receivable of ESO as of 01.01.2025



Accounts receivable management

The issue of managing accounts receivable in energy supply organisations is the most acute.

To reduce the level of consumer debt, a general analysis of accounts receivable is carried out on an ongoing basis and a general idea is formed for all categories of consumers. The causes of the current situation are being investigated. In the analysis, accounts receivable are divided into general and overdue, broken down by periods of education.

Detailed analysis and control of accounts receivable is carried out by: consumer categories, regions, types of services, each consumer.

Next, a specific action plan is developed, which is taken under control (responsible, deadlines, results).

Interaction with consumers takes place through SMS notification, sending electronic messages, handing out warnings, notifications and other correct ways.

In order to provide early notification of household consumers about existing debt, the existing automatic call system has been expanded to all settlements in the service regions (communication has been switched to an intercity channel), and the option of addressing the amount of debt has been implemented.

It is also possible to automatically notify consumers, legal entities, of existing overdue debts via e-mail.

The main purpose of interacting with consumers who have debts is to encourage them to repay their payable amounts.





Plans for 2025

In accordance with the amendments made to the Law of the Republic of Kazakhstan dated 8 July 2024 No. 121-VII "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan on Heat and power engineering, Electric Power industry and regulated services", the functions of the ESO for electricity supply will be transferred to energy transmission organisations from 1 January 2025.

In accordance with the Law "On Heat Power" adopted in 2024, which provides for the obligation to transfer heat supply functions to energy transmission organisations, the ESOs of the Group are working together to transfer these functions to the organisations of heating networks. Completion of this process is planned before 30 June 2025.

PROCUREMENT ACTIVITIES

GRI 204-1

SDG



The volume of purchases of works and services by CAEPCO JSC in 2024 amounted to 75.5 billion tenge. The local purchase content was 99.9%.

The volume of purchases of inventory is 18.9 billion tenge.

Following the results of the reporting period, the following tasks were completed:

- The purchase report is integrated with the electronic trading platform. The report data is displayed in real time (Microsoft Power BI)
- The annual procurement plan was executed for 100%
- The number of procedures announced as of 31.12.2024 was 5,489
- The automation level has exceeded 90%
- The level of digitalisation of purchases was 90%

In addition, work is underway to reduce stocks and the volume of illiquids in warehouses. In 2024, illiquid assets worth 100.4 million tenge were sold by the CAEPCO Group of Companies.

Together with the Ministry of National Economy of the Republic of Kazakhstan, the Committee for Regulation of Natural Monopolies, NCE Atameken, the Kazakhstan Electric Power Association and other authorised bodies, work is underway on an ongoing basis to prepare proposals aimed at improving the Law of the Republic of Kazakhstan "On Natural Monopolies" and the rules to conduct activities by subjects of natural monopolies on issues related to procurement activities.

FINANCIAL AND ECONOMIC INDICATORS

GRI 201-1

SDG



Key financial and economic indicators

The consolidated financial statements of the CAEPCO JSC Group of Companies for 2024 have been prepared in full compliance with International Financial Reporting Standards (IFRS). The consolidated financial statements include the data of subsidiaries, starting from the moment of their incorporation into the Group.

The Group's accounting policy is uniform for all businesses and ensures comparability of financial data at all levels. The presented key financial and economic indicators not only reflect the current results of operational and financial activities, but also demonstrate progress in achieving the strategic goals that determine the sustainable development of the Group.

Key financial and economic indicators for 2022-2024, mln tenge

INDICATORS	2022	2023	2024
Income from core activities	148,382	191,553	291,720
Cost	-120,782	-159,228	-224,795
Gross profit	27,600	32,325	66,925
Profit from operating activities	15,153	17,310	50,264
Operating EBITDA	45,432	47,726	84,125
Operating EBITDA, margin in %	31 %	25%	29%
Total comprehensive income/(loss)	-37,330	37,077	-11,257
Assets	475,229	504,926	486,794
Liabilities	359,798	347,644	339,079
Equity	115,431	157,282	147,715



Income from sale of products/services

By the end of 2024, the Group's operating income amounted to **291,720 million tenge**, demonstrating an increase of **100,167 million tenge** or **52%** compared to 2023. The growth was driven by positive dynamics in key areas:

- Increase in income from electricity sales — by 81,321 million tenge
- Increase in income from the sale of heat power — by 10,133 million tenge
- Increase in income from electricity transmission — by 5,252 million tenge
- Increase in income from the electric power market — by 3,191 million tenge

The main factors influencing revenue growth in 2024 were:

- An increase in tariffs for the production, transmission and sale of electric and heat power, the key factor of which was the implementation of the state program "Tariff in exchange for Investments" aimed at the modernisation and renewal of energy equipment.
- An increase in the volume of electric power sales, primarily due to:
 1. The lack of elimination of intra-group turnover in terms of electricity volumes due to the introduction of the wholesale market mechanism and the introduction of the institution of a single buyer
 2. An increase in the supply of electricity from distribution companies, as a result of the transition of consumers from unregulated ESOs from April 2024

Cost of sales

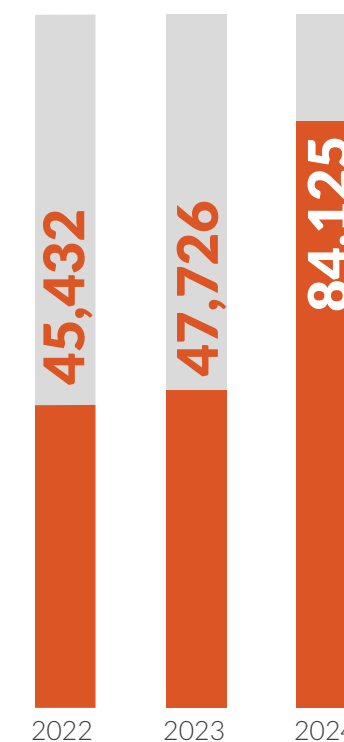
By the end of 2024, the cost of electric power and heat sold amounted to **224,795 million tenge**, with an increase of **65,567 million tenge** or **41%** compared to 2023.

The key cost growth factors were as follows:

- Higher fuel and transportation prices
- Increase in the volume and cost of repair work
- Indexation of salaries of production staff
- Increased costs of services accompanying the sale of electricity
- An increase in the cost of purchased electricity for subsequent sale or to cover regulatory losses, which is associated with:
 1. An increase in the market price of electricity
 2. The absence of elimination of intra-group turnover due to the introduction of the mechanism of the wholesale electricity market from 1st July 2023
 3. With an increase in the supply of electricity to distribution companies due to the transition of consumers from unregulated ESOs in April 2024.

Operating EBITDA for the year, million tenge

Operating EBITDA for the year, million tenge



The Group's operating EBITDA in 2024 amounted to **84,125 million tenge**, demonstrating an increase of **36,399 million tenge** or **76%** compared to 2023.

EBIDTA Dynamics

The operating EBITDA indicator has been selected as a key performance indicator in assessing the Group's production activities. This indicator reflects the profit from core operating activities, cleared of the impact of income and expenses not directly related to the production process. Thus, EBITDA allows an objective assessment of the Group's internal potential, the sustainability of its business model and operating profitability, regardless of the impact of tax policy, capital structure or depreciation costs.





Operating EBITDA by segment

The leading segments for the formation of operating EBITDA:

1. Production of electric and heat power

EBITDA amounted to **73,061 million tenge**, an increase of **30,427 million tenge**. The growth is primarily due to an increase in tariffs for the production of electric and heat power, including as part of the implementation of the state program "Tariff in exchange for Investment ". In addition, the indicator was influenced by an increase in income from participation in the capacity market, associated with an increase in the tariff for the service to maintain the availability of electric power.

2. Electric Power Transmission and Distribution

EBITDA amounted to **13,795 million tenge** with an increase of **5,558 million tenge**, due to an increase in tariffs under the state program "Tariff in exchange for Investments". The additional increase in EBITDA became a source of financing for the investment program.

3. Electric power and heat sale

EBITDA amounted to **2,148 million tenge** with an increase of **5,376 million tenge**, due to the following factors:

- Increase in tariffs for the sale of electric and heat power, including through compensation for losses incurred in previous periods
- An increase in electricity sales by **614.3 million kWh** due to the transition of consumers from unregulated ESOs from April 2024



Operating EBITDA by segment, million tenge

Indicators	Production of electric power and heat (including RES)	Electric power transmission and distribution	Heat transmission and distribution	Sale of electric power and heat	Other	Total
Income from core activities	154,825	53,664	13,394	128,456	376	291,720
Cost	-101,336	-41,939	-11,609	-122,011	-512	-224,795
Gross profit	53,489	11,725	1,785	6,445	-135	66,925
Expenses for the period	-7,476	-3,346	-736	-4,433	-870	-16,661
Profit from operating activities	46,013	8,379	1,049	2,012	-1,005	50,264
Depreciation	27,048	5,416	1,069	136	187	33,861
Operating EBITDA by segment	73,061	13,795	2,118	2,148	-818	84,125

Note: elimination of intra-group turnover is not included in the table.

Dynamics of comprehensive income/ (loss)

In 2024, the Group's operating profit amounted to **50,264 million tenge**, demonstrating an increase of **32,954 million tenge** compared to the prior year. The main factor of the positive dynamics was an increase in gross profit by **34,600 million tenge**, reflecting the effectiveness of the operating model in the face of tariff and market changes.

At that, according to the audit results, the Group's total loss for the year amounted to **11,257 million tenge**, due to a number of multidirectional factors, including:

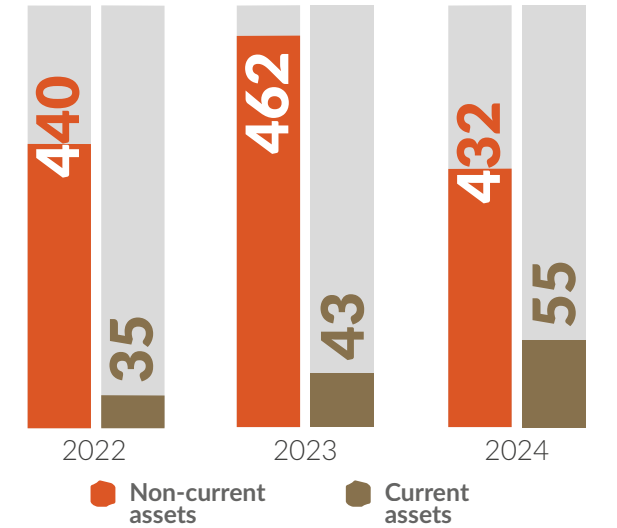
- Increase in operating profit by 32,954 million tenge
- Decrease in foreign exchange income (net) by 23,283 million tenge
- Increase in financial expenses (net) by 8,532 million tenge
- Growth of other income (net) by 9,716 million tenge
- Negative impact of revaluation and impairment of fixed assets by 61,045 million tenge

Thus, despite the cumulative loss, the increase in operating profit shows a tendency to recover, reflecting increased operational efficiency and balanced cost and asset management.

Assets, liabilities and equity

As of 31 December 2024, the Group's balance sheet currency was **486,794 million tenge**, which is **18,132 million tenge**, or 4% lower than the same indicator for 2023. The asset structure includes both current and long-term components. The largest share is occupied by long-term assets, the bulk of which are fixed assets. Their book value at the reporting date is **431,822 million tenge**, which corresponds to 89% of the total asset value. The volume of capital investments in fixed assets in 2024 amounted to **43,969 million tenge** (excluding VAT), reflecting the continued implementation of the Group's investment projects.

Assets, billion tenge

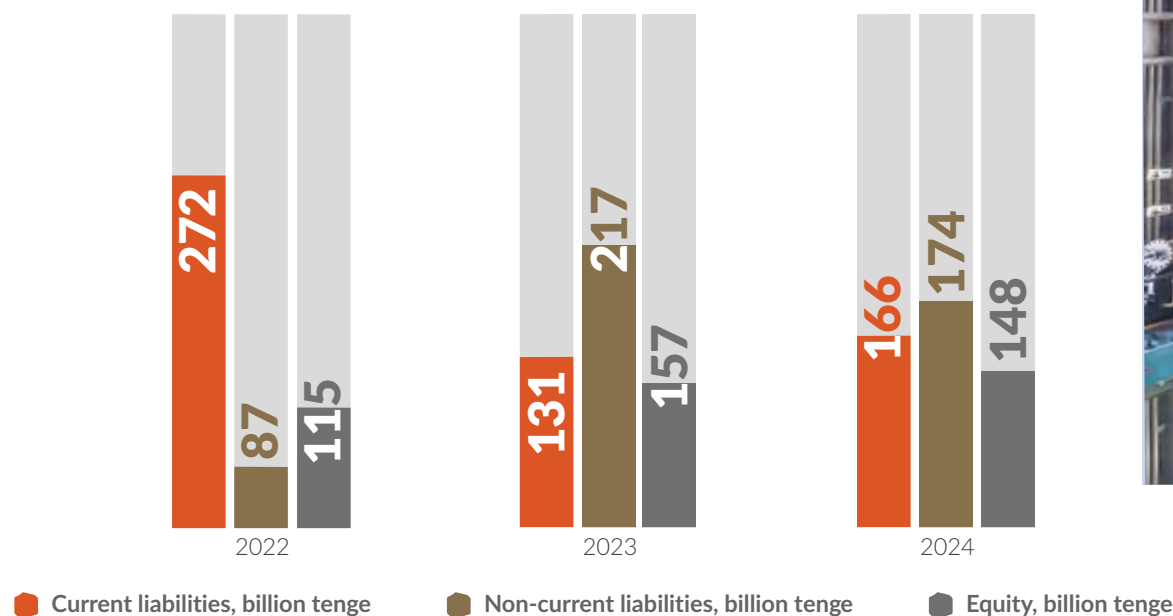




The declared authorised capital of the Group is 50 million ordinary shares. As at 31 December 2024, the value of fully paid ordinary shares amounted to **46,043 million tenge**.

The structure of obligations includes both long-term and current debt obligations, formed, among other things, to the following financial institutions: VTB Bank (PJSC), a subsidiary of VTB Bank (Kazakhstan) JSC, the European Bank for Reconstruction and Development (EBRD), the Clean Technologies Fund, Halyk Bank of Kazakhstan JSC. The borrowed funds were used to finance the investment program, including the reconstruction and modernisation of the Group's production facilities, the acquisition of shares in other companies, as well as the replenishment of working capital.

Financing structure



Cash flow

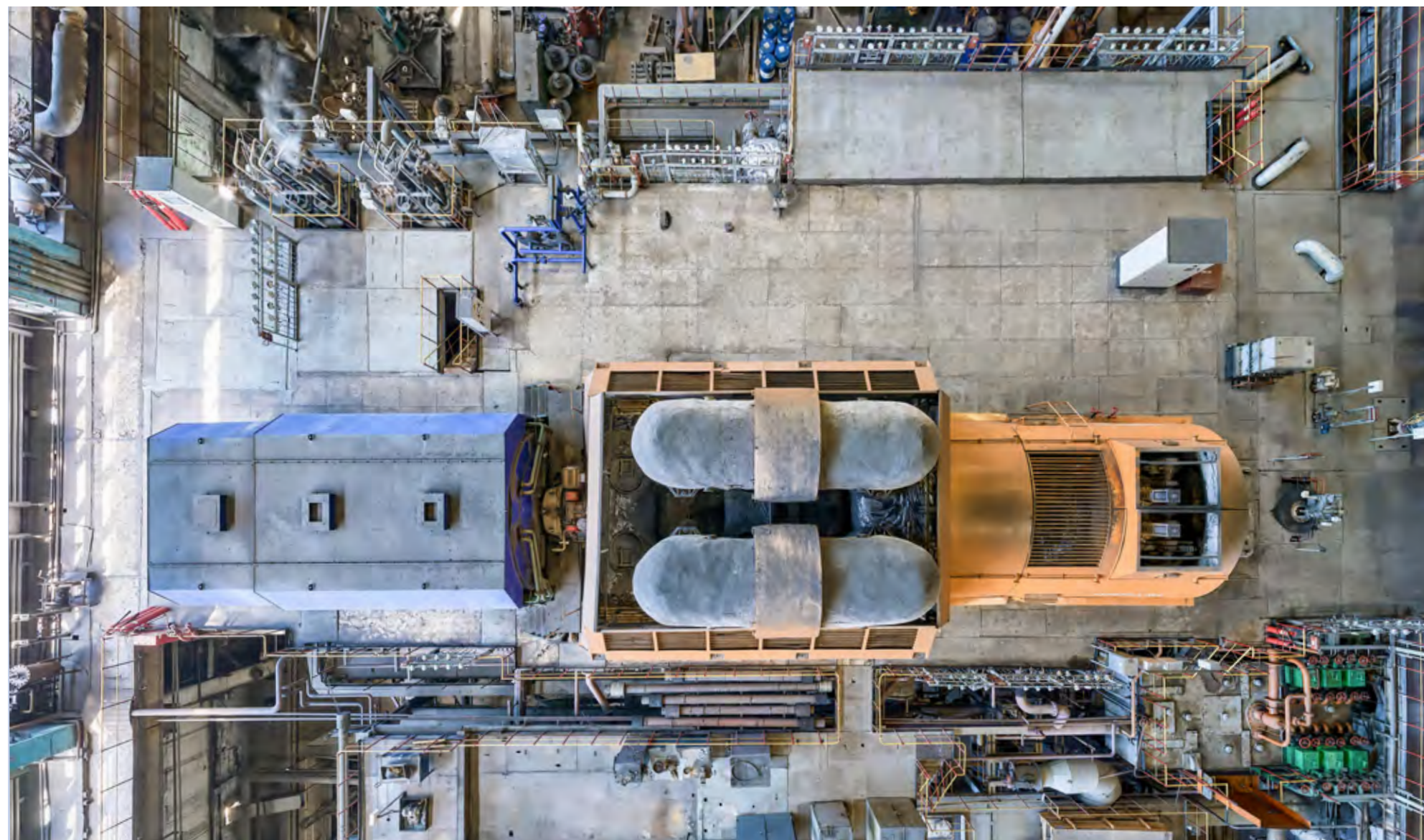
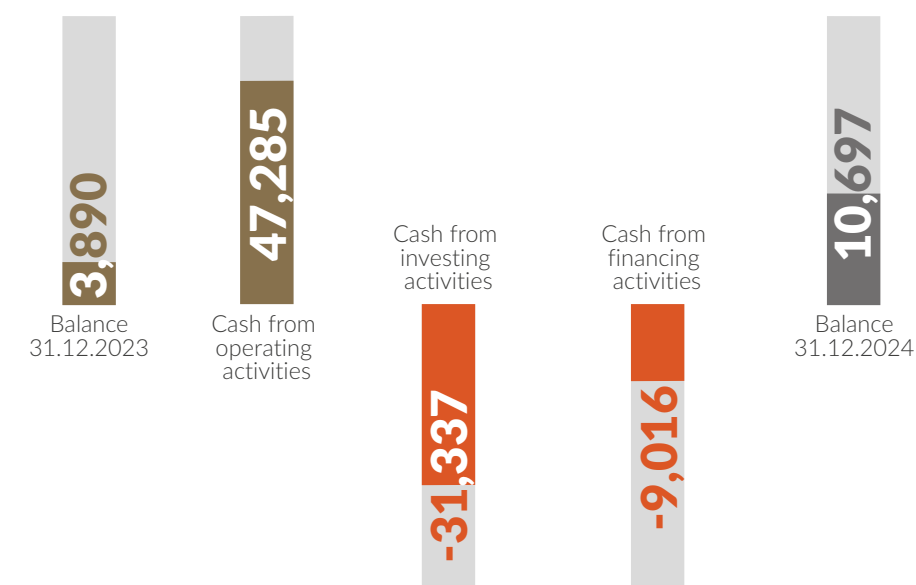
By the end of 2024, the net cash inflow from operating activities amounted to **47,285 million tenge**, which is **24,022 million tenge**, or **103%** higher than in 2023. The main growth factor was a significant increase in revenue due to higher tariffs for electric and heat power, including under the Tariff-for-Investment program. This increase in net cash inflows from operating activities fully ensures the fulfillment of credit and investment obligations.

The volume of net cash outflow from investing activities amounted to **31,337 million tenge**, which is **12,616 million tenge**, or **67%** more than in the prior year. The increase in outflow is due to an increase in the volume of fulfillment of investment obligations aimed at modernisation and renewal of production facilities.

In the area of **financial activity**, a net cash outflow of **9,016 million tenge** was recorded, which is **5,478 million tenge**, or **155%** higher than the level of 2023. The dynamics is explained by changes in the schedule for servicing obligations and attracting financing.

Against the background of the above changes, the cash balance at the end of 2024 amounted to **10,697 million tenge**, an increase of **6,807 million tenge** compared to the same indicator in 2023.

Cash flow, million tenge



WHEN I HAVE SPARE TIME
I LIKE TO READ
SCIENTIFIC
LITERATURE
ABOUT SPACE,
LISTEN TO MUSIC

I AM ALWAYS INTERESTED IN LEARNING
NEW THINGS
AND DEVELOPING,
ESPECIALLY IN NON-STANDARD AND
PROMISING
AREAS

THE BEST POWER ENGINEERS
WORK HERE



I STARTED MY CAREER AT THE
COMPANY AS A REMOTE CONTROL
OPERATOR

CURRENTLY, MY AREA OF
RESPONSIBILITY IS ENSURING
UNINTERRUPTED POWER
GENERATION, AS WELL AS
MONITORING AND COORDINATING
PROCESSES TO MAINTAIN EFFICIENT
AND SAFE OPERATION OF THE WIND
FARM

KONSTANTIN
KONYUSHKOV

Head of the wind power plant of the production division
of the Astana EXPO-2017 wind farm



The image shows a woman in a white hard hat and a blue and grey work uniform with a 'CAERCO' logo. She is holding a tablet and looking towards the camera. Behind her is a large digital display showing a table of data. The table has multiple columns and rows, with some cells highlighted in red and others in green. The text in the table is in Russian, including names like 'НС "Березка"', 'ТП-405/406', 'УН 3-12а', 'УН-610с', 'ТК-2-16', 'ЦТРП и ВХР', 'ТМ-5', 'НС "Заречный"', 'НС "Борки вверх"', 'НС "Борки низ"', 'НС "Динамо"', 'НС "Су 808 низ"', 'НС "Су 808 вверх"', 'НС "ПУСС"', 'ТП "Жабаева 123"', 'ТП "К.Супюшева 23"', 'НС "Дет. обл. бол."', 'НС "Орман"', 'НС "Солнечный"', 'ТП "Каманина 1а"', 'НС "К.Супюшева 65"', and 'НС "Вас-Маяковского"'. The table also contains numerical data and some cells are marked with blue arrows.



In 2025, it is planned to build and reconstruct main heat pipelines using pre-insulated pipes with a length of 0.7 km, including:

in Pavlodar – 0.2 km:

- Reconstruction of the TM-20 heating pipe with an increase in capacity to DN 1000 on the NO-52 - NP-6 section in Pavlodar - 0.2 km
- Reconstruction of central heat supply station 69 in Pavlodar
- Reconstruction of the power supply system of the central heat supply station and booster pumping plant in Pavlodar
- Purchase of special equipment for ongoing and major repairs (XCMG XMR 303 mini roller)

in Petropavlovsk – 0.5 km:

- Reconstruction of heating pipe No. 6 2Du400-2Du500mm on Ruzheynikov street from UN- 6-10-s to TK-6-14-s in Petropavlovsk
- Development of design and estimate documentation and conducting a comprehensive non-departmental examination of work projects:
- Reconstruction of heating pipe No. 9 2Du400mm from UN-9-01 to TK-9-08 in Petropavlovsk
- Construction of heating pipe No. 3 from TP-3-12a to TP-3-15s with an increase in diameter of 2Du800-700mm in Petropavlovsk
- Construction of heating pipe No. 8 2Du600mm from TK-8-09 to UN-8-19b in Petropavlovsk

In 2025, as part of EDC investment programs, it is EDC planned to perform:

- Construction, reconstruction and technical re-equipment of 0.4-10 kV electric networks of 163.9 km, including -100.6 km for AEDC JSC, and 63.4 km for PEDC JSC
- Construction and reconstruction of 35-110 kV overhead lines of 263.5 km, including 182.5 km for NK EDC JSC, 55.5 km for AEDC JSC construction, 25.5 km for PEDC JSC
- Reconstruction of 19 substations of 35 kV and more, including 4 substation for PEDC JSC, 13 substations for NK EDC JSC, 2 substations for AEDC JSC

SOUND DEVELOPMENT FORECASTS FOR THE NEXT THREE YEARS (2026-2029)

In 2026-2029, the following main activities are planned to be implemented at the CHPP within the framework of investment programs:

Pavlodar CHPP-3:

- Reconstruction of clarifiers No. 3
- Reconstruction of swirlers and drift eliminators of emulsifiers of boiler unit BKZ-420-140 of stations 1-6
- Reconstruction of the fuel oil industry
- Construction of boiler unit of station No. 7 at CHPP-3
- Building up the dams of the first launch complex of the 3rd stage of the ash dump
- Construction of the Severny central heat supply station from the central heat supply station networks towards direct consumers of CHP3-3 to reconnect consumers of the northern industrial district of Pavlodar according to an independent scheme

Pavlodar CHPP-2:

- Reconstruction of boiler at station 2
- Reconstruction of turbine unit at station 1
- Reconstruction of the heat output scheme
- Replacement of the main (3 units) boilers of boiler unit No. 6
- Construction of new reinforced concrete chimney flues
- Reconstruction of the common flue (in order to switch boilers to a new chimney and chimney No. 3)
- Construction of the enclosing dams of section 3 of the ash dump No. 2 (stage 3)
- Construction of ash dump No. 4
- Reconstruction of fuel supply
- Reconstruction of ORU-220 kV
- Major repairs of buildings and structures

Petropavlovsk CHPP-2:

- Replacement of turbine unit of station No. 1
- Replacement of turbine unit of station No. 2
- Construction of chimney No. 2 of CHPP-2 with main flues
- Reconstruction of pressure flues from boiler units No. 1-5 to chimney No. 2
- Reconstruction of the coal unloading complex
- Reconstruction of swirlers and drift eliminators of emulsifiers of boiler unit BKZ-160-100 of stations 1-5
- Reconstruction of 110 kV ORU
- Reclamation of the 2nd stage of the ash dump
- Construction of the 2nd start-up complex of the 3rd stage of ash dumps for CHPP-2
- Reconstruction of the dredging pumping plant





In 2026-2029, the following main activities are planned to be implemented on heating networks within the framework of investment programs:

Pavlodar Heating Networks LLP:

- Reconstruction of heating pipe TM-20 with an increase in capacity (up to Dn1000) on the NO-52 – NP-6 section in Pavlodar, 0.8 km
- Reconstruction of central heat supply station 69 in Pavlodar
- Reconstruction of the heating network from NO-21 to TsTP-58 in Pavlodar

Petropavlovsk Heat Networks LLP plans to reconstruct the main pipelines with a length of 4,2 km, including:

- Reconstruction of heating main No. 6 2Du400-2Du500mm on Ruzheynikov street from UN-6-10 to TK-6-14 - 0.5 km
- Reconstruction of heating main No. 7-18 2Du500mm along Almatinskaya street from TK-8-01 to TK-7-09A with a length of 0.5 km
- Reconstruction of heating pipe No. 9 2Du400mm from UN-9-01 to TK-9-08 with a length of 1.4 km
- Reconstruction of heating pipe No. 10 from UN-2-07 to UN-10-15 from Nazarbayev street along Gashek street in Petropavlovsk with a length of 1.8 km

In 2026-2029, the following main activities are planned to be implemented on electric power networks within the framework of investment programs:

Pavlodar Electricity Distribution Company:

- Construction and installation work on the reconstruction of 110 kV cells and the 220/110/10 kV Promyshlennaya substation
- Development of design estimates and reconstruction of 110/35/6 sq. Yuzhnyi Vodozabor substation in Pavlodar, 35/6 kV Beregovaya substation in Pavlodar, 110/35/10 kV Galkino substation in Shcherbaktinsky district, 110/35/10 kV Zhumusker substation in Mayskiy district.
- Installation of security and fire alarm systems in Pavlodar and Kachirsky distribution zones
- Installation of radio relay communication "Lebyazhensky distribution zone – Mayskiy distribution zone"
- Installation of radio relay communication "VPES - PS Maraldy - Shcherbaktinsky distribution zone"
- Installation of fiber-optic communication cable "Zapadnaya-Gorodskaya – Leninskaya substation – Potanino substation"
- Installation of the fiber-optic communication cable "Zapadnoye PES – Aksu ES"
- Installation of a fiber-optic communication cable "Maykain-64 – Bayanaulsky distribution zone"
- Construction, reconstruction and technical re-equipment of 0.4–10 kV electrical networks with a length of 255 km with the development of design and estimate documentation
- Reconstruction of buildings and structures in the amount of 119 units
- Construction of a medical facility with a garage – 6 units.
- Installation of a modular sanitary building – 6 units
- Purchase of technological equipment, special machines and other fixed assets

North-Kazakhstan Regional Electric Distribution Company JSC:

- Reconstruction of open distribution unit 35-110 kV at 110/35/10 kV substations in Petropavlovsk and the districts of the region
- Reconstruction of ZRU-10 kV at 110/10 kV substations No. 5 in Petropavlovsk, 110/35/10 kV Presnovka substation in Zhambyl district
- Reconstruction of 35/10 kV "Mekhkolonna-60" substation
- Replacement of 35 kV ORU units at substations in the region in the amount of 20 units
- Replacement of insulation on overhead line – 35 110 kV – 30,000 units
- Reconstruction of power equipment of 220/110/35/10 kV – 4 substations
- Reconstruction and technical re-equipment of 0.4 kV electric networks of 131.4 km
- Reconstruction of 10 kV overhead lines of 44.9 km
- Reconstruction of 10-0.4 kV cable lines in the amount of 47.4 km
- Reconstruction of equipment and buildings of TP 10/0.4 kV in Petropavlovsk – 16 units.
- Construction of the City Operational Dispatch Service (ODS) building
- Creation of an automated dispatch control structure with a SKADA system in the operational dispatch service in Petropavlovsk
- Implementation of energy saving and energy efficiency measures
- Purchase of fixed assets (special vehicles, electrical measuring devices)





Akmola Electricity Distribution Company:

- **Technical modernisation of 35 kV and above substation — 33 units (replacement of transformers, switches, etc.):**

Kurgaldzhino 110/35/10 kV substation
Yereimentau 110/35/6 kV substation
Internatsionalnaya 35/10 kV substation
Krasnyi Flag 35/10 kV substation
Zholymbet 220/110/35/6 kV substation
Rozhdestvenka 110/35/10 kV substation
Vozdvizhenka 110/35/10 kV substation
Turgai 110/35/10 kV substation
Yereimentau 110/35/6 kV substation
Pyatigorskaya 110/35/10 kV substation
Zholymbet 220/110/35/6 kV substation
Uryupinka 110/10 kV substation
Maksimovka 35/10 kV substation
Tselinnaya 220/110/35/6 kV substation
Krasnyi Yar 110/35/10 kV substation
Zhanteke 110/35/10 kV substation
Derzhavinka 110/35/10 kV substation
Romanovka 35/10 kV substation
Semenovka 35/10 kV substation
Yereimentau G-1 35/10 kV substation
Novomarkovka 110/35/10 kV substation
Frunze 110/10 kV substation
Mametova 35/10 kV substation
Zhangiz Kuduk 35/10 kV substation
Zhaksynskaya 35/10 kV substation
Volgodonovka 35/10 kV substation

- **Technical modernisation of overhead lines 35-110 kV and above with a length of 602.3 km (replacement of insulation, wires, lightning cables):**

110 kV overhead line Uryupinka - Zhuravlevka
35 kV overhead line Shcheptykul - Vishnevka with desoldering at PTF substation - 20.4 km (double-chain)
35 kV overhead line AGPP - Sergeyevka - 17.5 km
110 kV overhead line Turgai - Yereimentau
35 kV overhead line Petrovka - White Lake
110 kV overhead line Makinsk - Karamyshevka
110 kV overhead line AGPP - Novoselskaya
35 kV overhead line Petrovka - Prigorodnaya
35 kV overhead line Zhanteke - Ushakova
110 kV overhead line Tselinnaya - Dnepropetrovsk
35 kV overhead line Svobodnaya - Lyubimovskaya — 26.4 km
35 kV overhead line Zhuravlevka - Kyzylzharskaya

35 kV overhead line Leninskaya - Beloyarka
35 kV overhead line Tastak - Beloye Ozero
35 kV overhead line Karamyshevka - Otradnoye
35 kV overhead line Nikolskaya - Dzhabula
35 kV overhead line Beloye Ozero - Novokubanka - Rayevka
35 kV overhead line Novocherkasskaya - Krasnogvardeyskaya
35 kV overhead line AGPP - Sergeevka
35 kV overhead line Krasnoselskaya - Krasnaya Zarya

- **Construction of 35-110 kV and above overhead lines with a length of 403.9 km:**

110 kV overhead line Kankryinka - Shortandy (in 1C UPP)
110 kV overhead line Zholymbet - Shortandy)
110 kV overhead line Zholymbet - Kankryinka - double-chain (in 1C UPP 110 kV overhead line Zholymbet - Shortandy)
35 kV overhead line Vyacheslavka - SaryOba
35 kV overhead line Krasnyi Flag - Chelkarskaya
35 kV overhead line AGPP - Akimovskaya
35 kV overhead line Antonovka - Zarya
35 kV overhead line Zarya - Sofiyevka
35 kV overhead line Nikolskaya - Kapitonovka
35 kV overhead line Zholymbet - Yuzhnaya - Antonovka
110 kV overhead line Alekseevka - Nikolskaya
35 kV overhead line Novy Koluton - Beregovaya
35 kV overhead line Sofiyevka - Koyandy

- **Technical modernisation of 0.4-10 kV 392.2 km networks, installation of new EPTS in the amount of 170 units in the following localities:**

Tselinograd district - Opan, Zharlykol, Koyandy, Sarykol, Akkayin, Orazak, Manshuk Mametova, Zhanazhol, Zhangiz kuduk, Mortyk, Birlik, Otemis, Nura villages
Arshaly district - Akbulak village, Zhibek Zholy, Kostomar
Shortandinsky district - Novokubanka village, Nauchny settlement, Petrovka village
Zhaksynsky district Jaksy settlement
Enbekshildersky district - Sosnovka village
Astrakhan region - Zelenoye settlement, Petrovka, Pervomaika, Staryi Koluton, Zhanaturmys, Oksanovka
Atbasar district — Marinovka village, Atbasar
Akkol district — Akkol
Bulandynsky district - Makinsk
Zharkainsky district — Derzhavinsk

**ENDURO MOTOCROSS
IS MY
HOBBY**
OUTSIDE OF WORK

EVERY WEEK,
MY COLLEAGUE AND I
GO OUT FOR TRAINING

SPEED GIVES A SENSE OF
FREEDOM,
AND ADRENALINE
SPEEDS UP REACTION

THE BEST POWER ENGINEERS
WORK HERE



WE ARE RESPONSIBLE FOR THE
INTERACTION OF THE EXECUTIVE
BODY (MANAGEMENT BOARD)
WITH SHAREHOLDERS AND THE
BOARD OF DIRECTORS. THERE ARE
A LOT OF DETAILS,
ORGANISATIONAL ISSUES THAT
NEED TO BE KEPT IN MIND, THE
COST OF A MISTAKE IS TOO
EXPENSIVE

WE ARE THE FRONT WHOSE WORK
IS OVERLOOKED IF IT IS DONE
WELL

RUSTEM
ATRAUOV

Director of Corporate Development Department of CAEPCO JSC



CORPORATE GOVERNANCE

GRI 2-9 SDG



C

CAEPCO JSC follows high standards of corporate governance. The Company's activities are based on a balanced consideration of the interests of all parties, in particular, investors, shareholders, employees, and Company officials.

The Board of Directors of the Company determines strategic objectives, supports the necessary mechanisms for monitoring activities, including ongoing monitoring and evaluation of the enterprise's performance. The Board of Directors consists of independent directors who are not affiliated with the Company.

In order to improve business processes and improve the efficiency of decisions made, the Company has established internal control mechanisms.

Internal control is systematic for CAEPCO JSC, integrated into strategic and operational management at all levels, covering all departments and employees in the performance of their functions within any business processes.

The Audit Committee acting under the Board of Directors of the Company monitors decisions and processes taken to ensure the reliability of financial statements and coordinate internal control and risk management systems.

CAEPCO JSC is committed to the policy of information openness and transparency of its activities. The Company has provided an action plan for posting information about the Company's activities in open sources. Thus, shareholders can constantly monitor the events taking place in the Company.

The corporate governance system of the Corporation is based on the recognised basic principles of transparency, fairness, accountability and responsibility.

Understanding the importance of effective and responsible corporate governance, CAEPCO JSC consistently follows high standards based on international principles and best international practices. The Corporation strives for continuous improvement of the corporate governance system and builds its activities taking into account the interests of all parties, in particular investors, shareholders and employees.

GENERAL MEETING OF SHAREHOLDERS

The supreme governing body of the Corporation is the General Meeting of Shareholders. The main way for shareholders to exercise their rights recorded in the Corporation's Charter is to participate in the annual meeting of shareholders and in extraordinary meetings at the initiative of the Board of Directors or the executive body.

The shareholders of the Corporation are entitled to:

- Submit proposals to the agenda of the annual General Meeting
- Nominate candidates to the Board of Directors and Committees
- Convene meetings of the Board of Directors
- Other rights stipulated by the current legislation



RIGHTS OF SHAREHOLDERS

The corporate governance of CAEPCO JSC is based on the equal treatment of all shareholders, regardless of their share in the capital and location, and the possibility of effective protection of their rights. Minority shareholders have a set of rights and obligations defined by the Charter and the Corporate Governance Code of the Company.

PERFORMANCE OF THE GENERAL MEETING OF SHAREHOLDERS

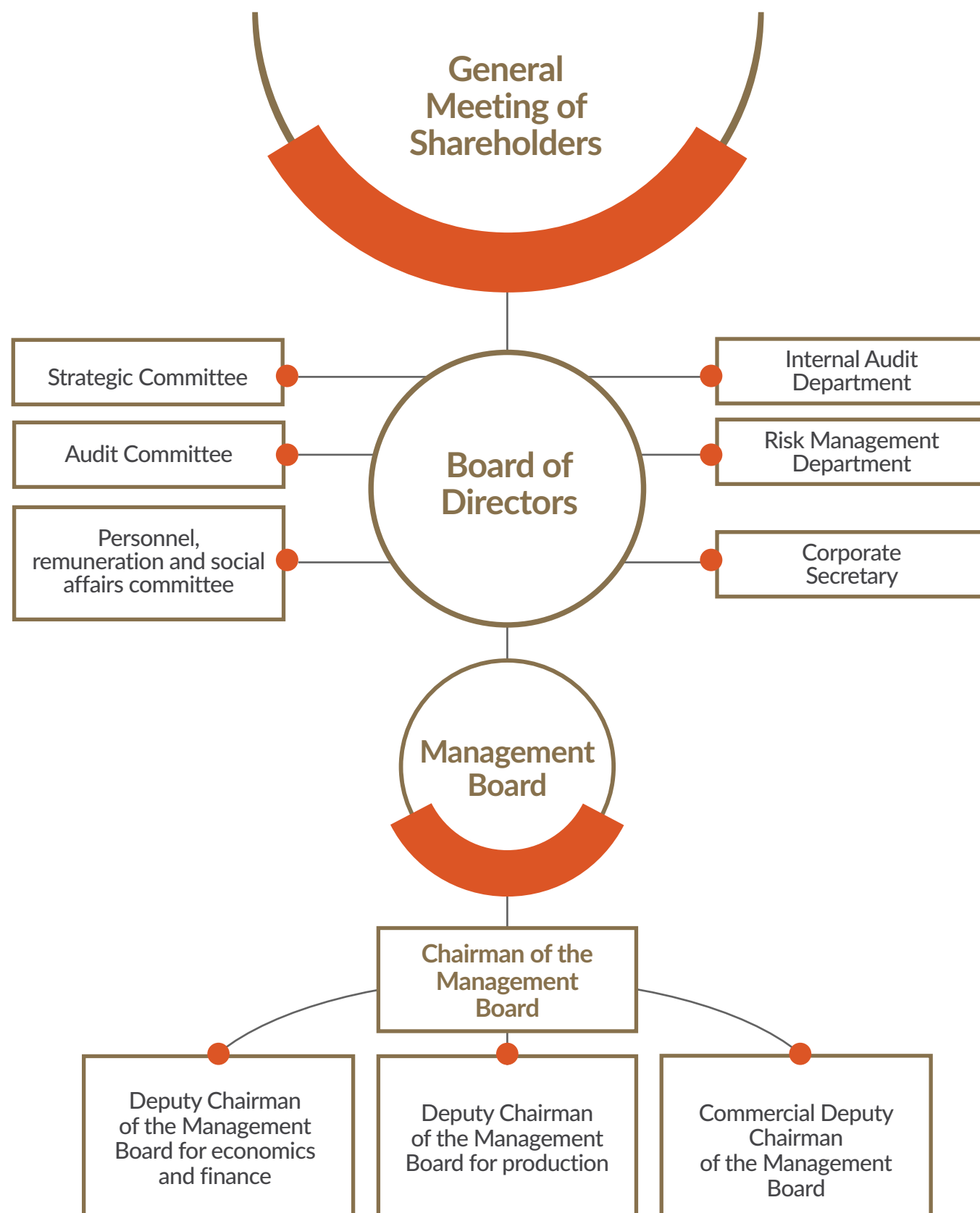
In 2024, one annual and five extraordinary General Meetings of Shareholders were held, where the following issues were reviewed:

- Approval of the financial statements of CAEPCO JSC
- Approval of the dividend policy of CAEPCO JSC
- Considering issues on appeals of shareholders to the actions of CAEPCO JSC
- Designating the audit firm for the audit of the financial statements of CAEPCO JSC
- Election of members of the Board of Directors of CAEPCO JSC
- Determination of the quantitative composition of the Board of Directors of CAEPCO JSC
- Determining the amount and conditions of remuneration payment to the members of the Board of Directors of CAEPCO JSC
- Making decisions on non-payment of dividends on ordinary shares of CAEPCO JSC for the 2023 financial year
- Other matters





ORGANISATIONAL STRUCTURE



SHARE CAPITAL STRUCTURE

A

As at 31 December 2024, share capital of CAEPCO JSC is 46,043,272 thousand tenge. Shareholders of CAEPCO JSC are represented by Alexander Klebanov (47.1%), Sergey Kan (47.1%), KIF ENERGY S.a.r.l. – 4.02%, Central Asian Power Energy Corporation JSC – 1.78%.





INFORMATION ON DIVIDENDS

GRI 2-19

The Corporation's policy regarding the accrual, the procedure for declaring, the amount, form and timing of payment of dividends is defined in the Corporation's Charter and the Regulations on the Dividend Policy of CAEPCO JSC.

The main principles of the Corporation's dividend policy are as follows:

- Strict observance of shareholders' rights provided for by the current legislation of the Republic of Kazakhstan, the Company's Charter and its internal regulatory documents, consideration of shareholders' interests and maximising their assets
- Balance of interests of the Corporation and its shareholders in determining the amount of dividend payments
- Increasing the investment attractiveness, financial stability, capitalisation and liquidity of the Corporation
- Ensuring market return on invested capital



The Corporation intends to allocate a certain portion of its net profit to pay dividends in the amount that allows the Corporation to keep enough funds for further development. The decision to pay dividends is made by the annual General Meeting of shareholders upon the recommendation of the Board of Directors. If there are unforeseen negative circumstances for the Corporation, the Board of Directors is obliged to recommend to the General Meeting of shareholders not to make a decision to pay (declare) dividends.

In 2025, the annual General Meeting of shareholders made a decision on the absence of payment of dividends to the shareholders of CAEPCO JSC for the 2024 financial year.

BOARD OF DIRECTORS

GRI 2-10, 2-11, 2-12 SDG



The Board of Directors of the Corporation determines strategic objectives, supports the necessary mechanisms for monitoring activities, including ongoing monitoring and evaluation of the Holding's performance.

The quarterly management report (QMR) of CAEPCO JSC is reviewed quarterly at the meeting of the Board of Directors, where detailed reports on production, financial and environmental indicators are heard.

In order to increase the transparency of the Corporation's activities, the Board of Directors comprises of three independent directors who are not affiliated with the Corporation. In order to increase the transparency of the Corporation's activities, the Board of Directors comprises of three independent directors who are not affiliated with the Corporation.

Independent members of the Board of Directors of CAEPCO JSC meet the following criteria:

- They are not affiliated with CAEPCO JSC and were not affiliated with CAEPCO JSC for three years prior to their election to the Board of Directors
- They are not subordinated to officials of CAEPCO JSC or entities of persons affiliated with CAEPCO JSC and were not subordinated to such persons for three years prior to their election to the Board of Directors
- They are not government employees
- They are not representatives of the shareholders at the meetings of the bodies of CAEPCO JSC and were not such representatives for three years prior to their election to the Board of Directors
- They do not participate in the audit of CAEPCO JSC as auditors working for an audit firm, and did not participate in such an audit for three years prior to their election to the Board of Directors

The Board of Directors is headed by the Chairman, who convenes meetings of the Board of Directors and prepares their agenda based on suggestions received from the members and committees of the Board of Directors and the executive body.

The activities of the Board of Directors are governed by the following principles:

- Peer-review decision making with thorough discussion of issues using reliable and complete information on the Corporation's activities in accordance with the highest business standards
- Inadmissibility of restrictions on the legitimate interests and rights of shareholders to participate in the management of the Corporation, receive dividends, reports and information on the Corporation

- Ensuring a balance of interests of shareholders of the Corporation and maximum objectivity of decisions made by the Board of Directors in the best interests of shareholders
- Providing the shareholders of the Corporation with reliable and timely information

Selection and appointment

The members of the Board of Directors of CAEPCO JSC are elected by the decision of the General Meeting of shareholders of the Corporation. According to the provisions of the Charter, the Board of Directors of CAEPCO JSC must consist of at least six persons, of which at least one third of the members of the Board of Directors must be represented by independent directors. Only an individual can be a member of the Board of Directors of CAEPCO JSC and be elected from among:

- Individual shareholders
- Persons proposed for election to the Board of Directors representing the interests of shareholders
- Individuals who are not shareholders of the company and have not been proposed for election to the Board of Directors representing the interests of shareholders

The Chairman of the Management Board of CAEPCO JSC may also be elected as a member of the Board of Directors, but may not be elected Chairman of the Board of Directors.

The Chairman of the Board of Directors of CAEPCO JSC is elected from among its members by a majority vote of the total number of members of the Board of Directors by open voting.

The term of office of the members of the Board of Directors is established by the General Meeting of shareholders of CAEPCO JSC. The term of office of the Board of Directors expires at the time of the General Meeting of shareholders, at which a new Board of Directors is elected. Persons elected to the Board of Directors may be re-elected an unlimited number of times.

Term of service on the Board of Directors of CAEPCO JSC (as of 31 December 2024):

- 10-16 years – 3 persons
- 2-7 years – 2 persons
- 1-3 years – 2 persons

The term of office of the elected members of the Board of Directors is 2 years (until 17 March 2026)





COMPOSITION OF THE BOARD OF DIRECTORS

GRI 2-11, 2-17



TAN LEVIN

Chairman of the Board of Directors,
Independent Director

Not affiliated with CAEPKO JSC and was
not affiliated with CAEPKO JSC three years prior
his election.

- **01.2015 – 12.2015** – Project Finance and Corporate Development Manager, SUNEDISON ENERGY HOLDINGS (SINGAPORE) PTE. LTD.
- **03.2016 – 03.2019** – Vice President of Infrastructure Investments at CAPITAL ADVISORS PARTNERS ASIA PTE. LTD.
- **03.2019 – 03.2023** – Director of Infrastructure Investments at CAPITAL ADVISORS PARTNERS ASIA PTE. LTD.
- **2023 – until now** – General Manager of Business Development in Asia and the Middle East at VOPAK ASIA PTE. LTD
- **In March 2024**, he was elected Chairman of the Board of Directors of CAEPKO JSC



ORAL BAGDAT

Member of the Board of Directors

- **03.2014 – 06.2014** – Head of the Prospective Development Department of Samruk-Green Energy LLP
- **06.2014 – 07.2018** – Director of CAPEC Green Energy LLP
- **07.2018 – 04.03.2021** – Deputy Chairman of the Management Board for Energy Sales and Tariff Policy of CAEPKO JSC
- **05.03.2021** – Chairman of the Management Board of CAEPKO JSC
- **17.03.2022** – re-elected a member of the Board of Directors of CAEPKO JSC



NIGAY ALEXANDER

Member of the Board of Directors

- **03.08.2015 – until now**, Director of strategic development for Kazakhstanskiye Trubnye Sistemy LLP
- **26.07.2016 – until now**, Director of strategic development for Mineral Product LLP
- **09.2020 – 30.06.2021** – Commercial Deputy Chairman of the Management Board of CAEPKO JSC
- **17.03.2022** – re-elected a member of the Board of Directors of CAEPKO JSC



KAISER FRANZ-JOSEPH

Member of the Board of Directors,
Independent Director

Not affiliated with CAEPKO JSC and was not affiliated with CAEPKO JSC three years prior his election:

- **17.11.1975 – 30.06.2009** – Partner of Price Water House Coopers (PWC)
- **2005 – 30.06.2009** – PWC Partner for RAO UES of Russia project
- **17.03.2024** – Re-elected member of the Board of Directors, Independent Director of CAEPKO JSC



TABANOV ELDAR

Member of the Board of Directors

- **04.01.2013** – a member of the Board of Directors, Independent Director of CAPEC JSC
- **01.01.2014 – 13.06.2017** – Member of the Board of Directors, Independent Director of JSC Severo-Kazakhstan Electric Grid Distribution Company
- **09.09.2015 – 16.11.2016** – Deputy Chairman of the Board of Astana SEC NC JSC
- **13.10.2016** – a member of the Board of Directors, Independent Director of Pavlodar Electricity Distribution Company JSC
- **29.09.2017** – Director of City Box LLP
- **15.01.2083** – a member of the Board of Directors, Independent Director of PAVLODARENERGO JSC
- **15.01.2018** – a member of the Board of Directors, Independent Director of Akmola Electricity Distribution Company JSC
- **15.01.2018** – a member of the Board of Directors, Independent Director of SEVKAZENERGO JSC
- **17.03.2022** – re-elected a member of the Board of Directors of CAEPKO JSC



KEHR MANFRED-JOSEPH

Member of the Board of Directors,
Independent Director

Not affiliated with CAEPKO JSC and was not affiliated with CAEPKO JSC three years prior his election:

- **2003–2009** – Vice President of RWE Power International
- **2008–2010** – Managing Director, Senior Advisor of RWE Power International
- **25.02.2011** – Chairman of the Board of Directors of Rhein Ruhr Power
- **25.10.2011** – a member of the Board of Directors, Independent Director of CAEPKO JSC
- **17.03.2024** – re-elected a member of the Board of Directors, Independent Director of CAEPKO JSC (member of the Board of Directors since 2011)



LASHKUL IGOR

Member of the Board of Directors

- **2015–2023** – Advisor to the General Director of Stepnogorsk Mining and Chemical Combine LLP
- **2016 – until now** – Director of Prime Business LLP



Activities of the Board of Directors

Meetings in presentia:

- 2022 – 9
- 2023 – 7
- 2024 – 8

Meetings in absentia:

- 2022 – 7
- 2023 – 8
- 2024 – 10

In 2024, the Board of Directors held 18 meetings. The Board of Directors focused on the following key issues:

- Review of monthly and quarterly management reports
- Approval of the Consolidated Development Plan of CAEPCO JSC for 2025-2029
- Approval of the annual consolidated financial statements of PAVLODARENERGO JSC, SEVKAZENERGO JSC and Akmola Electricity Distribution Company JSC
- Determining the order of distribution of net income of subsidiaries for 2023, as well as designating the audit firm for conducting an audit of the financial statements for 2024
- Preliminary approval of the annual consolidated financial statements of CAEPCO JSC for 2024
- Determining of the procedure for distributing the net income of CAEPCO JSC for the past fiscal year 2023 and the amount of dividends per common share of CAEPCO JSC
- Preliminary selection of an audit firm for the audit of CAEPCO's consolidated financial statements for 2024
- Review of reports on activities of the Internal Audit Department and the Risk Management Department of CAEPCO JSC
- Approval of a number of internal regulatory documents
- Other

In 2024, no activities of the Board of Directors were evaluated.

Information on major transactions

In 2024, major transactions were made, information about which is posted on the websites of the Financial Statements Depository and the Kazakhstan Stock Exchange.

05.04.2024

On approval of the conclusion of the Agreement on Amendments No. 2 to the Syndicated Loan Agreement as a major transaction in which the Company has an interest.



PERFORMANCE OF THE COMMITTEES OF THE BOARD OF DIRECTORS

GRI 2-11, 2-17

T

There are three committees under the Board of Directors of CAEPCO JSC.

Strategic Committee

The core functions of the Committee are as follows:

- Review and evaluation of the priority areas of activity of CAEPCO JSC, its development strategy
- Review and evaluation of the concepts, policies, programs, development plans of CAEPCO JSC and the results of their implementation
- Review and evaluation of financial and economic indicators of CAEPCO JSC activities
- Review and evaluation of CAEPCO JSC budget and the results of its implementation
- Bringing to the attention of the Board of Directors of CAEPCO JSC recommendations on any issues that, in the opinion of the Committee, require action on its part
- Assistance to the Board of Directors on improving the frameworks for planning and developing the Corporation's activities

Composition of the committee*

- **M. Kehr - Chairman**
- S. V. Kan
- B. E. Oral
- O. V. Perfilov
- A. D. Nigay

In 2024, there were no meetings of the Strategic Committee.

Audit Committee

The core functions of the Committee are as follows:

- Assisting the Board of Directors in the effective implementation of its regulatory and supervisory functions in terms of control over financial reporting and internal control, as well as control over availability and functioning of an adequate risk management system and internal control system in the company
- Improving and strengthening of internal audit, as well as risk management systems and internal control systems
- Bringing to the attention of the Board of Directors recommendations on any issues requiring action on its part

Composition of the committee*

- **F. Kaiser - Chairman**
- M. Kehr
- B. E. Oral
- A. D. Nigay
- Levin Tan

In 2024, seven Committee meetings were held. The Committee assists the Board of Directors in the effective implementation of its regulatory and supervisory functions, improvement and strengthening of internal audit, as well as risk management systems. The Committee considered issues related to the work of the external auditor Deloitte LLP, preliminary review of the annual consolidated financial statements of CAEPCO JSC for the year ended 31 December 2023, and the activities of the departments reporting to the Board of Directors – the Internal Audit Department and the Risk Management Department.

*RELEVANCE FOR DECEMBER 2024

Personnel, remuneration and social affairs committee

The core functions of the Committee are as follows:

- Development of a unified personnel policy for CAEPCO JSC and its subsidiaries, including issues of payment of additional remuneration, compensation and social benefits to employees
- Development of an effective corporate governance system and implementation of its principles

Composition of the committee*

- **L. Tan, Chairman**
- S. V. Li
- N. V. Konstantinova
- A. Zhumabekova

In 2024, two Committee meetings were held. The Committee assists the Board of Directors in building an effective corporate governance system, in particular, the report on personnel management indicators in CAEPCO JSC Group of Companies for 2023.





EXECUTIVE BODY

GRI 2-11, 2-17

The collegial executive body was established on 1 September 2020 from employees holding senior positions in the Corporation.



The collegial executive body is represented by the Management Board headed by the Chairman of the Management Board, which manages the current activities of the Corporation and implements the strategy determined by the Board of Directors and shareholders.

The Management Board is guided by the principles of action in the best interests of shareholders, integrity, diligence, prudence and vigilance.



ORAL
BAGDAT

Chairman of the Management Board of CAEPCO JSC

Education:

- **2009–2011**, Albert Ludwigs University of Freiburg, Master of Science (Renewable Energy Management)
- **2004–2008**, Almaty University of Energy and Communications, Bachelor of Heat Power Engineering (Heat Power Plants)

Professional experience:

- **March 2021** – until now, Chairman of the Management Board of CAEPCO JSC
- **July 2018** – March 2021, Deputy Chairman of the Board of CAEPCO JSC for Energy Sales and Tariff Policy
- **June 2014** – July 2018, Director of CAPEC Green Energy JSC



PERFILOV
OLEG

Deputy Chairman of the Management Board of CAEPCO JSC on production

Education::

- **1985–1992** – Pavlodar Industrial Institute, Automatic Control of Electric Power Systems, electrical engineer

Professional experience:

- **31 August 2023** – until now, Deputy Chairman of the Management Board of CAEPCO JSC for production
- **2022 – 31 August 2023** - General Director of SEVKAZENERGO JSC
- **2013–2022**, General Director, Acting Chairman of the Management Board, PAVLODARENERGO JSC
- **2009** – June 2013, Deputy Chairman of the Management Board for Production, SEVKAZENERGO JSC

In 2024, thirty-one meetings of the Management Board were held, at which a number of decisions were made on the Holding's operational activities, including an increase in wages to CAEPCO JSC.



LI
SERGEI

Deputy Chairman of the Management Board of CAEPCO JSC for economics and finance

Education:

- Swiss Business School, MBA
- Durham University, United Kingdom, Bachelor of Business Economics
- St. Andrew's College, United Kingdom, A-Level Program

Professional experience:

- **March 2021 – until now**, Deputy Chairman of the Management Board of CAEPCO JSC for economics and finance
- **January 2020 – March 2021**, Co-Managing Director for Economics and Finance of Samruk-Energy JSC
- **March 2016 – January 2020**, Director of the Treasury and Corporate Finance Department of Samruk-Energo JSC

REMUNERATION POLICY

GRI 2-11, 2-17

The General Meeting of CAEPCO JSC shareholders decides on the remuneration payable to the Board of Directors and the executive body.

In 2024, the amount of remuneration paid to the Board of Directors totalled 87.3 million tenge.

The system for determining the amount of remuneration to members of the Management Board meets the following requirements:

- Remuneration consists of constant and variable parts
- The variable part of remuneration depends on the key performance indicators of the member, is linked to the level of qualification and personal contribution to the performance of the Corporation for a certain period. the variable part is aimed at stimulating a member of the Management Board to achieve a high quality of work
- Social support, guarantees and compensation payments to a member of the Management Board are carried out in accordance with the legislation, internal documents of the Corporation and the labour agreement

In 2024, the amount of remuneration paid to the executive body totalled 54.5 million tenge.

COMPLIANCE WITH THE MAIN PRINCIPLES OF THE CORPORATE GOVERNANCE CODE IN 2024

GRI 403

SDG



In 2024, the corporate governance practice of the Corporation fully complied with the provisions of the Corporate Governance Code developed in accordance with the requirements of the legislation of the Republic of Kazakhstan On Joint-Stock Companies. The document takes into account the existing international experience in the area of corporate governance, and recommendations on the application of corporate governance principles by Kazakh joint-stock companies.



The principles of the Corporate Governance Code are aimed at developing and introducing norms and traditions of corporate behaviour that meet international standards and contribute to creating a positive image of the Corporation in the eyes of its shareholders, customers and employees into the daily practice of the Corporation's activities to achieve the fullest exercising of shareholders' rights and increase their awareness of the Corporation's activities, as well as to control and reduce risks, maintain sustainable growth of the Corporation's financial indicators and the successful implementation of its statutory activities.

The main principles of the Corporate Governance Code are as follows:

- Justice
- Accountability
- Responsibility
- Transparency
- Environmental protection and social responsibility
- Effectiveness
- Control



In 2024, all the fundamental principles of the Corporate Governance Code were respected.

CORPORATE ETHICS

GRI 2-22

SDG



T

The document combines the standards of international practice of regulating business relations in four areas:

- Business and professional ethics
- Organisational ethics
- Corporate governance
- Social responsibility of the Company

All employees of the Corporation adhere to the standards and provisions of the Code of Business Conduct promoting the achievement of the following operating results:

- Reducing the number of compromise decisions and promoting independent judgement
- Enhancing corporate culture as well as the overall image of the Corporation and its perception by public
- Improving the efficiency of the corporate governance, risk management and crisis management process
- Promoting efficient interaction with stakeholders
- Allowing to avoid litigations

Control over observance of business ethics in the Corporation is carried out by the management through organisation of activities in accordance with the prescribed ethical principles and norms. The established standards and regulations of the Code are shared by all employees of the Corporation.

CONFLICT OF INTERESTS

GRI 2-15

SDG



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The conflict of interests is regulated by the Code of Business Conduct (paragraph 11), which prescribes the responsibility of employees for abuse of official position, the activities of employees internally or outside the company.

Minimising Conflicts of Interest is one of the main principles regarding fraud and corruption in the Anti-Corruption and Fraud Policy. This principle declares that the Corporation reduces the conflict of interests on the basis of an effective distribution of powers and responsibilities through the development of a transparent organisational structure.

The activities of the members of the Board of Directors are regulated by the relevant Regulation. Avoidance of conflicts of interest among members of the Board of Directors is prescribed in the clause on the Rights and Obligations of members of the Board of Directors.

INFORMATION POLICY

GRI 2-16

SDG

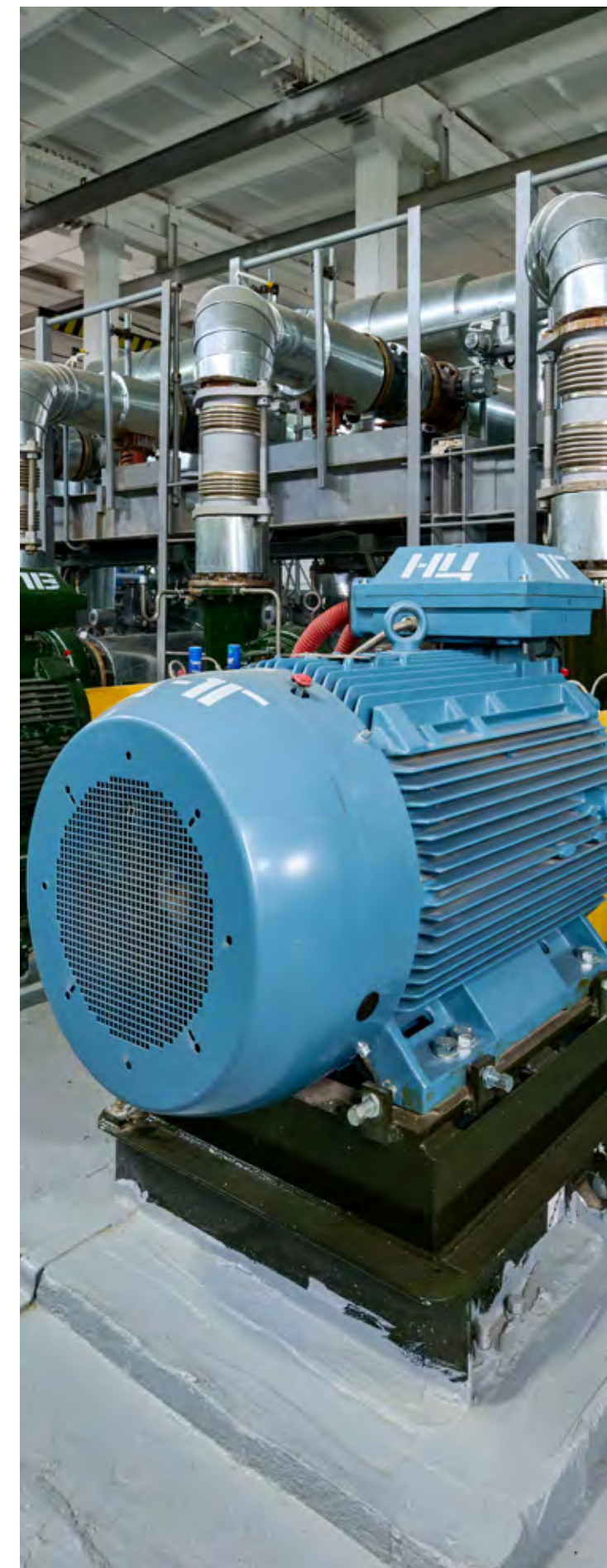


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The information policy of CAEPCO JSC is a set of actions, measures and regulations that allow to manage the process of distributing corporate information, the perception of a single vision of the Corporation among stakeholders.

The main objectives of information disclosure are as follows:

- Timely provision of information on all material issues related to the Corporation in order to comply with the legal rights of shareholders, investors, as well as other interested parties in providing information required for making an informed decision or performing other actions that may affect the financial and economic activities of the Corporation, as well as other information that contributes to the most complete understanding of the activities of the Corporation.
- Ensuring the availability of public information about the Corporation for all interested parties
- Increasing the level of openness and trust in relations between the Corporation and shareholders, potential investors, market participants, government agencies and other interested parties
- Improving the corporate governance of CAEPCO JSC
- Creating a positive image of the Corporation





INTERNAL CONTROL AND AUDIT

GRI 2-25, 2-26

In order to increase the efficiency of corporate governance, improve business processes and support achieving strategic goals, the CAEPCO Group of Companies has an internal control system in place. This system is integrated into the processes of strategic and operational management at all levels, covers all structural units and ensures that they perform their functions within the established internal control environment.

A functioning internal control system ensures sufficient confidence in the effectiveness of control in operational activities and compliance with laws and regulations.

The internal audit function in the Group of Companies is implemented by the Internal Audit Department of CAEPCO JSC, whose activities are based on the International Standards of Internal Audit (the IIA), the requirements of the legislation of the Republic of Kazakhstan, as well as internal regulatory documents.

The independence and objectivity of Internal Audit Department are ensured by its functional subordination and accountability to the Board of Directors of CAEPCO JSC. The Department's activities are supervised by the Audit Committee under the Board of Directors.

The Internal Audit Department operates on the basis of internal regulatory documents, including:

- Regulations on the Internal Audit Department
- Internal Audit Policy and Rules
- The rules of interaction within the Group of Companies in the field of internal audit.

The Internal Audit Department carries out its work in accordance with the annual work plan approved by the Board of Directors, submitting reports on the results of the department's activities to the Board of Directors.

Based on the results of the completed audit assignments, recommendations are formed aimed at improving risk management processes, increasing the effectiveness of internal control and strengthening corporate governance.

Additionally, on an ongoing basis, the following are carried out:

- Monitoring the implementation of the recommendations issued
- Consulting support
- Methodological work on internal control and audit issues.

The following tools are used in the Group of Companies to ensure an effective consultation and concern process:

- Call-center
- Hotline
- Voice mail
- Reception of written requests in the office
- Feedback window on the official website
- CEO blog
- Official Instagram account

The Group of Companies also uses an automatic information field monitoring system to ensure prompt consideration of requests from open sources.

Accepted requests are sent to the Public Relations Department, where they are distributed among the process holders to prepare responses. In the case when the answer is obvious and does not require additional study, it is given immediately. Requests requiring information collection are processed as soon as possible. The process of processing requests is a priority in the activities of all departments.

EXTERNAL AUDIT

The appointment of the Group's Auditor is confirmed annually by the Audit Committee. Regular rotation of the Auditor is not required.

The provision of non-audit services is possible if it does not affect the independence of the Auditor. All services of this nature must be approved by the Audit Committee in advance.

The share of the Auditor's remuneration for non-audit services in 2024 amounted to 3 million tenge excluding VAT.

Deloitte LLP is the audit firm that conducts an external audit of the financial statements of CAEPCO JSC group.

DEDUCTIONS TO THE BUDGET

GRI 2-25, 2-26

During 2024, the Group's enterprises transferred 17.6 million tenge to the budget of the Republic of Kazakhstan in the form of fines for violations of environmental legislation, the requirements of the Rules for the Technical Operation of Electric Power Plants and Networks, the norms of traffic legislation (requirements for the production of work on roads, maintenance of roads, railway crossings and other road structures), legislation in the field of natural monopolies, norms of legislation on the electric power industry.





I DO
PROGRAMMING AND
3D GRAPHICS

THESE HOBBIES
ALLOW ME TO DEVELOP
LOGICAL THINKING,
CREATIVITY
AND DIGITAL
SKILLS

THE BEST POWER ENGINEERS
WORK HERE



MY RESPONSIBILITIES INCLUDE
PERFORMING WELDING WORK
DURING THE REPAIR OF HEATING
NETWORKS, AS WELL AS
MANUFACTURING METAL
STRUCTURES AND PRODUCTS FOR
PIPELINES FOR VARIOUS PURPOSES

YURIY
TIMOFEEV

Electric welder of the 6th category
of Pavlodar Heating Networks LLP



RISK MANAGEMENT

GRI 2-25

CORPORATE RISK MANAGEMENT SYSTEM

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The CAEPCO JSC Group of Companies (hereinafter referred to as the Group of Companies) operates a corporate risk management system.

Regulation of the risk management system in the Group of Companies

INTERNATIONAL

COSO - Committee of Sponsoring Organisations of the Treadway Commission:

- COSO: Organisation risk management. Integration with strategy and performance
- COSO: Development of key risk indicators to improve the risk management system;
- COSO: Understanding risk appetite.

ISO is an international organisation for Standardisation, including:

- ISO 31000-2018 Risk Management. Principles and guidelines

CORPORATE

- Risk management policies in the Group of companies
- Methodology of the risk management system organisation in the Group of Companies
- Methodology for determining and monitoring risk appetite in a Group of Companies
- Regulations on the interaction of risk management units in the Group of Companies

The Risk Management Policy approved by the Board of Directors of CAEPCO JSC and implemented by the Group of Companies determines the Group's attitude to risks, establishes the general principles of building and operating a risk management system, its goals and objectives, and basic approaches to the organisation, implementation, and control of risk management processes.

Principles of development and functioning of the risk management system



CREATING AND PROTECTING BUSINESS VALUE

Risk management contributes to achieving set goals and improving performance, including in terms of human health and safety, environmental protection, business continuity, compliance with regulatory requirements, quality of services provided, project management, operational efficiency, Group management and reputation.

INTEGRATION

Risk management is an integral component of all processes, including strategic planning, project and change management, and business continuity management, which helps the management of a group of companies to make informed choices, prioritise actions, and distinguish between alternative courses of action.



USING THE BEST AVAILABLE INFORMATION

The input data for the risk management process is based on sources of information such as historical data, experience, feedback from stakeholders, observations, forecasts, expert assessments. This takes into account possible limitations/errors in the data used or the results of modeling / forecasting, as well as differences of opinion among experts.

PRIORITY

The Group of Companies takes the necessary measures, first of all, in relation to the risks critical for its activities.



INTERACTION AND COORDINATION

Risk management corresponds to the current external and internal environment in which the Group of Companies strives to achieve its goals.

ENGAGEMENT

The appropriate and timely involvement of stakeholders and, in particular, decision makers at all levels of the Group of Companies ensures that risk management remains relevant and meets modern requirements. This allows stakeholders to be properly represented and to be sure that their opinions are taken into account in the process of setting risk criteria.



ADAPTABILITY

Risk management responds to ongoing changes. In response to external and internal events, changes in the corporate environment and knowledge are monitored and reviewed, new risks appear, some risks change, others disappear, new approaches and methods are being developed and implemented in order to continuously improve the risk management system in the Group of Companies.

RESPONSIBILITY AND FUNCTIONALITY

Management assumes the authority and obligations to ensure access to the necessary resources to assist those accountable and responsible for risk management; contributes to improving the risk culture in the Group of Companies. The Board of Directors plays the role of a supervisory authority, determining whether the necessary risk management processes exist and whether these processes are adequate and effective.





The main objectives of the group of companies in the area of risk management are represented by timely identification, assessment and reduction of the negative impact of risks that pose a threat to the effective implementation of economic activities and the reputation of the Group, health of employees, the environment, the property interests of shareholders and investors, as well as the implementation of favourable opportunities to ensure sustainable continuous operation and development, reasonable confidence in achieving the strategic and operational goals set for the Group of Companies.



The main stages of the risk management process

STAGE 1. IDENTIFICATION OF RISKS

The process of identifying risks and including them in the corporate Risk Register for further assessment and management. Assigning of risk owners.

STAGE 2. RISK ANALYSIS AND ASSESSMENT

The process of determining the significance of the risk impact on the Group of Companies production, financial and economic indicators.

STAGE 3. RISK MANAGEMENT

The process of identifying, evaluating and selecting the most effective method of achieving the set goals by maximising positive and minimising negative events affecting the Group of Companies activities.

STAGE 4. RISK MONITORING

The process aimed at monitoring the Risk Management Action Plan (regularity, timeliness and quality of execution of measures).



KEY PARTICIPANTS IN THE RISK MANAGEMENT SYSTEM

Allocation of responsibility between the participants of the RMS and the nature of their interaction is regulated by internal regulatory documents approved by the Board of Directors of the Company.

BOARD OF DIRECTORS

- Defining a strategy for the development of RMS and ICS
- Goal-setting, approval of principles and approaches to RMS organisation
- Making decisions on critical risk management
- Approval:
 - Acceptable risk level for shareholders (risk appetite, risk tolerance levels)
 - Risk management performance indicators
- Review and approval of risk management reports
- Approval of the Risk Management Policy and other internal documents on RMS and ICS
- Implementation of general supervision of RMS and ICS through the Audit Committee

Management Board

- Ensuring functioning of RMS, including:
 - Adoption and approval of the necessary decisions on RMS functioning
 - Resolution of cross-functional risk management tasks (performed by several structural divisions)
- Assigning of risk owners

Risk owners

- Timely identification and assessment of risks
- Making proposals on risk management methods
- Timely development and organisation of implementation of risk management measures
- Risk monitoring

Performers of control procedures and risk management measures

- Assistance to the risk owner in the development of risk management measures
- Execution of control procedures for timely mitigation of risks
- Timely and full implementation of risk management measures

Information/Reporting in long-term power market under RMS

Audit Committee

- Preliminary review and approval:
 - Internal audit reports on RMS and ICS efficiency
 - Acceptable level of risk (risk appetite, risk tolerance levels)
 - Risk management reports
 - Internal RMS and ICS documents
- Timely informing of the Board of Directors about risks and preparing proposals for improving RMS and ICS

Risk Management Department

functional subordination to the Audit Committee

- Coordination of actions of all RMS and ICS participants
- Coordination and methodological support of risk management processes
- Critical risk analysis and aggregation of information about key risks
- Organisation of the risk identification and assessment process (development/updating of the Corporate Risk Register and the Critical Risk Register)
- Collection and analysis of information on implementation of RMS measures
- Monitoring and analysis of Key Risk Indicators
- Providing all stakeholders (Executive Body, Audit Committee, Board of Directors) with information about risks

Internal Audit Department

functional subordination to the Audit Committee

- Independent evaluation of the efficiency and monitoring of the current condition of RMS and ICS.
- Recommendations for improving RMS and ICS efficiency improvement.
- Informing the Executive Body, Audit Committee, and the Board of Directors about the status of RMS and ICS based on the results of the conducted audits

The Group of Companies strives to meet the standards and best risk management practices, increases the risk management culture and continuously improves risk management processes.

RISK-APPETITE

Risk appetite is the maximum acceptable level of risk that the Group of Companies considers acceptable to itself and strives to maintain in the process of achieving its goals.

In 2022, the Board of Directors approved an updated Methodology for determining and monitoring risk appetite in the Group of Companies, aimed at integrating risk management with the strategic management of the Group of Companies.

According to the Methodology for determining and monitoring risk appetite in a Group of Companies, risk appetite is decomposed into the level of tactical and operational goals by establishing acceptable deviations from performance targets due to the implementation of risks (risk tolerance).

RISK-APPETITE

It is an additional management tool in the Group of Companies, which defines the framework for conducting operational, financial and investment activities at an acceptable level of risk, compliance with which provides a reasonable guarantee of confidence in achieving the strategic goals of the Group of Companies.



THE PROCESS OF DETERMINING, MANAGING AND MONITORING RISK APPETITE

The updated Statement on the risk appetite of the Group of Companies was approved by the decision of the Board of Directors of CAEPCO JSC (Minutes No. 3 dated 13.02.2024). The approach to the Risk Appetite Statement is based on the close integration of risk management with strategic management.



Stage 1

Definition/revision
Determination of risk appetite, approval by the Board of Directors

Stage 2

Formalisation and communication
Formalisation of risk appetite, notification of employees about risk appetite

Stage 3

Monitoring
Monitoring of risk appetite, monitoring of compliance of risk appetite with current business conditions

Risk group and risk appetite targets

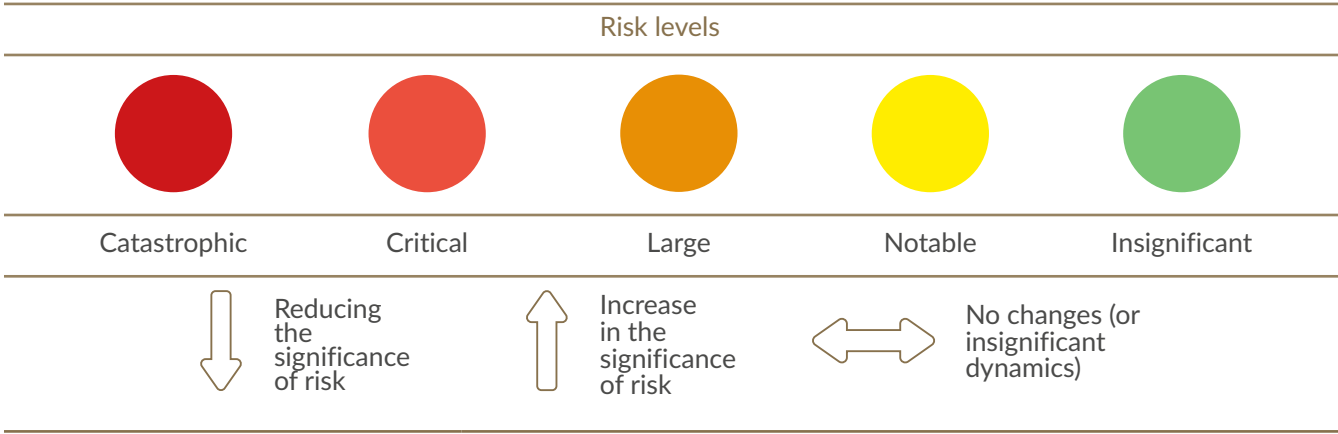
Selected excerpts from the Statement on the Risk Appetite of the Group of Companies

Risk groups	Risk appetite targets
Human resources risks	The Group strives to ensure that staff turnover levels do not exceed the established limit
	The Group strives to ensure that the full-time number of staff is not lower than the established limit
	The Group considers it unacceptable that the actual average salary of its employees deviates from the average salary level by type of economic activity in the region where the subsidiary operates to a lesser extent and seeks to eliminate them by increasing wages.
	The Group considers unacceptable the absence of candidates from the personnel reserve to fill vacant positions of senior staff.
Commercial risks	The Group has zero tolerance for losses resulting from excessive losses in the transportation of thermal energy, and strives to ensure the implementation of a comprehensive set of organisational and technical measures aimed at reducing (eliminating) them
Technological risks	The Group has zero tolerance for the risks of equipment failure, strives to reduce equipment failures due to poor-quality and/or incomplete repair and/or investment programs, and irrational use of resources (within the framework of current tariff financing).
	The Group considers it unacceptable to violate the deadlines (schedules) for the implementation of maintenance and repairs of equipment/buildings/facilities, and other measures aimed at preparing for trouble-free passage in the autumn-winter period.
Project risks	The Group considers it unacceptable to violate the deadlines (schedules) for the implementation of investment programs aimed at timely replacement of retired generation facilities, energy transmission and distribution facilities, and main production buildings and structures.
	The Group has zero tolerance and considers it unacceptable to implement investment projects without a comprehensive risk assessment and project approval procedures in accordance with the requirements of corporate documents.
Professional risks	The Group understands its responsibility to ensure trouble-free production, safe working conditions and has zero tolerance for risks that may lead to occupational injuries to the Group's employees, contractors, visitors and other third parties.
	The Group strives to provide financing for occupational safety and health measures and to improve the working conditions of employees at the appropriate level (to the extent and in accordance with the requirements of the National Legislation of the Republic of Kazakhstan and the Group's internal regulatory documents). Sequestration of budgets, reduction of expenditures on OHS activities, and spending of funds from the OHS fund for other purposes are unacceptable.

Risk groups	Risk appetite targets
Credit risks and financial stability	The Group of Companies declares its readiness to take a low risk in achieving its strategic goals, expressed in a decrease in revenue, measured in a downward deviation of EBITDA from the business plan.
	The Group assumes risks when carrying out its operational and investment activities, as well as when carrying out other types of activities that will not lead to a violation of the covenants established by credit agreements with financial institutions.
	The Group has zero tolerance for risks that may lead to an increase in overdue accounts receivable in the retail market of electric and thermal energy. The indicator of control over the size and growth of overdue accounts receivable is reflected in the motivation system of the first managers of subsidiaries and cascaded to the level of heads of departments.
Reputational risks	The Group recognises that reputation is important and therefore, in its activities, refuses any risks that endanger its reputation and may lead to a loss of trust from key stakeholders.
Accounting risks	The Group has zero tolerance for misrepresentation (non-reflection) of the facts of business transactions in accounting and (or) financial statements.
Tax risks	The Group has zero tolerance for tax risks and does not allow for possible consequences that may manifest themselves in the form of financial losses or other negative consequences.
Information security risks and IT risks	The Group has a low risk appetite (preference is given to reducing risk) in relation to information security/ cyber risks, and strives to ensure the availability of services, to prevent violations of the integrity of information resources, software and equipment, as well as unauthorised disclosure of confidential information.
Environmental risks	The Group has zero tolerance for risks that may have a significant negative impact on the environment and lead to exceeding the limits and requirements established by the environmental legislation of the Republic of Kazakhstan. To prevent possible negative impacts, the Group undertakes obligations and takes all necessary measures to ensure environmental protection, conservation and restoration of natural resources.
Legal and compliance risks	The Group adheres to the principle of non-acceptance of corruption in any form and manifestations in the conduct of its operational and investment activities, as well as in the conduct of other types of activities
	The Group adheres to a high level of compliance with laws and regulations, as well as a high level of corporate governance. The Group has a low risk appetite (preference is given to reducing risk) for any violations of the laws and regulations of the Republic of Kazakhstan.
	The Group considers any manifestations of corporate fraud, dishonest behavior, and bribery in any form and manifestations unacceptable, regardless of the amount of damage caused to it, and takes active measures to counter fraud in its activities.

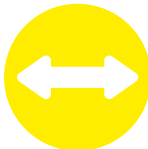


ANALYSIS OF KEY RISKS THAT HAVE A SIGNIFICANT
IMPACT ON THE ACTIVITIES AND RESPONSE MEASURES

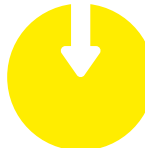


The name of the key risk and the dynamics of the significance of the risk for 2024	Risk description and key risk factors	Risk management approach
Area: strategic risks		Area: strategic risks
Untimely replacement of equipment, buildings and structures that are retired by their service life	The urgency and materiality of the risk is due to the high actual level of physical and moral deterioration of the main and auxiliary equipment, buildings and structures of the generating enterprises of the Group of Companies (CHP), as well as (to a large extent) the production assets of the electric and heat networks of the Group of Companies, which can result in emergency shutdowns, as a result - to a reduction in output (supply)/ transmission of electric power, and/or the inability to provide consumers with sufficient heat power and adequate quality. KEY RISK FACTORS Unsatisfactory (extremely low) growth rates of reconstructions, upgrades, and new construction of equipment, buildings, and structures over a long period of time, due to: - The adoption by authorised state bodies in the field of tariff formation (the Ministry of Energy, the Ministry of National Economy) of unfavorable tariff decisions regarding the production, transmission and distribution of electric and thermal energy due to the long-standing tacit policy of artificial tariff containment. - An inefficient model of investment financing of energy enterprises in the Republic of Kazakhstan for at least 10 years (as a result, the low investment attractiveness of the industry); - Limited own financial resources (especially for enterprises involved in the operation and maintenance of electrical and thermal networks) to ensure investments in infrastructure; - The inability to attract significant credit resources within the framework of the industry structure and tariff regulation model that has existed for a long time, especially for the production of thermal energy, transmission and distribution of thermal and electrical energy.	within mathematical methods for calculating the probability and consequences of risk. According to the results of the assessment, the level of materiality of risks is determined (ranked) in accordance with the risk management systems defined by the Organisation's Methodology in the Group of Companies - according to the levels of materiality (insignificant, noticeable, large, critical, catastrophic). In 2024, the Corporate Risk Register and Risk Map contained 59 identified risks that have/could have a negative impact on the Group's operations as a whole. The priority of risks is determined on the basis of their impact on the key financial, environmental and social aspects of the activities of the group of companies, taking into account the strategic goals and development priorities of the Group of Companies. The activities of the Group of Companies are inevitably associated with the impact of external and internal risk factors that may affect the implementation of strategic and operational goals. Regular monitoring and effective risk management make it possible to make informed management decisions and ensure the stable operation of the Group of Companies. In 2024, the Group of Companies operated a Corporate Risk Register and Risk Map, assessed the impact of risks on achieving strategic and operational goals, regularly updated the level of materiality, and implemented risk management and minimisation measures. The level of risk materiality in the Group of Companies is determined by expert assessment of the probability and consequences of risk, as well as by quantitative assessment using mathematical methods for calculating the probability and consequences of risk. According to the results of the assessment, the level of materiality of risks is determined (ranked) in accordance with the risk management systems defined by the Organisation's Methodology in the Group of Companies - according to the levels of materiality (insignificant, noticeable, large, critical, catastrophic). In 2024, the Corporate Risk Register and Risk Map contained 59 identified risks that have/could have a negative impact on the Group's operations as a whole. The priority of risks is determined on the basis of their impact on the key financial, environmental and social aspects of the activities of the group of companies, taking into account the strategic goals and development priorities of the Group of Companies. The activities of the Group of Companies are inevitably associated with the impact of external and internal risk factors that may affect the implementation of strategic and operational goals. Regular monitoring and effective risk management make it possible to make informed management decisions and ensure the stable operation of the Group of Companies. In 2024, the Group of Companies operated a Corporate Risk Register and Risk Map, assessed the impact of risks on achieving strategic and operational goals, regularly updated the level of materiality, and implemented risk management and minimisation measures. The level of risk materiality in the Group of Companies is determined by expert assessment of the probability and consequences of risk, as well as by quantitative assessment Within the framework of managing this risk, the Group of Companies permanently carries out the following activities: - Medium- and long-term investment programs are being developed and implemented, which reflect measures/projects for reconstruction, modernisation, and new construction to ensure timely replacement of key (from a production point of view) equipment, buildings, and structures that are being retired; - Determining projects priority on reconstruction, modernisation, new construction based on technical condition evaluation, taking into account the significance of equipment for reliable supply of consumers with heat and electric power in sufficient volume and of proper quality. - Work is underway to carry out periodic technical inspections of production assets in order to substantiate the possibility of extending the service life of equipment, buildings and structures; - A reserve fund (irreducible emergency reserve) of equipment, materials and spare parts is being created and maintained to replace key infrastructure elements. Starting from 2023, the following measures have been taken at the state level to support the energy and utility sectors: - Since July 2023, as part of the implementation of the Message of the President of the Republic of Kazakhstan, the Ministry of Energy of the Republic of Kazakhstan has launched and is implementing an updated program "Tariff in exchange for Investment", under which, in the period 2023-2029, an annual phased increase in tariffs of natural monopolies takes place to ensure accelerated modernisation of fixed assets. - For 2024 by the Ministry of Energy of the Republic of Kazakhstan: - The marginal tariffs for electric energy for energy-producing organisations have been adjusted (increased), including the Group of Companies - The maximum tariff for the service of maintaining the availability of electric power has been increased from 590 thousand tenge to 1,065 thousand tenge per megawatt per month The increase in marginal tariffs has become part of the transition to a more market-based and balanced pricing model that promotes the sustainable development of the energy sector of the Republic of Kazakhstan. The measures taken contributed to a significant increase in the repair and investment programs of the Group's energy-producing enterprises in 2024, which has a positive impact on the level of equipment availability and reliability of energy supply. - In 2024, the Ministry of Energy of the Republic of Kazakhstan significantly increased the annual limit of return on investment in the electric capacity market from 32 billion tenge to 428 billion tenge. This decision made it possible to expand the pool of investment projects in the energy sector of the Republic of Kazakhstan, including modernisation, reconstruction and expansion of existing energy-producing facilities. - On 25 December 2024, the National Project "Modernisation of the Energy and Utility Sectors" was approved by the Decree of the Government of the Republic of Kazakhstan. The project is designed for the period from 2025 to 2029 and aims to achieve the following effect: - Reduction of the accident rate by 20% - Reducing the level of depreciation of energy and utility assets by up to 40% on average in the country The project involves subsidiaries of the electric and heat transmission organisations of the Group of Companies in North Kazakhstan, Pavlodar, Akmola regions. The risk of untimely replacement of equipment, buildings and structures retiring in terms of service life migrated from the catastrophic zone of the Risk Map of the Group of Companies. At the same time, by the end of 2024, the level of materiality of risk for the Group of Companies continues to remain in the zone of critical risks, due to the accumulated effect (high level of depreciation of production assets). It is expected that the first visible results from the government support measures taken will be achieved by the utility sector, especially electric and thermal grid enterprises, within 1-2 years (2025-2026), but the maximum sustained effect is expected only by the time the National Project is completed, i.e. in 2029 (if it is successfully and fully implemented).



The name of the key risk and the dynamics of the significance of the risk for 2024	Risk description and key risk factors	Risk management approach	The name of the key risk and the dynamics of the significance of the risk for 2024	Risk description and key risk factors	Risk management approach
Area: strategic risks			Area: operating risks		
Non-fulfillment/disruption of implementation dates and/or increase in the cost of Investment Program activities 	The physical volume and timeliness of the activities (projects) of the Investment Program of the Group of Companies, along with the execution of the Repair Program, directly affect the generation / transmission of electrical energy and the ability to provide consumers with heat power. The performance indicator of the Investment Program of the Group of Companies in 2024 exceeds the indicator of 2023. The key risk events for the Group in 2024 were the failure to fully implement the planned measures for the reconstruction of the production assets of individual subsidiaries: - The risks of non-fulfillment of contractual obligations by the contractor have been realised, which has led to the need to postpone the completion date of certain activities to 2025 in agreement with the authorised body. By the end of 2024, the risk migrated from a catastrophic to a critical level of materiality. KEY RISK FACTORS: - Non-compliance with construction and installation work schedules by the contractor - Low work control/poor quality of project management - Inflation and rising cost of materials and equipment - Late deliveries of inventory items for construction and installation work, including due to geopolitical factors (military operations on the territory of neighbouring countries supplying goods	In 2024, the unified Regulation on investment activities in a new edition was updated and approved by the Board of CAEPCO JSC in the Group of Companies. To minimise the risk, the Group of Companies implements the following measures (including, but not limited to): - Conducting weekly revisions of the Investment Program implementation schedules and their adjustments based on the results of the analysis, if necessary - Weekly monitoring of the implementation of the Investment Program measures at the Top Management level of CAEPCO JSC, with the participation of the Top managers of subsidiaries and grandchildren, and the Contractor's management - Standardised reporting on key metrics of Investment program execution has been developed - Assessment of the technical and financial viability of contractors in carrying out significant works of the Investment Program - Wide selection of candidates for the most responsible contract work, including potential foreign contractors - Penalty conditions have been introduced and are functioning in contracts with contractors - Organisation of proper technical and author supervision with the involvement of the customer's management in the technical and financial control of the contractor during the implementation of the QMS - When concluding contracts for significant Investment Program facilities, the expediency of forming financial and/or property security for the advances paid to the contractor is considered.	Shortage of qualified personnel 	The Group of Companies activities largely depend on key qualified employees, and the lack of a sufficient number of qualified personnel, in particular in the production and technical area, leads to risks associated with a shortage of personnel. Competition in Kazakhstan in the labour market is increasing due to the limited number and simultaneous growth in demand for qualified technical specialists. KEY RISK FACTORS: - The uncompetitive level of wages of employees of the energy industry, due to the current tariff regulation, as a result, the low attractiveness of this area; - High internal and external migration of the population in the regions where the Group's Subsidiaries operate - Low level of training of qualified personnel for the energy industry by educational institutions.	In 2024, the Group of Companies approved an HR Strategy for 2025-2027, aimed at increasing the sustainability of human resources and minimising key personnel risks. The main priorities of the HR Strategy: - Employee pool generation and development - Improvement of remuneration mechanisms - Attracting young professionals - Digitalisation of HR processes - Development of mentoring and systematic learning The implementation of HR Strategy projects is expected to ensure: - Stabilisation of the personnel situation - it will reduce turnover, fill staff shortages and increase employee engagement - Improving production efficiency
	Adoption by the authorised body of unfavorable tariff decisions (tariff underfunding) 	After a long period (2015-2022) of artificial restraint of tariff growth, the State switched to a phased increase in tariffs for the production, transmission and sale of electric and thermal energy, which was caused by catastrophic wear and tear of energy and network equipment in the industry, low rates of renewal of production assets, a sharp increase in accidents and catastrophic the personnel situation in the industry. KEY RISK FACTORS: - Changes in legislation regarding marginal tariffs - The possibility of "freezing" tariffs; - Refusal to approve tariffs (curbing inflation through tariffs for end users).		Loss of qualified / key personnel 	The average overall staff turnover rate for the Group of Companies improved in 2024 and entered the tolerance zone for the first time in several years This is due to an increase in the salaries of employees in 2023-2024 (as part of the measure provided for in the Tariff Rules, where natural monopolies have the opportunity to apply annually to the authorised body for tariff increases in order to bring the average salary of employees to the industry average in the relevant region), as well as the 2024 withdrawal of EkibastuzTeploEnergo LLP from the Group of Companies, where personnel risks have been in a catastrophic zone for many years. By the end of 2024, the main risk of turnover (loss of personnel) and staffing levels is concentrated in the SEVKAZENERGO group of enterprises.
Excess heat energy losses 			According to the results of 2024, in comparison with 2023, the heat transfer enterprises of the Group of Companies, namely Petropavlovsk Heating Networks LLP, recorded an increase in the level of excess heat losses. Pavlodar Heating Networks LLP recorded a decrease in excess losses. However, due to the fact that excess (commercial) losses are direct losses of heat supply organisations, the risk continues to be critical for the Group of Companies as a whole. KEY RISK FACTORS: - High level of wear of heating networks. - Technological violations and accidents on heating mains;		As part of risk minimisation, the Group of Companies continuously implements a set of measures aimed at reducing excess losses: - Restoration of the destroyed / missing thermal insulation of pipelines; - Implementation of annual capital and routine repairs of heating networks within the framework of the costs stipulated by Tariff Estimates and the Investment Program; - Priority implementation of investment measures that directly reduce heat losses and provide an obvious economic effect. - Reconstruction of heating networks with the use of pre-insulated pipelines (foamed polyurethane technology).



The name of the key risk and the dynamics of the significance of the risk for 2024	Risk description and key risk factors	Risk management approach	The name of the key risk and the dynamics of the significance of the risk for 2024	Risk description and key risk factors	Risk management approach	
Area: operating risks			Area: operating risks			
Excess heat energy losses 	3. Irrational mode of operation of heating networks to ensure hydraulic and temperature conditions at heating unit of end users. 4. Lack of metering devices on the heating networks of domestic consumers; 5. Non-compliance of the heat consumption rate of the housing stock with the actual heat consumption (multi-storey residential buildings); 6. Unpaid losses of heat power on abandoned/ consumer heating networks; 7. Joint laying of heat power pipelines by cold water supply pipelines.	5. Installation of design throttling devices on elevator heating units of consumers. 6. Identification and suppression of the facts of unauthorised consumption of heat power. 7. Interaction with authorised state bodies in order to increase the rate of heat consumption of the housing stock to the level of actual heat consumption. On 25 December 2024, the National Project «Modernisation of the Energy and Utility Sectors» was approved by the Decree of the Government of the Republic of Kazakhstan. The project is designed for the period from 2025 to 2029 and aims to achieve the following effect: - Reduction of the accident rate by 20% - Reducing the level of depreciation of energy and utility assets by up to 40% on average in the country The project involves subsidiaries of the Group's heat transmission companies in the North Kazakhstan and Pavlodar regions. It is expected that in the long term (by 2029), the implementation of the project will improve the reliability of heat supply to consumers in Petropavlovsk and Pavlodar, minimise or completely eliminate the likelihood of excessive heat losses.	Technological violations in the operation of equipment (accidents, failures of 1st and 2d degrees) 	KEY RISK FACTORS: 1. High actual wear and depletion of the main generating/ network equipment resource; 2. Limited financial resources during the period of artificial tariff containment, as a result - low growth rates of equipment reconstruction and modernisation, insufficient repair programs.		
			Area: financial risks			
Technological violations in the operation of equipment (accidents, failures of 1st and 2d degrees) 	Physical and moral obsolescence of generating and network equipment inevitably leads to the occurrence of emergency failures. The consequences of emergency failures are: - Reduction of electricity generation volumes - Non-delivery of the volume (non-fulfilment of obligations) under the contract for maintaining the availability of electric capacity - Decrease in the quality of heat supply to consumers - Increased heat energy losses By the end of 2024, the risks of technological disruptions (accidents, failures of I and II degrees) continue to remain in the zone of critical risks due to the fact that the statistics of disruptions in the operation of the generating and network equipment of the Group of Companies remains at an unacceptably high level. During 2024, the Group of Companies recorded one violation classified as an accident, several failures of the first degree, as well as a significant number of failures of the second degree in the operation of equipment.	For 2024 by the Ministry of Energy of the Republic of Kazakhstan: - Adjusted (increased) marginal tariffs for electric energy for energy-producing organisations, Groups of Companies - The maximum tariff for the service of maintaining the availability of electric power has been increased from 590 thousand tenge to 1,065 thousand tenge per megawatt per month, which made it possible to plan and perform an expanded amount of capital and routine repairs of basic and auxiliary equipment as part of the Repair Campaign and Investment Program of PAVLODARENERGO JSC and SEVKAZENERGO JSC for 2024. During 2024, an expanded volume of investment activities was implemented (compared to previous periods) within the framework of the Tariff in Exchange for Investments program by the subjects of the natural monopolies of the Group of Companies. The Group's repair and Investment programs for 2025 also provide for unprecedented repairs, reconstructions and upgrades of production assets, which are expected to have a positive effect in the medium term, resulting in increased equipment reliability and reduced accidents.	Increase in overdue accounts receivable in the retail market of electric and heat power 	By the end of 2024, the share of overdue accounts receivable (over 3 months) in the total amount of accounts receivable (excluding intra-group accounts) decreased for all subsidiaries of the energy marketing organisations of the Group of Companies. The indicator (risk indicator) has entered the tolerance zone for the first time in several years, and the risk has migrated to the zone of noticeable risks on the Risk Map of the Group of Companies. KEY RISK FACTORS: 1. Non-compliance with the terms of contracts regarding the implementation of timely and full payment for energy supply services by consumers of heat and electric power due to: - Low payment discipline - Deterioration of key macroeconomic indicators (inflation, financial risks) 2. Imperfection of the legislative framework regarding the possibility of carrying out transactions for the purchase and sale of residential real estate without paying off debts for energy supply services; 3. Untimely renegotiation of energy supply contracts when changing the homeowner.	As part of the management of this risk, the energy marketing organisations of the Group of Companies carry out a set of measures on an ongoing basis: - Consumers are notified about the amount due - The power supply is stopped in case of late payment for energy supply services - debt repayment schedules are drawn up in installments; - claim work is being carried out to recover debts and penalties from non-paying consumers for late payment of services rendered; - the property of debtors is seized; - are visited with the presence of enforcement agents for estate inventory and seizure of property; - information about amounts due by employees for utilities is sent to the address of enterprises; - debtors' departure from the Republic of Kazakhstan is restricted; - collection is carried out through the debtor's source of financing (deduction from wages and pension contributions); - the method of collection is changed, on the basis of which the debtor's property (apartment or vehicle) is evaluated for sale at auction. For debts with a low probability of recovery, reserves for doubtful debts are created in the accounting of the Group of Companies energy sales organisations.	



SUSTAINABLE DEVELOPMENT RISKS

The Group of Companies activities are associated with risks in the area of sustainable development. The Group of Companies makes every effort to ensure that its activities comply with the fundamental principles of the United Nations Global Compact on Human Rights, labour relations, environmental protection and anti-corruption. The Group shares the UN Sustainable Development Goals and contributes to their achievement, including through timely identification, assessment and response to risks.

CLIMATE CHANGE RISKS

The risks associated with climate change are one of the priority issues in the formation and implementation of the plans and development strategy of the Group of Companies. As a large energy holding company, the Group of Companies is aware of the impact of environmental and climate risks (aspects). To date, international environmental and climate standards and the legislation of the Republic of Kazakhstan in the area of environmental protection oblige the Group to take immediate measures to manage this group of risks.

Kazakhstan ratified the Paris Climate Agreement in 2015, thus confirming its commitment to the global fight against climate change. As part of the commitments made to reduce greenhouse gas emissions, the Country implements carbon quotas for major industries, including energy-producing organisations. The Group of Companies is fully responsible for reducing greenhouse gas emissions, but notes that carbon quotas are associated with the following problems and risks for the Group as a whole, such as:

- Formation of a quota deficit for energy-producing enterprises with their own specific CO₂ emission factors, which are higher than the approved benchmarks.
- Withdrawal of part of the limit of free-of-charge distributed quotas from enterprises that have allowed a decrease in production relative to the baseline.
- Approval in 2023 of the Updated National Contribution of the Republic of Kazakhstan to the global response to climate change, according to which, from 2026, it is planned to increase the reduction in free-of-charge quotas by 2.25-5.1% annually, launch an auction for the primary sale of carbon quotas to quota-based fixed-price installations, and tighten benchmarks for quota-based industries.

- It is not possible to cover the costs of purchasing quotas at the expense of tariffs (costs are not included in the tariffs of energy-producing enterprises).
- The probability of the absence/shortage of free quotas in the sales market due to the reduction of free allocated quotas and the lack of effective, working mechanisms for implementing projects aimed at reducing greenhouse gas emissions and absorption.

The Environmental Code of the Republic of Kazakhstan entered into force, motivates and binds enterprises that are sources of pollution (which largely includes coal-fired cogeneration) to reduce their impact on the environment using economic (high-cost) incentive mechanisms. These include:

- The need to implement the best available technologies (BAT). Meanwhile, the cost of BAT implementation (which, according to preliminary simplified calculations of the required investments and additional operating costs associated with BAT implementation, may amount to more than 100 billion tenge for all energy-producing enterprises of the Group over the next 15 years). They are not included in either electricity or heat tariffs. Thus, the existing tariff system for energy generated by power plants does not allow the introduction of the most promising and environmentally efficient technologies due to the lack of payback.
- the need for facilities of the first category (which include almost all of the Group's CHPPs) to provide financial security for the fulfilment of their obligations to eliminate the consequences of operation. According to preliminary forecast estimates, the minimum amount of elimination of consequences only for CHPP-2 and CHPP-3 of PAVLODARENERGO JSC will amount to about 190 billion tenge. At the same time, the sources and mechanisms of financing to ensure the fulfilment of obligations to eliminate the consequences of exploitation for energy-producing enterprises, whose tariffs are strictly regulated, are not legally defined.





At that, it is planned to increase administrative fines for non-compliance with the requirements of the Environmental Code, strengthen sanctions for repeated breaches, including the statute of limitations and the period of recidivism.

Compliance with all modern environmental and climate standards (within the framework of decarbonisation of the economy of the Republic of Kazakhstan) at the Group's generating facilities represents a financial risk that may entail serious financial costs for the Group. Fulfilment of obligations on large-scale implementation of expensive BAT implementation projects and reduction of greenhouse gas emissions will require significant costs and, as a result, may have a significant negative impact on the financial position and results of the Group of Companies operations as a whole.

However, the Group of Companies understands that the Environmental Code poses not only new challenges for the energy industry, but also new opportunities aimed at reducing air emissions and improving the energy and environmental efficiency of the Holding.

Taking this into account, the Group of Companies, together with major participants in the energy market of the Republic of Kazakhstan, conducts communications with authorised government agencies, relevant Ministries and other interested parties to develop mechanisms for implementing the requirements of the Environmental Code.

Thus, following the meetings of working groups from representatives of the energy industry and government agencies during 2024, as well as at the beginning of 2025, the following issues were resolved:

- The Ministry of Ecology and Natural Resources of the Republic of Kazakhstan has developed and approved the Conclusion on BAT «Fuel combustion at large installations for energy production», which provides for an «individual approach» to existing installations, namely: the achievement of the technological indicators presented in the conclusion will be ensured within 16 years.
- Due to the justified difficulties of introducing BAT at energy-producing organisations, the Government of the Republic of Kazakhstan decided to postpone the deadline for the introduction of BAT for energy-producing organisations that are life support facilities from 2025 to 2031.
- In February 2025, the generation facilities of the Group of Companies prepared and coordinated individual long-term plans for the introduction of BAT in the Ministry of Energy of the Republic of Kazakhstan, which in turn are integrated into the overall Comprehensive plan of the Ministry of Energy for the transition of energy-producing organisations that are life support facilities to BAT in 2031.
- The Ministry of Energy is considering amendments to the legislation of the Republic of Kazakhstan regarding the possibility of financing the introduction of BAT through the electric capacity market.



HEALTH AND SAFETY RISKS FOR EMPLOYEES

One of the fundamental principles of the corporate policy of the Group of Companies is that its main asset is employees. The risks of accidents due to violations of labour protection, industrial, and fire safety requirements in production activities are included in the list of critical risks of the Group of Companies by the end of 2024. For the first time in the entire history of the Group of Companies, in 2024, the minimum number of personnel injuries was allowed - 3 cases, however, over the past 3 years, fatal cases have been recorded in the Group of Companies, which, of course, is an aggravating factor in production activities.

The Group of Companies has special requirements for ensuring the safety of its employees' activities and working conditions: priority training is given to employees in occupational health and safety rules and techniques for safe performance of work at power facilities.

The strategic priority of the Group of Companies in the area of occupational health and safety is the continuous improvement of processes that ensure the safe performance of work, which is inextricably linked with the adaptation of the best international practices in the area of industrial safety. Measures aimed at preventing accidents and injuries are aimed at achieving the strategic goal of

ZERO ACCIDENTS.

INTERNAL CONTROL STANDARDS

The Group of Companies has implemented an internal control system (ICS), which is a set of policies, processes, procedures, standards of conduct and actions combined into a single continuous process. The ICS is part of the management process of the group of companies carried out by the Board of Directors, the Management Board, all executive bodies of subsidiaries, control bodies and employees.

The management at all levels of management creates an effective control environment by:

- Forming an understanding of the need for and implementation of internal control procedures among the employees of the group of companies
- Maintaining a high level of corporate culture and demonstrating the principles of integrity and competence
- Improving the professionalism and competence of employees of the group of companies
- Ensuring effective interaction of structural divisions and employees
- Ensuring effective distribution of powers and responsibilities
- Formation of fraud prevention mechanisms
- Organisation of the activities of internal control bodies

The ICS is aimed at ensuring the achievement of the goals of the Group of Companies and minimising risks in its operational and investment activities, the reliability of all types of reporting, compliance with the requirements of legislative acts and internal corporate requirements. The Company strives to ensure that all its activities are adequately controlled in order to reduce risks. Control procedures are implemented at all levels of management.

Regulation of the risk management system in the Group of Companies

INTERNATIONAL

COSO - Committee of Sponsoring Organisations of the Treadway Commission:

- COSO: Internal control, integrated model

CORPORATE

- The Group of Companies' Internal Control system Policy
- Regulations for the interaction of the Group's divisions in the field of internal control system
- Methodology of the organisation of the internal control system in the Group of Companies

The group of companies has three levels of internal control system:

OPERATIONAL

It is applied to the main business goals of the Group of Companies, including productivity, profitability, and resource safety.

FINANCIAL

Referring to the preparation of reliable published financial statements, including interim, condensed financial statements, as well as certain data extracted from these reports (for example, income data), published openly.

COMPLIANCE CONTROL

It is associated with ensuring compliance with the laws and regulations governing the activities of the organisation.





IMPROVEMENT OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM IN 2024

- In 2024, the Group of Companies continued introducing and improving a risk-based approach to business management. Coordination and methodological support for the functioning and improvement of the RMS and ICS in the Group of Companies is carried out by the Risk Management Department, which solves the following tasks:
- Coordination of risk management and internal control processes
 - Development of methodological and internal regulatory documents in the area of ensuring internal control and risk management processes
 - Organisation of training of employees of the Group of Companies in internal control and risk management
 - Analysis of the corporate Risk Register and the Risk Map of the Group of Companies and development of proposals for responding and reallocating resources in relation to the management of relevant risks
 - Formation of consolidated risk management reports
 - Implementation of operating control over the processes of internal control and risk management of the divisions of the Group of Companies in accordance with the established procedure

During 2024, the Risk Management Department carried out its work in accordance with the work plan for the improvement of RMS and ICS for the year approved by the Board of Directors of CAEPCO JSC, including, but not limited to:

- Analysing the materiality of previously and newly identified risks and opportunities of the Group of Companies, developing recommendations for risk management and minimisation
- Keeping Corporate Risk Register and the Risk Map of the Group of Companies up-to-date
- Developing a culture of risk awareness through training (seminars) on the organisation and functioning of RMS and ICS for key employees of departments and managers of the Group of Companies
- Identification and assessment of risks, analysis and testing of the effectiveness of control procedures design in priority business processes of the Group of Companies
- Revision and approval by the Board of Directors of CAEPCO JSC of unified and unified internal regulatory documents regulating activities in the field of internal control system
- Review and approval by the decision of the Board of Directors of CAEPCO JSC of the risk appetite of the Group of Companies
- Permanent monitoring of compliance with the risk appetite of the Group of Companies
- Carrying out control measures taking into account a risk-based approach when reviewing all materials submitted for approval by the collegial executive body – the Board of CAEPCO JSC, the management bodies – the Board of Directors of CAEPCO JSC and Subsidiaries of the Group of Companies

I REALLY LOVE
DANCING,
I'VE BEEN
DANCING FOR 10 YEARS

I AM CURRENTLY STUDYING
ENGLISH, TURKISH AND
KOREAN
AT THE SAME TIME

IT'S AN INTERESTING EXPERIENCE
MY FAMILY SUPPORTS ME
IN EVERYTHING,
FOR WHICH I AM VERY
GRATEFUL

THE BEST POWER ENGINEERS
WORK HERE



I JOINED THE STATION AT THE AGE
OF 18, AS AN INTERN

IN THREE YEARS, I'M AN
ELECTRICIAN FOR
MEASUREMENTS AND TESTS

IT'S A VERY DEMANDING JOB AND I
LIKE IT. WE ONLY BEGIN TO
APPRECIATE LIGHT AND HEAT
WHEN THEY ARE TURNED OFF

INKAR
KARIBAY

Electrician of Pavlodar CHPP-2



SUSTAINABLE DEVELOPMENT

GRI 2-27, 2-29, 303, 304, 306, 307, 414, 401, 402, 404, 406, 403, 102, 413, 415, 418

LYP



INTERACTION WITH STAKEHOLDERS

CAEPCO JSC implements a set of measures aimed at expanding and improving the effectiveness of interaction with all stakeholders in accordance with the principles of corporate conduct: openness, reliability and completeness of information about the Corporation's activities, full consideration of the interests of all stakeholders, prompt response to the manifestation of these interests.

In order to minimise risks, CAEPCO JSC implements a set of measures aimed at expanding and improving the effectiveness of interaction with all interested parties.



STAKEHOLDER ENGAGEMENT PROCESS

Key stakeholders	Stakeholder's interest in the Company	Mechanisms of interaction
Employees	Getting information about the Company's development prospects.	Leadership and personal leadership techniques.
	Achieving strategic objectives.	Internal corporate mailing lists by e-mail and messengers.
	Improvement of working conditions.	Promotion of professional development.
		Hotline.
		Conciliation commissions for resolving labour disputes.
Trade unions	Stable pay.	Meeting the conditions of a collective agreement.
	Social guarantees.	Assistance in organising and conducting corporate events.
	Creating comfortable working conditions.	
Local communities, consumers	Obtaining stable electricity and heat supply services.	Systematic work with consumer requests: data collection and processing, prompt preparation of responses to requests.
	Customer feedback.	Informing on social networks.
	The use of technologies that reduce the burden on the environment.	Public hearings.
		Round tables, etc.
Public authorities and regulatory authorities	Ensuring uninterrupted and reliable power supply.	Ensuring preparation for the heating season.
	Openness and variability in working with consumers.	Fulfillment of investment obligations.
	Infrastructure development.	Promoting the development of regions and cities.
	Tax deductions.	Reducing the negative impact of enterprises' activities.
	Job creation in the regions of presence.	Compliance with legislation, including on compliance with environmental and environmental requirements.
Industry associations	Implementation of social programs.	
	Industry expertise of the Company's specialists.	Joint events to develop draft laws, expert opinions, and research (forums, round tables, and working groups).
Suppliers, contractors	The Company's participation in the development and implementation of promising industry issues.	
	Creating a transparent competitive environment.	Ensuring transparency in the conduct of tenders.
	Using the market pricing mechanism.	Working with consumers through "feedback".
		Meetings with potential suppliers, participation in exhibitions and presentations.



Key stakeholders	Stakeholder's interest in the Company	Mechanisms of interaction
Educational institutions	Promoting the development of branch science and education.	Cooperation with students of secondary schools and specialised faculties of universities and colleges.
	Training of promising personnel and ensuring the continuity of generations.	Industrial practice for students of energy faculties at the Company's enterprises.
		Participation in job fairs for graduates of educational institutions.
Mass media	Transparency of business processes.	Informing about production processes and execution of the Investment Program.
	Efficiency and accessibility of information about the Corporation's activities.	Briefings, press tours, interviews, press releases, newsletters.
		The Company's annual Report.
Shareholders	Transparency of business processes.	Meetings of shareholders.
	Growth of shareholder value.	Every year, the Corporation and subsidiaries maintain up-to-date credit ratings from the world's leading rating agencies.
	High level of financial stability.	Presentations for investors and professional communities.

The main principles of the Policy are represented by maintaining a high level of corporate governance, intolerance to corruption and fraud, proper risk assessment, minimising conflicts of interest based on an effective distribution of powers and responsibilities by building a transparent organisational structure.

Important elements of strengthening this area are represented by creation and implementation of an effective strategy that ensures anti-corruption and fraud, as well as prompt response to emerging events of this nature. The Group develops an appropriate corporate culture and a negative attitude to all manifestations of corruption and fraud.

The Policy highlights the methods and procedures used to counter fraud and corruption, in particular, to identify and assess such facts, conduct official investigations, and bring to justice for all identified cases of illegal actions. CAEPCO JSC group of companies has developed and operating feedback channels (hotline, telephone and mail services)

for legal entities and individuals (including employees of the Group) to contact and report on the upcoming or known facts of corruption and fraudulent actions.

The Company has developed and approved a standard form of a contract for the purchase of goods, works and services, regulating relations with counterparties, drawn up taking into account the maximum protection of the Company's interests and containing an anti-corruption clause. Thus, all business partners are familiar with the requirements of the Anti-Corruption and Fraud Policy.

ANTI-CORRUPTION MANAGEMENT

GRI 307-1

SDG



CAEPCO JSC group of companies has an Anti-Corruption and Fraud Policy approved by the Board of Directors, which is the fundamental internal regulatory document of the Holding and its subsidiaries in this area. The Policy, among other things, determines modelling of a single ethical standard by the top management of the Group for rejection of corruption in all its forms and manifestations.



Upon employment, new employees sign a commitment to comply with the requirements of the Anti-Corruption and Fraud Policy. By the end of 2024, about 1,663 newly hired employees were informed in the CAEPCO Group of Companies about the requirements of the Anti-Corruption and Fraud Policy, which is 19% of the total number of filled staff units.

In October 2024, trainings were held for employees of the Group of Companies on the topic «Implementation of the principles of the Anti-Corruption and Fraud Policy of the CAEPCO Group of Companies», which were attended by more than 2,600 employees, which is more than 30% of the total number of filled staff units.

No facts of corruption and fraud were identified during 2024.



ENVIRONMENTAL MANAGEMENT SYSTEM

GRI 307-1

SDG



The Corporation is aware of the nature and extent of the impact of its activities on the environment, the importance of rational use of natural resources, protection of the health of personnel involved in all stages of production activities and the population living in the regions of its presence, as well as the need to preserve a favorable environment.

The Corporation is aware of the nature and extent of the impact of its activities on the environment, the importance of rational use of natural resources, protection of the health of personnel involved in all stages of production activities and the population living in the regions of its presence, as well as the need to preserve a favorable environment.

The priority directions of the environmental activities of the Corporation's facilities are based on the key impacts on the environment. These impacts include:

- Emissions of pollutants into the atmosphere
- Greenhouse gas emissions into the atmosphere (CO₂)
- Impact on water bodies due to water consumption and wastewater discharge
- Production waste generation

ENVIRONMENTAL POLICY

GRI 307-1

SDG



The main obligations and principles in ensuring a favourable environment are set out in the Corporation's Environmental Policy. The document contains the Corporation's goals and objectives in the area of the environment in the regions where it operates, and also emphasises the importance of continuous environmental education for all its employees.

Corporate finance

About the Corporation

The Corporation's environmental policy

The main principles of the Corporation's environmental policy are as follows:

Recognition of the constitutional human right to a favourable environment

Priority of taking preventive measures over measures to eliminate environmental negative impacts

Energy saving and rational use of natural and energy resources at the stages of production, transmission, distribution and consumption of electric power and heat

Reducing the impact on the environment by implementing the best available technologies and improving the energy efficiency of production

General management of environmental protection activities is carried out by the Department of Safety, Labour Protection and Ecology. The Department coordinates the Corporation's work in the area of environmental protection, analyses the effectiveness of this work, and prepares reports for senior management and shareholders. At the level of subsidiaries, divisions are formed that ensure the implementation of Environmental Policy, compliance of all production processes with legal requirements in the area of environmental protection and corporate standards.

Within the Corporation, mutual environmental audits are conducted twice a year on the basis of one of its subsidiaries, within which environmental specialists from all enterprises actively exchange experience in the area of effective environmental management and environmental management and develop common approaches in the area of environmental safety.

In 2024, the mutual audit was conducted in April and September on the basis of PAVLODARENERGO JSC and SEVKAZENERGO JSC, respectively.

About the Corporation



ENVIRONMENTAL PROTECTION MEASURES

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To improve the efficiency of activities in the area of environmental protection, the Corporation plans and implements environmental protection measures aimed at reducing the level of impact of its activities on the environment and improving the environmental efficiency and safety of its enterprises.

9.9 billion tenge - the cost of upgrading equipment that has a negative impact on the operating system in 2024.

1.6 billion tenge of tax payments for emissions into the environment in 2024 were transferred by the Corporation in the regions of its presence.



Corporate finance

The list of such measures includes modernisation of equipment that has a negative impact on the operating system, major repairs of the main and auxiliary technological equipment in power generation, transmission and distribution, industrial waste management, and industrial environmental control.

For all new construction and reconstruction projects, a project or section on environmental issues Environmental Impact Assessment is developed,

the materials of which are brought to the attention of local communities and the interested public in the form of public hearings. To confirm compliance with the environmental standards of the Republic of Kazakhstan, all projects undergo state environmental expertise in the territorial supervisory authorities in the area of environmental protection.

Equipment modernisation costs*, million tenge

Description of costs	Cost amount, million tenge		
	2022	2023	2024
CAEPCO JSC	6,328.419	5,947.480	9,904.713
PAVLODARENERGO JSC			
Investment costs for updating equipment that has a negative impact on the PPE	3,130.022	2,048.270	9,136.175
Cost of overhaul repair of key assets intended for environment protection	71.736	150.466	17.260
Operating costs	321.623	144.599	828.749

Description of costs	Cost amount, million tenge		
	2022	2023	2024
SEVKAZENERGO JSC			
Investment costs for updating equipment that has a negative impact on the PPE	1,802.977	2,890.688	768.538
Cost of overhaul repair of key assets intended for environment protection	874.493	216.523	1,413.884
Operating costs	115.126	147.952	83.697
AEDC JSC			
Investment costs for updating equipment that has a negative impact on the PPE	0	0	0
Cost of overhaul repair of key assets intended for environment protection	-	-	-
Operating costs	12.442	11.044	11.052

RAW MATERIAL

MATERIALS USED

GRI 301-1

SDG



T

The Corporation's products are heat and electrical power. Regulation of this industry is carried out by state bodies represented by the Ministry of Energy of the Republic of Kazakhstan and the Committee for Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan.

Environmental labeling and packaging requirements do not apply to manufactured products.



In 2024, the Corporation's generation facilities generated 6.1 billion kWh of electricity (including 315 million kWh of renewable energy) and 5.8 million Gcal of heat power.



About the Corporation



Electrical and heat power was produced using non-renewable fuels (Ekibastuz coal and M100 grade fuel oil); 5.2% of the total electricity generated was produced using renewable wind energy.

Consumed energy resources	Unit of measurement	value		
		2022	2023	2024
Coal, total	tons	4,985,999	5,379,881	5,507,567
Including electrical power generation	tons	2,829,026	3,315,627	3,501,163
heat power generation	tons	2,156,973	2,064,254	2,006,404
Fuel oil, total	tons	11,026	19 161	11,900
Including electrical power generation	tons	5,446	6,178	6,954
heat power generation	tons	5,580	12,983	3,446

ENERGY

ENERGY SAVING

GRI 302-3, 302-4 SDG



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The Corporation's activities in the area of energy saving and energy efficiency improvement are carried out on the basis of the international standard ISO 50001 Energy Management Systems. The Corporation's subsidiaries have the Energy Saving and Efficiency Program



The purpose of this Program is to develop measures to improve the efficiency of using fuel and energy resources, including the organisation of control and accounting.

As part of the ongoing work on energy conservation and energy efficiency improvement, 20 measures were carried out in the reporting year for a total amount of 902,612.6 thousand tenge.

The achieved effect of the implementation of measures:

- Savings of 122,344 thousand tons of natural fuel
- Savings of 3,052.88 thousand kWh of electric power
- Savings of 15,348.2 Gcal of heat power
- Prolonging the park resource and increasing the reliability of the equipment



Among the most significant measures of the Energy Saving Program aimed at reducing emissions of pollutants and greenhouse gases implemented in 2024, the following can be identified:

- Cleaning of boiler installations and turbine condensers by hydraulic pumping unit of PCHP-2 of SEVKAZENERGO JSC
- Replacement of flues, sealing of furnace insulation on PCHP-2 boilers of SEVKAZENERGO JSC
- Replacement of pipes of air mixture of burners of boilers of stations No. 1, 3, 5 of CHPP-3 of PAVLODARENERGO JSC
- Removal of suction cups along the gas-air path of boilers
- Repair of air heater cubes of boilers of CHPP-2 and CHPP-3 of PAVLODARENERGO JSC
- Replacement of electric lights with LED

In 2024, thanks to implementation of the measures of this program, we achieved a reduction in greenhouse gas emissions by 314.45 thousand tons of CO₂.

Equipment modernisation costs*, million tenge

Energy efficiency indicator	Unit of measurement	PAVLODARENERGO JSC	SEVKAZENERGO JSC
Consumption of fuel and energy complex for the production of electric power	grams of fuel kWh	387.79	417.05
Consumption of fuel and energy complex for the production of heat power	kgoe Gcal	193.74	196.45



WATER

WATER RESOURCES

GRI 303-1, 303-2, 303-3, 303-4

SDG



The use of water resources is an integral part of the production processes of enterprises and plays a key role in the cooling process of equipment. A circulating water supply system with a cooling pond (in Petropavlovsk) or cooling towers (in Pavlodar) is used at the generating facilities of the CAEPCO Group of Companies. The cooling pond is Bolshoye Belaye lake, which has a water outlet into the Ishim river.

Also, the enterprises of CAEPCO JSC Group of Companies have systems of drinking water supply, stormwater and municipal sewage. Water supply for household, drinking, fire needs and wastewater disposal is carried out centrally, at the expense of city water supply and sewerage networks under the contract with city water services companies.

All the water used by CAEPCO JSC is fresh water. Sensitive water sources are not used.

Indicators of water intake, thousand m³

Indicator	2022	2023	2024
Water intake, thousand m³, including:	31,067.7	30,633.1	26,744.0
for technological needs, thousand m³	30,792.3	30,386.5	26,433.0
for household needs, thousand m³	275.4	246.6	311.0
Water supply sources:			
surface water bodies, thousand m³	9,065.7	12,498.2	8,701.9
third-party suppliers, thousand m³	22 002,0	18,134.9	18,042.1
Recycled water use, thousand m³	654,986.7	623 326,6	692,593.2
Reuse of water, thousand m³	10,678.1	10,704.1	11,565.6

Two types of wastewater are generated during the production and economic activities of the Corporation’s facilities.

The category of “Industrial wastewater” (over 99% of the total wastewater volume) is represented by wastewater from the hydrosol removal system and water used for cooling technical units and units of thermal power plants; this type of wastewater returns to the production cycle after purification and sedimentation.

The category of “Household fecal effluents” (less than 1% of the total volume) consists of household wastewater collected from administrative buildings, canteens and other office premises and diverted to urban sewage treatment plants.

Wastewater disposal volumes, thousand m³*

Indicator	2022	2023	2024
Total waste water generated	1,336.8	1,473.2	701.2
Discharged to third-party organisations	552.9	801.9	403.6
Discharged to surface water bodies*	934.5	671.3	297.6

*Discharge of water from Bolshoye Belaye lake into the Ishim river to maintain the salinity level.

Wastewater disposal consists only of domestic wastewater. All other wastewater is used in the recycling production cycle, except for the discharge of fresh water from Bolshoye Belaye lake into the Ishim river is used to maintain the salinity level (the so-called purging of the lake).

In 2025, the Corporation plans to introduce an automated emission monitoring system at the outlet from Bolshoye Belaye lake to the Ishim river.

BIODIVERSITY

CONSERVATION OF BIODIVERSITY

The Corporation's industrial facilities are located outside the boundaries of World Heritage sites, specially protected natural areas, or areas with high biodiversity value.

The Corporation takes seriously its obligations to restore the lands violated during its production activities. To achieve this goal, environmental protection measures and projects for the reclamation of disturbed lands are being implemented. In the course of their production activities, the Corporation’s facilities are engaged in the development of deposits of sandy-clay rocks used for the construction and reclamation of their own waste landfills - ash dumps.





Upon completion of the field operation, a project is being developed to eliminate the formed quarry. Liquidation is carried out within 2-3 years. In the first year, the technical stage (conservation) is carried out, which includes a complex of works on the formation and preparation of the territory for the biological stage of reclamation. At the biological stage of liquidation (reclamation), the following measures are implemented: selection of plants, perennial grasses, soil preparation, sowing of a grass mixture with simultaneous fertilisation and crop care. Two years is enough to form a stable blackening and restore the natural state of the soil. Then the territory of the recultivated quarries is transferred to the state for further use in economic activities. The reclamation of spent ash dumps is carried out in the same way.

The Corporation's facilities also participate in landscaping: trees are planted annually within or outside the sanitary protection zone; landscaping of the industrial site and maintenance of green spaces are supported.

One of the negative consequences of the production activities of the Corporation's electric grid facilities, which also have an impact on biodiversity, are overhead power transmission lines, which pose a serious threat to avifauna. The death of birds as a result of collisions with wires and electric shock is becoming one of the most acute problems of wildlife protection, especially in steppe areas, where the lack of woody vegetation makes the poles of power lines the most attractive for nesting and recreation of many species of birds.

To minimise the negative impact, as a pilot project, more than 30 poles in the Stepnogorsk interdistrict electric networks of AEDC JSC were equipped with bird protection devices such as PZU-6-10LDC, PZU-6-10kV-line, PZU-SA, PZU-sct.

Also, AEDC JSC, as part of the overhaul and maintenance of substations in 2023-2024, insulated the bus bridges of the substations for a total amount of 1.8 million tenge. In total, work is planned to cover 10 kV busbar bridges at 219 substations, and by the end of the reporting year, work had been completed at 30 substations (14%).

About the Corporation

In 2025, the Corporation's industrial facilities plan to continue working to prevent the loss of avifauna and restore disturbed lands.

EMISSIONS

GREENHOUSE GAS EMISSIONS

GRI 305-1, 305-4

SDG



Climate change, especially in recent years, is a very relevant topic for the whole world. Negative trends of climate change are increasingly reflected in Kazakhstan. Water scarcity, loss of biodiversity, and natural disasters can result in severe economic consequences, crop failures, and famine.

The Corporation supports the UN Sustainable Development Goal No. 13 and the Paris Climate Agreement, which call for urgent measures to combat climate change and its consequences.

In the Corporation, greenhouse gases are formed in the process of burning fossil fuels (coal, fuel oil) in order to

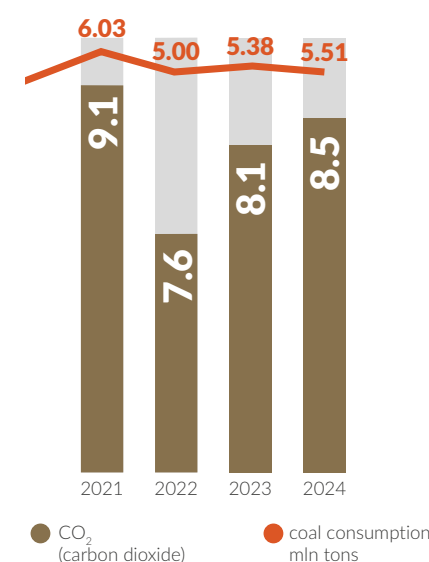
generate energy to ensure the vital activity in the regions of presence. On a regular basis, activities are carried out to monitor greenhouse gas emissions, quantify the volume of direct emissions (SCOPE1), including a partial estimate of indirect emissions (SCOPE2), since the calculation of direct emissions also takes into account the company's own energy needs.

For monitoring greenhouse gases, a calculated method is used with laboratory determination of the carbon content in fuel, according to current regulatory guidelines. Control over accounting for greenhouse gas emissions is carried out by the Department of Safety, Labour Protection and Ecology.

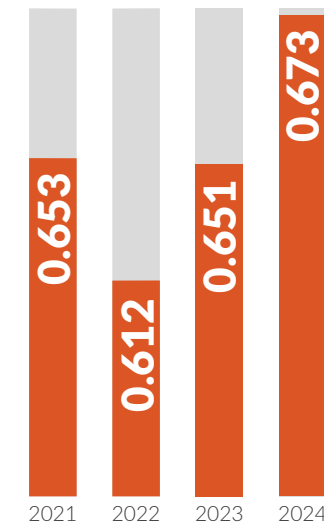
The Corporation's environmental policy

8,460.0 thousand tons of CO₂ accounted for the Corporation's greenhouse gas emissions in 2024, with a limit of 9,816.0 thousand tons allocated for greenhouse gas emissions.

Direct CO₂ emissions in 2021-2024, million tons



CO₂ emission intensity in 2021-2024, tons/MW





The increase in greenhouse gas emissions in 2024 is due to an increase in the amount of fuel (coal and fuel oil) burned to produce products.

In the reporting period, the Corporation expects a certain shortage of greenhouse gases due to the withdrawal of part of the quota limit due to a decline in production compared to the baseline.

 The Corporation's environmental policy

As a result of the National Carbon Quota Plan for 2023, the Corporation as a whole purchased additional CO₂ emission quotas in 2024 for a total amount of 71,329 million tenge.

The Corporation's facilities do not produce, export, or import ozone-depleting substances in the course of their production activities.

GRI 305-5

The Corporation's facilities do not produce, export, or import ozone-depleting substances in the course of their production activities.

The implementation of renewable energy projects ensures the replacement of greenhouse gas (CO₂) emissions by obtaining «green» electricity from wind energy and supplying it to the national grid of the Republic of Kazakhstan. The amount of electric power produced replaces electricity generated from traditional fossil fuel power plants and provides an overall reduction in CO₂ emissions in the electricity sector.

Since 2020, the Corporation's structure includes the Astana EXPO-2017 wind power plant (CAPEC Green Energy LLP). Wind farm generation in 2024 saved 130,192 thousand tons of conventional fuel and provided an overall reduction in CO₂ emissions in the electric power sector by approximately 335.154 thousand tons/year.

EMISSIONS OF POLLUTANTS

GRI 305-7

SDG



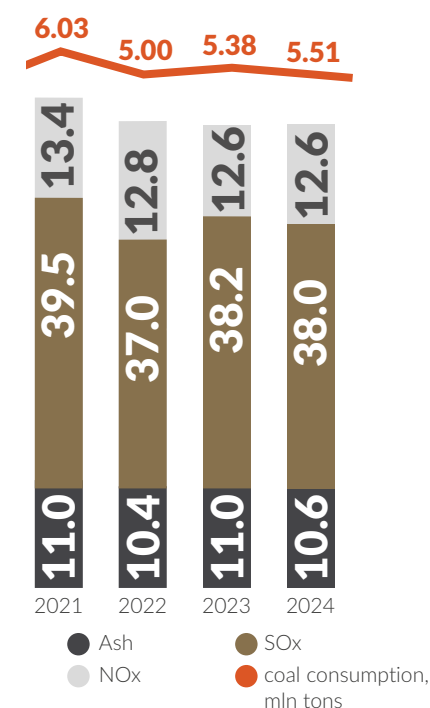
Minimising emissions of pollutants into the atmosphere is an important aspect of the Corporation's environmental activities. Replacement of outdated generating facilities with low energy and environmental efficiency with new capacities that meet modern requirements in the area of environmental protection has the greatest impact on reducing the emissions.

In the reporting year, gross and specific emissions decreased, despite a 2.9% increase in the volume of fuel burned.

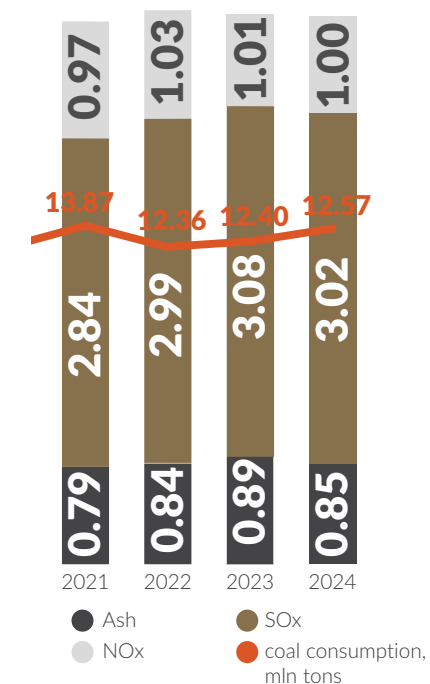
Among the most significant environmental measures aimed at reducing atmospheric emissions and implemented in 2024, the following can be identified:

- Major and ongoing repairs of dust and gas purification plants (repair of worn-out elements of ash-collecting plants and flues, repair of aspiration plants and measurement of their efficiency), restoration of thermal insulation and lining of burners, repair and replacement of burners during major repairs of boilers.

Gross emissions of pollutants into the atmosphere in 2021-2024, thousand tons



Specific emissions of pollutants into the atmosphere in 2021-2024, kg/thousand kWh



In 2024, an automated industrial environmental monitoring system was installed on the chimneys of the generation facilities of SEVKAZENERGO JSC and PAVLODARENERGO JSC. This system monitors the emissions of pollutants into the environment from the main stationary sources of pollution and provides data transmission to the National Database of the State of the Environment and Natural Resources of the Republic of Kazakhstan in real time.

 The Corporation's environmental policy



One of the organisational tools for reducing emissions of pollutants and greenhouse gases is the energy saving program and improving overall fuel efficiency, as well as the introduction of the ISO 50001 Energy Management System in the Corporation’s subsidiaries As part of the program, energy-saving measures are planned, the purpose of which, along with increasing the energy efficiency of production processes, is also to reduce emissions of pollutants and greenhouse gases.

WASTE

WASTE MANAGEMENT

GRI 306-1, 306-3, 306-5

Ash and slag waste, which makes up 99% of the total volume of waste, is stored in specially equipped hydraulic structures of the plain type - ash dumps. Compliance with the environmental legislation of the Republic of Kazakhstan when creating a new container for storing ash and slag waste allows to prevent environmental pollution with ash and slag waste from production and ensure stable operation of the CHPP.

In 2024, the total volume of waste generation at the enterprises of CAEPCO JSC amounted to 2,249.3 thousand tons, of which ash and slag waste – 2,235.8 thousand tons, industrial and municipal - 13.5 thousand tons. Industrial and municipal waste is sorted during collection and, for the most part, transferred to urban landfills for their processing and/or burial.

Total mass of waste generation, thousand tons

Indicator	2022	2023	2024
Waste generated:	2,135.2	2,261.6	2,249.3
Hazardous waste	0,50	0,28	0.05
Non-hazardous waste, of which	2,134.7	2,261.4	2,249.2
ash and slag	2,113.2	2,251.4	2,235.8

Waste management, thousand tons

Indicator	2022	2023	2024
Waste generated	2,135.2	2,261.6	2,249.3
Waste management at the enterprise	0.103	0.211	0.22
Disposed of waste at the enterprise	0.486	0.001	0.001
Transferred waste to third-party organisations	16.235	9.736	12.55

Indicator	2022	2023	2024
Waste is buried at the company's own facilities	2,117.7	2,251.5	2,236.1
including ash and slag waste	2,113.2	2,251.4	2,235.8

The Corporation’s environmental policy



In 2024, 298.46 tons of a light fraction of fly ash (microsphere) from the ash dumps of the Corporation’s subsidiaries were sold on a contractual basis.

Microspheres of energy ash are hollow glass — crystalline aluminosilicate balls, on average, from 20-50 microns to 400-500 microns in size, which are formed as part of fly ash during high-temperature flaring of coal. They are the most valuable components of thermal power plant ash waste. They are used in the manufacture of insulation materials, fillers, aerosols, etc.

The most significant activities aimed at waste management and improving the industrial and environmental safety of landfills, completed in 2024:

- Organisation of storage sites for waste generated during the reconstruction and construction of energy facilities (equipment of sites, arrangement of containers)
- Sale of ash and slag waste (microspheres) to reduce the volume of their formation
- Implementation of the mechanism of separate collection of waste that is not subject to placement at the landfill: waste paper, paper and cardboard, plastic and glass waste

During the construction of new ash dump sections, the latest technology of an anti-filtration screen in the ash dump bed - the Canadian polysynthetic geomembrane was used. The use of a special geomembrane film will allow achieving 100% waterproofing. This is a reliable and durable anti-filtration screen that protects soils and underground water from contamination by chemical components contained in the clarified water of the reverse hydraulic ash transport system.



COMPLIANCE WITH REQUIREMENTS

ENVIRONMENTAL MANAGEMENT SYSTEM

GRI 307-1

SDG



About the Corporation

For more than nine years, an environmental management system has been operating at all the Corporation's production facilities, which is developed in accordance with the international standards of the ISO series Certification helps enterprises improve their processes for minimising risks to the environment, personnel or other stakeholders who may be exposed to hazards associated with their production activities, and more effectively fulfil their obligations in the area of environmental safety.

In addition to the environmental management system, the Corporation also successfully operates a quality management system (ISO 9001), a health and safety management system (ISO 45001) and an energy management system (ISO/CD 50001).

In 2024, TÜV Rheinland Cert GmbH conducted supervisory and certification audits of subsidiaries of the Corporation for compliance with the requirements of international standards ISO 14001 (Environmental Management System), ISO 9001 (Quality Management System), ISO 45001 (Health and Safety Management System), ISO/CD 50001 (Energy Management System). As a result, certificates of the integrated management system were obtained and its efficiency, effectiveness and focus on improvement were confirmed.

STATE ENVIRONMENTAL CONTROL

GRI 307-1

SDG



In 2024, inspections of compliance with environmental legislation in the form of preventive monitoring without visits and unscheduled inspections of complaints/appeals were carried out in the subsidiaries of the Corporation, as a result of which violations were identified and administrative fines were imposed for violating the requirements of environmental legislation. The total amount of administrative fines paid amounted to 4.9 million tenge. All instructions were fulfilled in full and on time, and fines were paid for.



PRINCIPLES OF A GREEN OFFICE IN THE CORPORATION

GRI 307-1

SDG



The goal of the **Green Office** is to reduce the negative impact of the company's activities on the environment and promote the rational use of resources.

In the framework of the recommendations of the "principles of the green office", the following measures have been implemented in the subsidiaries of the Corporation:

- Separate collection of waste paper (waste paper and cardboard)
- Information about saving water and electricity is reflected in the memos for visitors and newly hired employees.
- The introductory briefings for employees and contractors reflect the recommendations of

the Green Office regarding the rational use and conservation of water resources, energy, and calls for separate waste collection

As part of the "green office", by the end of 2024, about **1,184 tons of waste paper** (paper and cardboard) were collected and recycled in the subsidiaries of the Corporation.

The use of waste paper significantly saves wood (**1 ton** of waste paper replaces about **4 cubic meters** of wood, or **100 kg** of waste paper saves **1 tree**) and reduces deforestation

Introduction of THESIS electronic document management system allowed to reduce the number of paper documents in circulation and save office paper.

PUBLIC ASSESSMENT OF ENVIRONMENTAL PROTECTION ACTIVITIES

In order to comply with the environmental requirements of the Republic of Kazakhstan, in the reporting year, the subsidiaries of the Corporation held public hearings through open meetings with representatives of local executive bodies and the public on the following environmental and investment projects:

- according to the environmental protection section of the working draft "Construction of the 3rd stage of the CHPP-3 ash dump of PAVLODARENERGO JSC". Adjustment of the 2nd start-up complex (for CHPP-2)".
- According to the section "Environmental protection" to the working draft "Reconstruction of flues from boilers of stations No. 3-6 for transfer to the chimney No.2 of CHPP-3"
- according to the Exploration "Plan for the Delta section north of the village of Zhetekshi, Pavlodar region."
- according to the section "Environmental protection" for the working project "Construction of a new reinforced concrete chimney No. 1, H=180m, at the CHPP-2 of SEVKAZENERGO JSC, Petropavlovsk";
- according to the investment project "Reconstruction of the TM-20 thermal main with an increase in capacity (up to Dn1000) on the NO-52 – NP-6 section in Pavlodar";
- according to the investment project "Development of design estimates for the reconstruction of the Timiryazev - Bogdan Khmel'nitsky 35 kV overhead line in Petropavlovsk".



SUPPLIER ASSESSMENT

GRI 308

The Corporation manages environmental safety when working with suppliers and contractors. Environmental requirements for the procurement of products and services are defined in the corporate document «Rules for interaction with contractors in the area of occupational health and safety and environmental protection and the service contracts of the Corporation. Compliance with these requirements is mandatory on the part of counterparties.

The Corporation constantly cooperates with contractors to inform and ensure compliance with local environmental requirements and begins this work at the stage of selecting a supplier and entering into a contract.

Responsible departments of subsidiaries monitor the activities of contractors by conducting inspections of work sites. Based on the results of inspections, an instruction

is drawn up to eliminate violations; technical managers of industrial facilities monitor the elimination of violations on an ongoing basis.

The Department of Safety, Labour Protection and Ecology also monitors the activities of contractors through inspections. Based on the results of inspections, reports are generated with an assessment of contractors' performance and their compliance with all corporate environmental standards. In cases of violations of the requirements of environmental legislation and standards of the Corporation by the contractor, a letter of complaint about the need to eliminate violations is sent to its address.

ENVIRONMENTAL PROJECT PLANS FOR 2025

In 2025, the Corporation will carry out further work to modernise existing assets, leading to increased environmental efficiency and safety of enterprises, minimising the negative impact of their activities on the operating system.

Priority:

- Implementation of environmental protection plans and energy saving programs
- Further modernisation of obsolete equipment and restoration of normal operation of Petropavlovsk CHPP-2, Pavlodar CHPP-2
- Construction of chimneys and ash dumps
- Commissioning of automated emission monitoring systems and synchronisation of data transmission
- Compliance with the requirements of environmental legislation
- Active participation in the initiation of amendments to environmental regulations

STAFF DEVELOPMENT

GRI 2-7, 405-1

SDG



The personnel management system of CAEPCO JSC is aimed at implementing the Corporation's strategic goals of forming an efficient energy company with a well-developed corporate governance system and high social responsibility, which is constantly working to create opportunities for maximising the human resources potential of enterprises.

The Corporation's workforce is being formed in the following areas:

- Attracting professional staff of various levels
- Creating conditions for the retention of professional employees
- Continuous professional training and staff development
- Providing professional growth opportunities for enterprising young workers
- Creation of a talent pool and talent management

Structure and headcount

The list of employees of the Corporation as of 31 December 2024 amounted to 9,041 people. The decrease in the number of employees by 4.6% compared to 2023 is due to the withdrawal of Ekibastuzteploenergo LLP from the Group of Companies.

Dynamics in change in headcount:

2024 – 9,041 persons
2023 – 9,477 persons
2022 – 9,508 persons





Distribution of the headcount by enterprises of CAEPCO JSC at the end of 2024

Company name	Number of employees, persons
CAEPCO JSC	115
PAVLODARENERGO group of companies	4,229
SEVKAZENERGO group of companies	2,130
AEDC group of companies	2,567
Total	9,041

The total number of employees by type of employment

At the end of **2024**, the share of employees attracted under an employment agreement totalled **99.9%**. To perform certain types of work or seasonal work, enterprises attract part-time employees, the share of which totalled **0.1%** of the total workforce. Part-time employment totalled **2.3%** of the number of employees of the group of companies.

Indicator	Value (persons)	including	
		men	women
Headcount at the end of the reporting period (full-time)			
by agreement term:	9,041	5,587	3,454
Working under an agreement for an unspecified term	6,729	4,122	2,607
Working under a fixed-term agreement	2,312	1,465	847
by type of employment:	9,041	5,587	3,454
Full-time employees	8,833	5,472	3,361
Part-time employees	208	115	93
Supervised workers (part-time)	7	0	7
Total headcount		9,048	

Employees hired in 2024

In the reporting period, **1,695 employees** were hired, which amounted to **18.9%** of the average number of employees in the Corporation.

Number of newly hired employees by region, category, and gender in 2024, persons

Region	Top managers		Management		Professional employees		Blue collar employees	
	Men	Women	Men	Women	Men	Women	Men	Women
Pavlodar	2	2	37	14	69	116	440	103
Petropavlovsk	0	1	10	10	31	87	167	84
Astana	0	0	9	7	3	2	2	0
Akmola region	1	0	24	16	57	75	267	59
Total	3	3	80	47	160	280	876	246

Number of newly recruited staff by gender and age, persons

Indicator	Total		men		women	
	persons	%	persons	%	persons	%
Hired, of them:	15695	100	1,114	65.7	581	34.3
under 30	530	31.3	411	77.5	119	22.5
from 30 to 50	820	48.4	471	57.4	349	42.6
over 50	345	20.03	232	67.2	113	32.8

Turnover ratio for staff recruitment

2022	2023	2024
20.4%	19.6%	18.9%

The decrease in the recruitment turnover ratio by 0.7% compared to 2023 is due to a decrease in staff attrition.



Staff structure by category and gender

The structure of the Corporation's personnel, due to the peculiarities of its activities, is characterised by a high proportion of male employees, i.e. 61.8%. The production personnel mainly consists of the Workers category, where men make up 74.3%.

Personnel category	Total		men		women	
	persons	%	persons	%	persons	%
Headcount	9,041	100	5,587	61.8	3,454	38.2
Management	1,461	16.0	1,061	72.6	400	27.4
Professional employees/white collar employees	2,800	31.2	974	34.8	1,826	65.2
Blue collar employees	4,780	52.8	3,552	74.3	1,228	25.7

Personnel structure by age

At the end of 2024, the majority of the staff consisted of the most experienced employees aged 30-50 years (53.5%), which is 0.5% lower than in 2023. The share of young professionals under the age of 30 (14.5%) is 0.2% higher than in 2023. The share of personnel over 50 (31.9%) is 0.7% less than in 2023.

Taking into account these indicators, the Corporation's enterprises carry out activities aimed at attracting young specialists and developing mentoring to ensure continuity and transfer of professional knowledge and skills, and gradual rejuvenation of personnel to achieve an optimal combination of young proactive workers and experienced, highly professional employees.

The average age of the Corporation's employees is 42



Age composition of personnel

	Men	Women
Under 30 (14.5)%	10.1%	4.4%
From 30 to 50 (53.6%)	31.1%	22.5%
Over 50 years (31.9%)	20.6%	11.3%

Age composition of staff by region and gender

Region		under 30		from 30 to 50		over 50	
		Men	Women	Men	Women	Men	Women
Pavlodar	pers.	443	188	1,269	922	853	554
	%	10.5	4.4	30.0	21.8	20.2	13.1
Petropavlovsk	pers.	164	105	723	559	336	243
	%	7.7	4.9	33.9	26.2	15.8	11.4
Astana	pers.	5	5	47	46	4	8
	%	4.3	4.3	40.9	40.0	3.5	7.0
Akmola region	pers.	301	96	774	510	668	218
	%	11.7	3.7	30.2	19.9	26.0	8.5
TOTAL							
persons		913	394	2,813	2,037	1,861	1,023
share, %		10.1	4.4	31.1	22.5	20.6	11.3





Staff composition by category, age and gender

Indicator		Senior management	Middle management	Professional employees	Blue collar employees
Total	pers.	44	1,417	2,800	4,780
By gender groups					
Men	pers.	33	1,030	975	3,552
	%	75.0	72.7	34.8	74.3
Women	pers.	11	387	1,825	1,228
	%	25.0	27.3	65.2	25.7
By age groups					
under 30	pers.	0	80	515	720
	%	0,0	5.6	18.4	15.1
from 30 to 50	pers.	29	899	1,681	2,233
	%	65,9	63,4	60,0	46,7
over 50	pers.	15	438	604	1,827
	%	34.1	30.9	21.6	38.2

Personnel structure by education

In the Group of Companies, in the dynamics of 2022-2024, there is an increase in the proportion of employees with higher and technical/vocational education, a decrease in the proportion of employees with general secondary education.

Every year, the Group's enterprises hold events aimed at motivating employees to improve their level of education, including as part of the implementation of activities under the corporate program PROFENERGY.

By the end of 2024, 135 employees of the Corporation continued their studies at universities and colleges, including 88 employees in specialised specialties. Regardless of participation in the events of PROFENERGY, enterprises provide support to students and graduates of an educational institution. In 2024, 43 employees defended their theses, including 24 employees in the profile specific for the enterprise.

Dynamics of the educational level

	2022	2023	2024
General secondary education	24.0%	23.2%	22.6%
Vocational education and training	43.7%	43.9%	44.1%
University degree	32.3%	32.9%	33.3%

Staff turnover

At the end of 2024, the Corporation's staff turnover rate decreased by 3.9% compared to 2023.

The main reasons for staff attrition in the Corporation remain:

- Pay dissatisfaction
- Migration of personnel within Kazakhstan (urban/rural settlements)
- Due to family circumstances

Turnover rate

2022	2023	2024
15.9%	14.9%	11.0%

Number of retirees due to turnover in 2024, by age and gender

In 2024, 1484 labour agreements with employees of the Corporation were terminated, which is 21.1% less than in 2023. Due to turnover reasons, 990 people have left, of which the majority are employees aged 30-50 (52.9%).

	Men	Women
Under 30 (29.2)%	22.0%	7.2%
from 30 to 50 (52.9%)	31.0%	21.9%
Over 50 years (17.9%)	13.4%	4.5%





Data on staff attrition for reasons of turnover, broken down by age, gender and region

Category	Employed, persons	Terminated contracts, persons	Turnover, %	Number at the end of the year, persons
Total	1,695	990	11%	9,041
By age groups				
under 30	530	289	29.2%	1,307
from 30 to 50	820	524	52.9%	4,850
over 50	345	177	17.9%	2,884
By gender groups				
Men	1,114	658	11.9%	5,587
Women	581	332	9.6%	3,454
By region				
Pavlodar	783	407	9.7%	4,229
Petropavlovsk	390	275	12.9%	2,130
Astana	23	10	8.9%	115
Akmola region	499	298	11.6%	2,567

In order to manage the risk of "Staff turnover", the following measures were continued in 2024:

- Identification of the reserves of the wage fund and allocation of the released funds for increasing wages
- Improving mentoring processes and the support system for young professionals

- Material and non-material incentives for qualified employees
- Improving conditions and social guarantees in accordance with collective agreements

Staff training and development

The training and development system in the Corporation provides for the following areas:

- Mandatory, prescribed training in the rules of safety, fire safety, and maintenance
- Versatility training
- Advanced training for the development of professional and managerial competencies

In order to increase the efficiency of activities and create safe working conditions at the Corporation's enterprises, training is conducted in a corporate format and according to individual development plans, in-house forms of training are being introduced. We practice training in our own training centers for corporate programs, as well as in third-party training centers.

In 2024, 6,779 people were trained, which is 74.9% of the total number of employees. The number of employees trained at the Holding's corporate training centers at the end of the reporting period amounted to 2,663 people (39.3% of the total number of those trained).

The total number of employees trained in 2024 is 722 fewer than in 2023.

The main areas of in-service training are primary and periodic training in safety, fire safety, and operational techniques - 4,762 people (70.3% of the total number of trained) were trained in 2024.

In order to expand the specialised profile of the Corporation's employees and prepare them for work in related professions, 1,518 employees (22.4% of the total number of trained) were trained in 2024. Professional development (including QMS training) in 2024 was organised for 499 employees (7.4% of the total number of trained).

The Company has implemented the practice of corporate training. In August 2024, a strategic session of HR staff was hosted, during which topical issues were discussed and areas for the implementation of HR initiatives were identified.

Dynamics of staff training in the following areas

	2022	2023	2024
	7,203 persons	7,551 persons	6,779 persons
Training in quality management systems ISO9001, ISO14001, OHSAS1800	0.8%	0.3%	1.3%
Advanced training, training workshops	13.2%	9.5%	6.1%
Occupational health and safety, civil defence and emergency	9.0%	21.1%	23.9%
Allied professions	21.1%	22.2%	22.4%
Rules of occupational health and safety, fire safety, maintenance	55.9%	47.0%	46.4%

Average number of training hours per employee

Management	20.3
Professional employees, white collar employees	24.9
Blue collar employees	18.5

The average number of hours of training per male employee is 18.9 hours, female - 25.3 hours. Training for employees of production units in accordance with their positions and professions, regulatory requirements and corporate components in training programs, features of training programs prevails in the Corporation.

Staff performance assessment

GRI 404-3

In 2024, CAEPCO JSC did not conduct a formalised annual employee performance assessment based on the KPI system or other individual target indicators. Thus, the share of employees who passed such an assessment was 0%.

Regular assessment of the acquisition of knowledge and applied skills is carried out within the framework of staff training and development programs:

- Conducting final testing after training programs
- Conducting an assessment of practical skills in the



form of production assignments and control measures for technical personnel

- Surveys of satisfaction with learning in order to apply the acquired knowledge in the work

As part of the implementation of the HR strategy for 2025-2027, the Corporation plans to introduce unified performance assessment tools, including the KPI system.



Employee pool

To ensure the necessary reserve for holding managerial positions at different levels, in 2024, employee pool of senior, middle and **lower management levels for 852 managers was formed in the subsidiaries of CAEPCO JSC. The share of women in the internal personnel reserve is 31.6%.**

For the development of reservists, the following methods are used:

- Individual professional and organisational and managerial training programs
- Training, including in our own training centers
- Professional development, internship
- Mentoring, performing managerial functions, temporary relocation of an employee

During 2024, 55 people from among the employees who are in the employee pool were transferred to senior positions. Every year, work is carried out to form an external employee pool, including from among graduates of educational institutions.

278 young specialists work at the Corporation's enterprises, which is 3.1% of the total number of employees. In 2024, 61 young employees were hired, including 12 persons in the positions of lead specialists. At that, the number of persons hired with vocational education and training is 36 persons, with university degree – 25 persons.



Attracting young specialists and staff development

Attracting young professionals is one of the priorities facing the Corporation. The Group of Companies strives to create all possible conditions for the development of young professionals.

Since 2016, the PROFENERGY project has been implemented in the subsidiaries of CAEPCO JSC to support young specialists and improve the educational level of staff. The program is aimed at attracting graduates of educational institutions to key / crucial professions of enterprises and promotion of the energy profession, personnel development and improvement of the educational level of personnel, retention of key employees. The Corporation's enterprises cooperate with universities and colleges in the regions of their operations.

Regular work is carried out to inform about the content and conditions of the Program, meetings are held with students and graduates of schools, excursions to production facilities are organised, employees of enterprises are part of the examination and attestation commissions for the admission of final exams and the defence of diploma projects.

During implementation of the program, 4,602 students took part in the events, including:

- 238 students undertook a paid internship and signed an agreement on further employment at the Corporation's enterprises after getting a degree
- 4,183 students completed unpaid industrial placement and pre-graduation internship
- 146 students were employed during the summer holidays
- Based on the results of the competition of scientific papers, 35 students were awarded a nominal corporate scholarship

The program is constantly being improved, conditions are being adjusted taking into account the needs of students, the capabilities of enterprises and the specifics of the labour market in the regions of presence in order to increase the interest of graduates of educational institutions to work at the Corporation's enterprises.

In the period from 2016 to 2024, 1,291 employees who continued to work at enterprises participated in the Program's activities aimed at encouraging young workers

to receive specialised education. The following support measures were provided under the Program:

- 820 employees were granted paid study leave
- 283 employees were paid bonuses for successful completion of educational institutions
- 173 employees were provided with an interest-free loan to pay for training
- The Corporation paid for training of 15 employees

As part of the PROFENERGY project, a mentoring project is being developed. The purpose of the project is to transfer professional knowledge and skills to students, as well as fast and effective adaptation of young specialists. For 9 years, a pool of mentors has been formed from among highly qualified employees of subsidiaries of CAEPCO JSC, including those of retirement and preretirement age. **About 350 employees are appointed as mentors every year.**

Motivation and remuneration of personnel

The group of companies has a unified system of remuneration and incentives for employees. The salary level is set in accordance with the unified tariff grid, which is a grading system of remuneration for all categories of employees, regardless of their gender identity.

Incentives and remuneration in the Corporation are aimed at improving the efficiency and effectiveness of each employee's work. Every year, the enterprises of CAEPCO JSC make a differentiated increase in wages within the approved budgets and tariff estimates, taking into account the importance and significance of the personnel and the contribution to the results of work.

During 2024, employee salaries were indexed in all enterprises of the Group of Companies, with an emphasis on production and working personnel. On average, the Corporation's salary level increased by 33.3%.

Growth rate of average income in the context of subsidiaries of CAEPCO JSC

	2022	2023	2024
PAVLODARENERGO group	28.0%	25.9%	42.0%
SEVKAZENERGO group	14.5%	20.1%	27.7%
AEDC group	20.1%	39.9%	20.9%



The ratio of the average income of women to the average income of men in the context of categories of employees of subsidiaries of CAEPCO JSC in 2024

	Management	Professional employees/white collar employees	Blue collar employees	TOTAL
	RATIO			
PAVLODARENERGO group	1.0	0.8	0.8	0.8
SEVKAZENERGO group	0.9	0.8	0.8	0.8
AEDC group	1.3	0.8	0.8	1.0

Intangible incentives

In order to increase motivation for effective work and encourage employees to achieve high production results, events with awards and titles are held annually at the Corporation’s enterprises. In 2024, 400 employees and veterans of enterprises were awarded, including 155 employees with state, departmental and industry awards, 245 employees with corporate awards from CAEPCO JSC and enterprises.



Employee-management relations

In relations with employees, the Corporation complies with all the requirements of labour legislation and the Code of Business Ethics, respects personal freedom and human rights, provides everyone with equal opportunities and does not allow discrimination in labour, as well as does not use child labour in any of its businesses.

The minimum period for notifying employees of significant changes in the Corporation's activities is made in accordance with the legislation of the Republic of Kazakhstan and in accordance with internal regulatory documents.

The minimum period for notifying employees upon termination of employment relations due to a reduction in force is one month in accordance with the Labour Code of the Republic of Kazakhstan.

Labour disputes at the Corporation's enterprises are resolved in accordance with the current legislation, as well as within the framework of Collective Agreements and the provisions on the grievance committee for individual labour disputes with the participation of representatives of the employer and employee. The procedure for applying and receiving feedback on labour disputes is determined

by the internal regulatory document of the enterprise which is presented to employees during employment.

The composition of the grievance committee is approved by the organisational and administrative document for enterprises. In the event of a labour dispute, before applying to the grievance committee, an employee has the right to apply:

1. To the head of the human resources department.
2. To the chairman of the trade union/employee representative.
3. To the chief executive officer of the enterprise.

In 2024, three cases of employees applying to the grievance committee for the settlement of a labour dispute were established. Two appeals were reviewed and settled by the conciliation commission, the third was settled in court in favor of the employer. Discrimination of employees on any basis and cases of violation of the rights of employees were not revealed.

Interaction with trade unions

Trade unions operate at the Corporation's enterprises, and labour relations with employees are regulated by collective agreements. In the SEVKAZENERGO group of enterprises, a single collective agreement was renegotiated for a new period from 2024 to 2027, in the AEDC group of enterprises - for 2022-2025, in the PAVLODARENERGO group of enterprises - for 2020-2025. The principles of the Collective agreement are represented by economic feasibility, sufficiency, joint responsibility and transparency. Collective agreements regulate measures of social responsibility for employees and their families, regardless of their membership in a trade union.

As part of social partnership, with the participation of enterprises and trade unions, the following events are held annually:

- Sports and recreational activities
- Organisation of leisure and recreation, mass cultural events
- Sponsorship of anniversaries and holidays
- Charitable support

Name	2022	2023	2024
Number of employees participating in a trade union, persons	3,614	3,186	3,071
Share of the total headcount, %	38	34	34

In the dynamics of the past years, there has been a decrease in the proportion of employees in a trade union organisation at all enterprises of the Corporation, due to the influence of global processes of individualisation of social and labour relations.



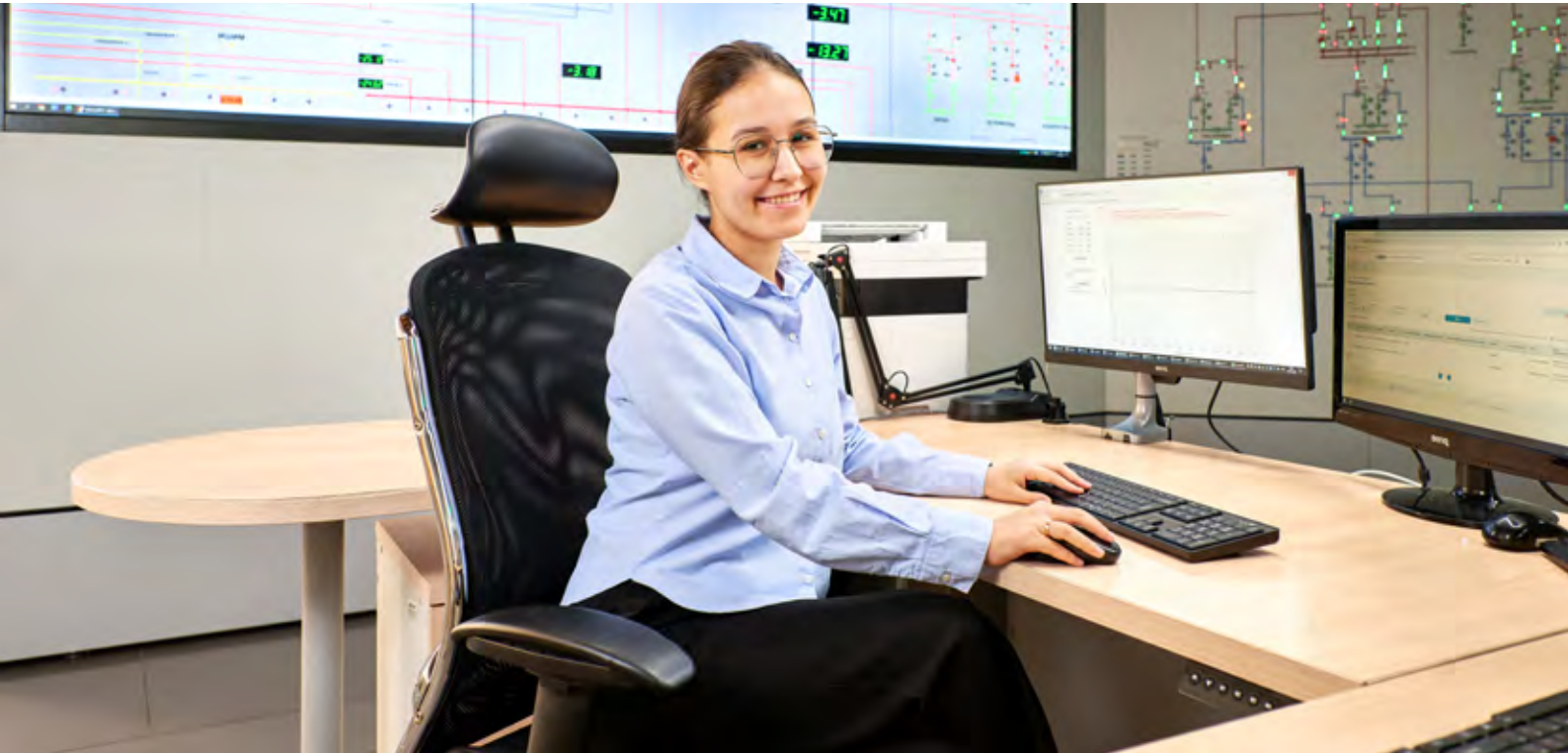
Social support, guarantees and compensatory payments

The social policy of CAEPCO JSC is determined jointly with employees and their representatives, i.e. trade unions, and is provided at the expense of the financial capabilities of the Corporation’s subsidiaries.

Objectives	Social package
Incentives for personnel for long-term work	Additional professional pension contributions in the amount of 5% Award for professional competitions Remuneration on the occasion of anniversaries and holidays
Effective compensation and preferential system	Compensation of housing maintenance and utilities expenses, dormitory discounts, residential lease Motor transport services for transportation of workers to and from work Coal supply at cost to employees living in houses with stove heating Compensation of vouchers to camps for children under 15 New Year’s gifts for children
Support for staff performance and health	Insurance against accidents and diseases at work Mandatory medical insurance Reimbursement of costs for health resort preventive treatment
Social support for employees	Financial aid for the birth of a child Financial aid for funeral services Financial aid to large and low-income families Paid educational leave Retirement benefits The company’s long-service employees support program Other aid
Sports and recreational activities	Reimbursement of expenses for meals to participants of sports competitions; Reimbursement of expenses for holding cultural events and collective recreation

The Corporation regularly provides social support to veterans and former employees of enterprises who have reached retirement age. Within the framework of the Collective Agreement, financial assistance is provided, leisure activities on holidays and other initiatives are organised.

CAEPCO JSC actively participates in social projects aimed at supporting the population in the regions of its presence. In Petropavlovsk, there are two dormitories and a kindergarten Alakay for employees of enterprises and residents of the city. Energetik Health Care Center and Energetik health resort operate in Pavlodar, providing therapeutic and preventive services.



Social assistance due to maternity or paternity

Company name	Number of employees who have issued maternity leave / childcare leave during a year			Number of employees on maternity leave / childcare leave at the year-end	Number of employees who returned from maternity leave / childcare leave during the year
	women	men	total		
CAEPCO JSC	3	0	3	5	0
PAVLODARENERGO GROUP OF COMPANIES	57	2	59	121	66
SEVKAZENERGO GROUP OF COMPANIES	29	0	29	57	15
AEDC GROUP OF COMPANIES	37	1	38	56	28
TOTAL	126	3	129	239	109





Key indicators for parental leave, persons

Indicator	2022	2023	2024
Total number of for employees eligible for parental leave	9,508	9,477	9,041
Men	5,757	5,704	5,587
Women	3,751	3,773	3,454
Total number of for employees who went on parental leave	335	278	239
Men	2	1	3
Women	333	277	236
Total number of for employees who returned to work after the end of parental leave in the reporting period	87	107	114
Men	2	2	1
Women	85	105	113
Total number of employees who returned from parental leave in the previous reporting period (2023)	115	85	105
Men	1	3	2
Women	114	82	103
Total number of for employees who returned to work after the end of parental leave (in 2023) and continued to work 12 months after returning to work	96	57	85
Men	1	3	2
Women	95	54	83
The rate of return to work, %	26%	38%	48%
Men	100%	200%	33%
Women	26%	38%	48%
Retention rate, %	83%	67%	81%
Men	100%	100%	100%
Women	83%	6 6%	81%

Personnel policy plans for 2025

In 2025, implementation of the personnel management policy aimed at attracting and developing the professional staff of the Corporation will continue. As part of this direction, it is planned

1. Implementation of HR strategy measures.
2. To further develop the PROFENERGY project in the following areas:
 - A system for supporting young professionals and improving the educational level of personnel.
 - Development of a mentoring project and a talent pool.
 - Key personnel development program.
 - Crucial professions program.

3. Improvement of key performance indicators for achieving the strategic and operational goals of the Corporation.
4. Implementation of programs to improve the living conditions of employees of key and crucial professions.
5. Further automation of HR processes related to staff development and motivation: adaptation, evaluation, training, recognition system, etc.
6. Improvement of the system of corporate training, training and retraining of personnel amid shortage of the labour market, improvement of qualitative indicators of training, introduction of a system for monitoring the effectiveness of training results.

OCCUPATIONAL HEALTH AND SAFETY

Goals in occupational health and safety and carried out activities

The goals of the Group of Companies in the area of occupational safety and health remain safe work and zero injuries, which means 0 accidents at work, 0 occupational diseases, 0 harm to anyone as a result of our activities.

The main principle in all types of activities of the group of companies is the priority of the life and health of employees in relation to the results of production activities.

The personnel of the group of companies is the main resource in creation of a high production culture. The Group understands its responsibility to ensure trouble-free production, safe working conditions and has zero tolerance for risks that can lead to serious and fatal occupational injuries for the Group's employees, contractors, visitors and consumers.

The set goals are achieved through a set of occupational health and safety measures, the introduction of best practices in the field of occupational health and safety, and the implementation of various programs.

For the first time in the Company's history, there were a minimum number of injuries (3 cases) in 2024. According to the results of the completed period (2024), the level of occupational injuries was reduced by 62.5% compared to the previous 2023 and by 70% from the level of 2015 and 2016.

In 2024, a new corporate Action Plan on occupational health and safety for 2024-2026 was developed and approved by the Chairman of the Board of CAEPCO JSC. The main activities of the Plan are aimed at preventing accidents, increasing occupational health and safety in the workplace and improving sanitary conditions for staff.



In 2024, the following activities were implemented/are being implemented at the Company's enterprises:

1. Traditionally, in order to promote safe work, events dedicated to World Labour Protection Day have been held in all branches of the Company:
 - safety months, during which audits, preventive conversations and meetings on occupational health and safety with personnel were conducted
 - Children's creativity contests on the theme "My parents work safely"
 - The best and most committed BIOTECH workers have been identified and promoted
 - A corporate-wide meeting on BIOTECH and meetings were held in the Company's subsidiaries
 - The best BIOTECH services of the Company's subsidiaries were identified and rewarded with a cash award and a certificate
2. Work continues on the exchange of experience in the field of occupational health and safety. In 2024, two mutual audits were conducted, the first at the enterprises of the PAVLODARENERGO JSC Group of Companies in the city of Pavlodar, the second at

the enterprises of the SEVKAZENERGO JSC Group of Companies in the city of Petropavlovsk. Mutual audits are aimed at preventing injury cases, as well as incidents and accidents during the operation of energy and technological equipment. The application of the best practices adopted during the mutual audit makes it possible to improve the overall situation and occupational health and safety indicators.

3. External audits of TUV Rheinland Kazakhstan LLP for compliance with the requirements of the ISO 45001 standard were conducted in all subsidiaries of the Company, and compliance with the standard was confirmed for all enterprises.
4. Specialists of the Department of Safety, Labour Protection and Ecology of CAEPCO JSC conducted inspections of the state of BIOTECH at all enterprises, and as a result, inspection certificates were issued indicating the identified inconsistencies.
5. As part of the public's warning about the dangers of electric shock, informational lectures on the dangers of electric shock are regularly held in schools across the regions before and at the end of the school year.



1. Pavlodar CHPP-2 and CHPP-3:

- According to the schedule of major, expanded and ongoing repairs, the boiler and turbine units of CHPP-2 and CHPP-3 have been brought into line with the requirements of the OHS maintenance sites and protective fences, and the flanging strips have been restored.
- Sanitary and epidemiological audit was conducted.
- An internal audit was conducted for compliance with the requirements of MS ISO 9001:2015 and MS ISO 45001:2018, a report was issued based on the results of the internal audit (1 discrepancy was identified, 8 recommendations were proposed).
- 95 informational and educational (preventive) lectures in the field of medicine were held among the employees of PAVLODARENERGO JSC, covering 525 people.
- Due to the change of management and changes in some safety requirements, a new video of the introductory briefing for employees and visitors of the stations has been developed and filmed.
- In December 2024, in order to assess professional skills, competitions were held among the operational staff of CHPP-2 and CHPP-3, and the winners were determined. Employees and teams who won prizes were awarded with diplomas.
- Personal protective equipment was purchased for guests and visitors of the stations (alarm vests, safety glasses, rain capes, protective helmets).
- Work was carried out to improve the sanitary conditions of staff (repair of bathrooms, changing rooms and showers).

2. Pavlodar EDC JSC:

- 31 "Safety Day" was held in structural divisions and 34 surprise inspections.
- Training and testing of knowledge on fire-technical minimum for personnel – 1912 people was conducted.
- In 2024, PEDC JSC held 31 "Safety Day" in structural divisions. In total, 1,148 violations were detected on safety day in 2024 (all violations were eliminated in a timely manner).

- Performance measurements of ventilation installations were carried out in compliance with GOST standards, norms and rules in the departments.
- Personal protective equipment and electrical protective equipment have been purchased.
- **For the first time in the Republic of Kazakhstan, the practice of performing work under voltage or OLTC has been introduced, following the example of some Russian, European and American companies.** According to this event, in 2024, training was conducted at the Center for High-voltage Work in Zainsk, Republic of Tatarstan (work under voltage on overhead, cable power lines and switchgears up to 1000 V - 9 people, work under voltage in electrical installations up to 10 kV for engineering and technical workers, specialists and managers of enterprises – 3 people). Special PPE was supplied to fulfill the OLTC, production instructions and technological maps for OLTC up to 1 kV were developed. In 2024, the company's staff performed 23 works under voltage up to 1 kV. A provision on additional payment has been developed to stimulate the staff performing the OLTC.
- Work has been carried out to improve the sanitary conditions of the staff (repair of bathrooms, changing rooms and showers). In total, 9 showers, 9 changing rooms, 20 bathrooms, and 14 outdoor toilets were renovated and brought in line with the requirements of the corporate standard.





For SEVKAZENERGO JSC Group of Companies:

1. Petropavlovsk CHPP:

- Video cameras are installed around the perimeter and in the premises to monitor compliance with the speed limit of vehicles, compliance by employees with the rules on biotech, fire safety.
 - A project has been developed to replace the perimeter fence of the station.
 - A comprehensive inspection of the chimneys was carried out using special means of non-destructive and thermal imaging control.
 - Purchased PPE, special fats, soap, medicines.
 - Repairs were carried out in the men's and women's showers of the old administration and amenity building.
 - Repairs were carried out in the laboratories of the chemical workshop.
 - Repairs were carried out in the precursor warehouse.
 - Repairs have been carried out in the health center.
 - Contactless and elbow mixers are installed.
 - A room for temporary storage of medical waste has been installed and provided with refrigeration equipment.
 - A room for blowing special clothes from coal dust in the boiler shop has been installed and put into operation.
2. Petropavlovsk Heat Networks LLP
- Passed an audit in the area of fire safety.
 - Computer equipment has been updated.
 - PPE, soap, milk, and medicines have been purchased in full.

The actual costs of implementing occupational health and safety measures and improving working conditions in 2024 amounted to about 4.7 billion tenge, which is twice as much as in 2023. Financial resources have been invested in providing the Corporation's employees with the necessary personal protective equipment, including electrical protective equipment, special nutrition, medicines, staff training, in the purchase of information posters, publications of regulatory and technical documents and signs on BIOTECH, in the purchase of fire extinguishing equipment, as well as the implementation of measures to improve working conditions and sanitary conditions.

- Meetings are held with staff to demonstrate videos about accidents at other industrial enterprises.
 - The entire IT staff is involved in working with 1C Safety Walk software.
3. North-Kazakhstan EDC JSC:
- The transition to overalls for electrical personnel made of thermoprotective fabrics, with protection from thermal risks and electric arc has been made
 - Mobile video recorders were purchased to increase the labour discipline and responsibility of production personnel during operational switching, workplace preparation, installation/removal of earthing at workplaces and overhead lines, etc.
 - Partial purchase of LIS-U type devices for determining the strength of reinforced concrete supports and attachments has been made.
 - A presentation and booklet on the dangers of electric current have been developed, and a letter has been sent to the head of the "Department of Education of the Akimat of the North Kazakhstan Region" for distribution at the beginning of the school year to schools in the region.
4. In the Group of Companies of Akmola EDC JSC:
- In order to update and strengthen the knowledge of personnel regarding the safe operation and repair of electrical installations, technical training was conducted in winter at production sites in the structural divisions of the EDC and demonstration admissions of working brigades.
 - 12 days of safety measures were carried out, 628 sudden inspections of working crews.

By a decision of the Company's Board of Directors in 2023, a Risk Appetite Statement was adopted, according to which the Group strives to ensure financing of BIOTECH measures and improvement of working conditions of employees at the appropriate level (in volume and in accordance with the requirements of regulatory legal acts of the Republic of Kazakhstan and internal regulatory documents of the Company). Sequestration of budgets, reduction of expenditures on OHS activities, and spending of funds from the OHS fund for other purposes are unacceptable.

Occupational health and safety tips

Each subsidiary has established councils on occupational health and safety. The Council is headed by a chairman from among the employees of the enterprise. The council consists of representatives of the employer, representatives of the trade union organisation, including technical labour inspectors.

The Occupational Health And Safety Council performs the following functions:

- Studies the causes of industrial injuries and occupational diseases, analyses the effectiveness of measures taken on labour conditions and protection, information and analytical materials on the actual state of labour protection in the organisation
- Analyses the results of workplace certification in terms of working conditions, participates in the preparation of structural divisions and the organisation as a whole to bring permanent jobs at production facilities in line with labour protection requirements;
- Considers proposals to eliminate identified violations in the area of occupational health and safety, create safe working conditions in the organisation, develop programs, recommendations, decisions and other initiatives aimed at preserving the life and health of employees in the course of their work;
- Provides assistance in conducting timely and high-quality training of employees on labour protection, as well as checks of knowledge in the area of occupational health and safety, regular training and improving the knowledge of employees, trade union activists and employees on issues of legislation in the area of labour protection;
- Makes proposals for introducing more advanced technologies and new equipment into production in order to create safe working conditions and eliminate heavy physical work
- Informs employees of the organisation about the measures taken to improve labour conditions and safety, prevent industrial injuries, occupational diseases, current standards for providing certified special clothing, special shoes and other personal protective equipment, and the correctness of their use;
- Participates in the consideration of issues related to the financing of labour protection measures in the organisation, mandatory social insurance against industrial accidents and occupational diseases; monitoring the expenditure of the organisation's funds aimed at improving labour protection conditions.





Health and safety technical inspectors

Technical labour protection inspectors work in each subsidiary. They interact with the heads of departments, the Occupational Safety and Health Service, the Inspectorate for Operation, the Inspectorate for the supervision of industrial safety facilities, as well as with state labour inspectors, state supervision and control.

The main functions of technical labour protection inspectors are as follows:

- Protection of the rights and interests of employees
- Participate in the development and submission of proposals to the Labour protection of the collective agreement, as well as in comprehensive target

programs and plans of priority measures to improve labour protection developed by the bodies

- Monitoring compliance with labour protection requirements at workplaces
- Representation of the interests of trade union members in state, public organisations, courts of various instances when reviewing labour disputes related to the application of the Labour Code in terms of labour protection



Health and safety technical inspectors

In the reporting year, 3 accidents occurred at enterprises of the Corporation's subsidiaries, 2 of them with a mild outcome and 1 with a fatal outcome. Every year, the Company conducts a detailed analysis of industrial injuries, including statistics on the severity and number of injuries in CAEPCO JSC and its subsidiaries, data on the accident frequency coefficient, the dynamics of injury indicators, diagrams of the distribution of the number of accidents by the time of their occurrence during the day, the distribution of the number of accidents by the age of the victims, the distribution of the number of accidents by the length of work of the victims, the causes of accidents, a classifier by types of accidents that resulted in the accident, comparison of the level of injuries by companies with a similar field of activity, etc. The Corporation strives to minimise industrial injuries and pays great attention to both the state of safety at workplaces and the elimination of the causes that resulted in accidents.

Classification of accidents by type of accidents in 2024:

- (9) Collapses, landslides, falling objects, materials, earth, etc. - 1 case
- (11) Electric shock - 1 case
- (13) Exposure to harmful and dangerous industrial factors and substances -1 case

According to official documents, the main causes of accidents were:

- Violation of organisational and technical measures
- Unsatisfactory organisation of work and non-use of personal protective equipment
- Unsafe conditions

A set of measures was carried out for each accident:

- A detailed investigation to identify the root and systemic causes and prevent the recurrence of such incidents
- Familiarisation of the staff with the circumstances and causes of accidents
- Elimination of the causes of the accident
- Instructing staff, etc.

The level and coefficients of occupational injuries in the Corporation are shown in the table and diagrams below.

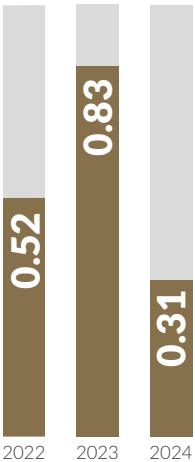
Occupational injury rate

	2022	2023	2024
List number of personnel	9,041	9,477	9,508
Number of traumatic cases	5	8	3
Number of victims / of them women	5/1	8/3	3/0
Number of fatal cases	1	1	1

Fatality Incident Frequency Rate (FIFR) per 1,000 employees



Total Incident Frequency Rate (TIFR) per 1,000 employees



$$IR = \frac{n \times 1,000}{N}, \text{ where}$$

n – the total number of victims of industrial accidents during the reporting period;

N is the average number of employees.

$$IR_1 = \frac{n_1 \times 1,000}{N}, \text{ where}$$

n₁ – the number of fatal industrial injuries during the reporting period;

N is the average number of employees.

The system of registration, reporting and notification of accidents operating in the Corporation complies with the requirements of the legislation of the Republic of Kazakhstan and the International Labour Organisation.



In order to prevent occupational injuries, monitor and account for cases of violations of safety and labour protection requirements, the following work is carried out in the Corporation and its subsidiaries:

- Investigation of micro-injuries, incidents, potentially dangerous incidents that are the basis for more serious injuries and damage
- Preparation of newsletters on the results of accidents and informing the personnel of all enterprises of the Corporation's subsidiaries about them in order to bring the causes and prevent the recurrence of similar cases in the future
- Training of personnel on occupational health and safety, electrical safety and knowledge testing
- Implementation of internal regulatory documents on occupational health and safety
- Carrying out planned and sudden checks of the state of occupational health and safety
- Conducting occupational health and safety days

- Holding meetings on occupational health and safety
- Bringing workplaces in line with the requirements of occupational health and safety
- Providing workplaces with information posters and safety signs
- Conducting professional competitions
- Carrying out events on an indicative outfit-admission, etc.

In accordance with the requirements of the Law of the Republic of Kazakhstan "On compulsory insurance of an employee against accidents in the performance of his / her labour (official) duties", all employees of the Corporation's enterprises are insured against accidents.

Improving the safety of employees whose professional activities are associated with a high risk of injury

The maintenance and repair of power equipment is associated with high risks. To ensure safety during the work in electrical installations, personnel training, organisational and technical measures are carried out, and their implementation is monitored. The personnel is provided with the necessary personal protective equipment, electrical protective equipment and others.

In recent years, a number of measures have been taken to improve safety during work in electrical installations:

- Electrotechnical personnel of CAEPCO JSC are provided with the best personal protective equipment and special clothing for protection from heat emission and electric arc
- To increase the labour discipline and responsibility of production personnel involved in operational switching during admission to work, preparation of workplaces, installation/removal of earthing at workplaces, etc. mobile video recorders are

used by personnel in the Company's management department;

- The EDC staff is provided with touch voltage detectors designed for remote monitoring of the presence of dangerous voltage in order to prevent electric shock to personnel servicing electrical installations and overhead lines of 6-10 kV, and a number of others.
- All crews and electrical installations are provided with high-quality electrical protective equipment.

Despite the whole range of measures taken, in 2024, for the first time in the last 4 years, one case of electric shock with a mild outcome was registered.



Contracting entities

The activities of contractors involved in the production facilities of the Corporation are monitored: specialists of the subsidiaries conduct inspections in contractors, briefings for contractors' personnel, meetings with contractors. Interaction with contractors of CAEPCO JSC in terms of the requirements in the area of safety, labour protection and ecology imposed on contractors when performing works or services on the territory of the subsidiaries, as well as when delivering goods/ materials, is carried out in accordance with the Rules approved by the Company for interaction with contractors in occupational health and safety and ecology.

Any accident with the contractor that occurs on the contract territory is primarily reflected in the image of the customer's company. In order to prevent injuries and promptly respond to accidents committed by the contractor, the same work is carried out as in the production units of CAEPCO JSC.

In 2024, the contractor committed 2 accidents, 1 with a mild outcome and 1 with a severe outcome, in both cases the main causes were the victim's gross negligence and unsatisfactory organisation of work.



Consumer safety Public awareness efforts



The Corporation cares about the health and safety of its consumers. For this purpose, systematic public awareness efforts, as well as inspection of equipment, are carried out. The Corporation's subsidiaries are introducing advanced technologies, as well as implementing measures for the safe production of works.

The management of each district subdivision of the Corporation's electric grid enterprises, together with specialists of occupational health and safety services, conduct information and explanatory work among the population on the topic of compliance with safety rules near existing electrical installations and power transmission lines.

Extracurricular hours on electrical safety are held annually in educational institutions (in the regions of operation). Letters are sent to the Department of Education of the Akimat of North-Kazakhstan, Pavlodar and Akmola regions, the State Institution Department of Education of Petropavlovsk and Pavlodar, heads of district education departments with a memo of the basic rules of electrical safety and measures to prevent electrical injuries among children for further distribution. These activities are carried out in order to prevent injuries among third parties, namely among school-age children and college students.

In order to warn the public and personnel about the danger, safety signs and inscriptions are placed on all electrical installations operated by subsidiaries, all equipment is protected from unauthorised entry, there are appropriate fences and locks.

Regional and district mass media publish articles aimed at preventing injuries, including children's injuries, and protecting the health of the population.

Ensuring consumer safety and health in service centers

In order to ensure the safety and health of consumers, the service centers of energy transmission enterprises of CAEPCO JSC are equipped / provided with:

- Anti-slip rubber mats on the entrance units to prevent visitors from falling
- Ramps or call buttons for staff to help customers with disabilities
- Video surveillance systems
- Medical first-aid kits with the necessary medicines
- Air conditioning systems
- Fire and security alarm systems and primary fire extinguishing means, emergency plans and safe emergency exits
- All requirements for premises and services are fixed in the Company's regulatory documents

Occupational safety and health plans for 2025

In 2025, work will continue on the implementation of the activities of the approved occupational health and safety plan for 2024-2026:

- Development and implementation of the Vision Zero concept or the Zero Injury Program
- Implementation of performance evaluation criteria (KPIs) of top managers in terms of occupational health and safety
- Implementation of previously developed Regulations for conducting emergency control and fire-fighting training with personnel
- Continued work on the repair and harmonisation of showers, changing rooms, and rest and meal rooms, the installation of separate rooms for dedusting work clothes in workshops with high dust levels, and the renovation of saturators in "hot" workshops to ensure a normal drinking regime for employees.
- Equipment of walk-through enterprises with so-called "alcohol frames" for contactless and fast testing
- Installation of remote thermometers and hygrometers for rapid monitoring of workplace air parameters and timely response in case of parameter violations (warning personnel about the use of personal protective equipment, ventilation, etc.).
- Pilot implementation of a occupational health and safety management program at SK EDC JSC using an electronic monitoring system for teams engaged in the production of work on repair of overhead lines, substations, and other electrical equipment
- Continuation of work on the introduction of live or low-voltage work in PEDC JSC
- Implementation of methods of strength testing of supports in electric grid companies using devices for non-destructive testing
- Carrying out work on injury prevention at the Company's energy facilities among 3 persons
- Training of the first heads of enterprises, their deputies and heads of occupational health and safety departments on the IOSH course – "International Certificate for the safe organisation of work"

In addition:

- The second corporate competitions of professional skills among the electric grid companies of CAEPCO JSC are planned
- Work on testing and implementation of IT solutions for automation of BIOTECH processes at the enterprises of the Group of Companies will continue

All the activities of the Plan are reflected in the budgets of the Company's subsidiaries, and some of the activities have already been completed at the time of preparation of the report.

**Plans for 2025 for the PAVLODARENERGO JSC Group of Companies:****1. Pavlodar CHPP-2 and CHPP-3:**

- Is working to improve the production and sanitary working conditions of employees. Metal cabinets with compartments for clean and dirty clothes are planned to be updated in the locker rooms
- Purchase of a robot simulator (2 units) for training and practicing skills of personnel in providing first aid (cardiopulmonary resuscitation)
- Continuation of work on bringing into compliance with the requirements of BIOTECH equipment maintenance sites
- Implementation of procedures for locking and labeling equipment (Lock out/Tagout or LOTO)

2. Pavlodar Heating Networks LLP:

- Repair the soft roofs of TsTP-59 and TsTP-73, internal repairs of TsTP-2, reconstruction of the control room and cosmetic repairs of the locker room of the Repair Service

3. Pavlodar EDC JSC:

- Improve the quality of work with staff
- Strengthen control over: occupational health and safety training, first aid, and basic fire safety
- To strengthen the requirements when conducting a qualification examination of knowledge of safety procedures, regulations for pipeline technical maintenance, fire safety rules

- In order to properly store, transport and reject reinforced concrete supports and attachments, non-destructive testing of supports for strength, it is planned to purchase devices such as LIS-U
- Training of personnel for OLTC 0,4-10 kV and purchase of PPE
- A contract has been signed for the manufacture and supply of an auto hydraulic lift in 2024 for OLTC with a voltage of up to 10 kV. The auto hydraulic lift delivery period is April-May 2025
- Advanced training for OLTC on overhead, cable power lines and switchgear up to 1,000 V – 8 people
- Advanced training for the organisation of OLTC in electrical installations up to and above 1,000 V for engineering and technical workers, specialists and managers of enterprises - 5 people
- Advanced training for OLTC on overhead power transmission lines and cleaning of electrical installations up to 20 kV on existing lines of the enterprise - 5 people
- Advanced training for OLTC cleaning of electrical installations up to 10 kV - 3 people

Plans for 2025 for the SEVKAZENERGO Group of Companies:**1. Petropavlovsk CHPP-2:**

- Improvement of interaction/information exchange with personnel on BIOTECH issues
- Conduct an inspection of buildings and structures bearing metal structures
- Installation of the analyzer of ethanol vapors in exhaled air "ALKOZAMOK P-02" at the entrance of PCHP-2

2. North-Kazakhstan EDC JSC:

- Conducting professional skills competitions among departments
- Conducting training for employees on the provision of occupational health and safety when working at height
- Implementation of a positioning system, purchase of 5 "smart helmets" for one of the VL-10 service teams-0.4 kV in the city

Plans for 2025 for the Akmola EDC Group of Companies:

- Bringing domestic buildings and premises (meal rooms, rooms for personal protective equipment and fixtures, bathrooms) in line with the requirements of sanitary standards

- Carrying out fire-resistant treatment of wooden structures
- Conducting professional competitions of electrical crews for the operation of distribution networks
- In order to warn the public about the danger of electric current, informational lectures are held in schools by region before the beginning and at the end of the school year
- Placement of publications in the media about the company's activities, including explanatory, propaganda, and informational articles in the media to prevent injuries to third parties at power supply facilities





SOCIAL PARTNERSHIP

GRI 413-1

SDG



The CAEPCO Group of Companies supports sustainable development, considering social partnership as an integral part of the corporate governance strategy. Interaction with society, authorities, educational institutions and other stakeholders is based on the principles of openness, mutual respect and long-term cooperation.

In order to ensure the coordination of the interests of employees and employers on the regulation of labour and other directly related relations, in 2024, technical managers and heads of personnel services at the Corporation's enterprises became part of the following structures:

- To the Sectoral Council of the Ministry of Energy of the Republic of Kazakhstan

- Member of the Sectoral Commission on Social Partnership and Regulation of Social and Labour Relations in the Areas of Energy and Heat Power Engineering under the Ministry of Energy of the Republic of Kazakhstan
- The working group on the development of the Sectoral Qualifications Framework of the Republic of Kazakhstan in the field of electrical and heat power, the working group on updating and developing professional standards
- The Commission for the placement of a state educational order for the training of personnel with technical and vocational post-secondary education in the North Kazakhstan region

In order to develop human resources and strengthen cooperation between education and industry:

- A representative of CAEPCO JSC became a member of the Industrial Council in the Field of Energy at the Gumarbek Daukeyev Almaty University of Energy and Communications, the Corporation's employees take advanced training courses at this university
- The Agricultural Engineering College of Arshaly village, Akmola region, has established an energy faculty to train electricians, and an internship has been organised for a master teacher at the college

As part of a social partnership aimed at attracting graduates of educational institutions and popularising the profession of an energy engineer, in 2024 the Group's enterprises continued to cooperate with 24 educational institutions in the regions of their presence: Pavlodar, Petropavlovsk, Astana and Akmola region.

During the reporting period, meetings were held between the management of subsidiaries, staff and students of profile educational institutions:

- To discuss issues related to the training of industry specialists, the formation of practical skills and the introduction of dual training in the specialty «Electric Power Industry» from 2025
- In order to inform students about employment opportunities, as well as in a question-and-answer format

- Participation in the graduation ceremony for graduates of Toraigrov University
- Chairman of the State Examination Committee for the final certification of graduates in the specialty "Thermal Power Engineering"

As part of career guidance and educational work, events aimed at familiarising schoolchildren with the energy industry and the basics of electrical safety were held in 2024. In particular:

- An excursion for 11th grade students to Pavlodar CHPP-3 in order to get acquainted with the profession of an energy engineer, with the plant equipment and the specialists who manage this equipment
- Conducting thematic lessons on electrical safety, the purpose of which was to form students' stable knowledge of the rules of handling electricity and develop skills of safe behavior in everyday life and public places

Participation in charity projects

Sergey Kan, a shareholder of CAEPCO JSC, is one of the trustees of the IQanat Educational Foundation, whose activities are aimed at supporting rural schoolchildren in all regions of Kazakhstan.

IQanat is a social and educational project of more than 150 Kazakh entrepreneurs who want to change the trajectory of rural children's lives, giving them stronger starting opportunities in the form of education and motivation.

Sergey Kan is the regional trustee of the children of the North Kazakhstan region.

The goals of the project are consistent with the globally accepted UN Sustainable Development Goals - quality education, reducing inequality and are integrated into the Fund's project strategy.

Thanks to IQanat programs, up to 90% of children apply for grants to the best universities in Kazakhstan and abroad. The graduates of the project are currently studying in 15 countries around the world.





ABOUT THE REPORT

The Annual Report of the Central-Asian Electric Power Corporation JSC (CAEPCO JSC) has been issued on an annual basis since 2013. The annual report is one of the main channels of communication with stakeholders, and therefore the Corporation pays special attention to the preparation of this document. The holding was included in the Rating of the 50 best companies for disclosure of information in the area of sustainable development, presented by PwC Kazakhstan.



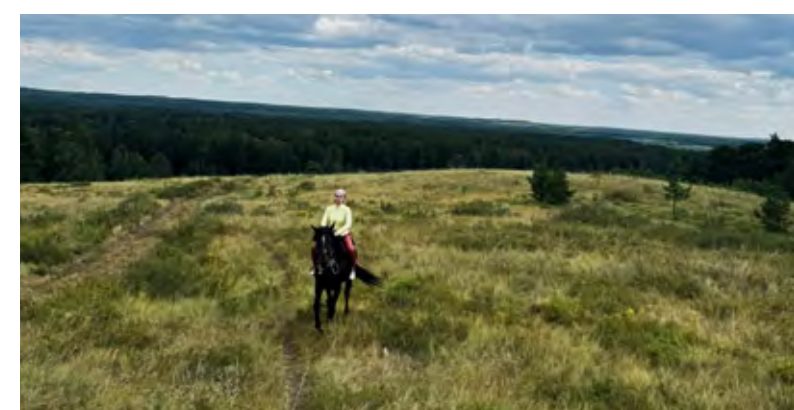
The Annual report of CAEPCO JSC in 2023 was awarded in the nomination of the annual KASE competition

The best annual report of the manufacturing sector.

The report provides information on the activities of CAEPCO JSC and its subsidiaries in 2024. The document contains a Sustainable Development Report prepared in accordance with the GRI G4 Guidelines. The main version of information disclosure and the GRI application for the electric power industry were used in the preparation.



THE BEST POWER ENGINEERS
WORK HERE





ANNEX 1

(GRI 2-3, 2-5)

SIGNIFICANT ASPECTS AND REPORTING BOUNDARIES

CAEPCO JSC strives for the best information disclosure for a wide range of stakeholders. This Annual Report includes information on operational and financial performance, as well as information on corporate governance and sustainable development.

The Company issues annual reports annually. The previous one (based on the results of 2023) was published in August 2024. This report covers the Company's activities in the period from 1 January to 31 December 2024.

The 2024 Report has not been externally certified, but the Company is aware of the importance of certifying information in the field of sustainable development and is considering the possibility of confirming non-financial information in the future.

The report was prepared taking into account the principles of the GRI 2021 Standards. In particular, only the most significant sustainable development topics were included in the report. When determining the content of the report, the results of interaction with stakeholders were taken into account, the principle of completeness and the broader context of sustainability were respected. The quality of the report was ensured by observing the principles of accuracy, balance, clarity, reliability, comparability, and urgency.

The selection of significant topics for the report was based on the principle of materiality, which allows us to identify aspects that have a significant impact on stakeholders and the environment. The process of materiality includes the identification of stakeholders, an analysis of their interests and expectations, as well as an assessment of the impact on aspects such as the environment, social aspects, economics and management.

The material aspects were prioritised according to the criteria "regularity of actual impacts", "probability of potential impacts", "strength of positive and negative impacts" and "scale and coverage of impacts", "materiality".

At the same time, the topic of "Emissions" is mainly related to the indirect influence of Society on stakeholders outside the organisation.

- The impact of services on health and safety
- Economic indicators (direct economic value)
- Indirect economic impacts (contribution to the development of the regions of presence)
- Occupational health and safety
- Environmental safety of production (compliance with standards and requirements)
- Attracting local staff
- Energy efficiency (impact management)
- Government policy (compliance with legislative requirements)
- Ensuring employment and decent working conditions
- Professional training and education
- Taxation
- Emissions (impact management)
- Waste management (impact management)
- Negative environmental impacts in the supply chain (impact management)
- The practice of ordering is from local suppliers



The Sustainable Development Goals (SDGs) are globally accepted goals aimed at eliminating poverty and destitution, combating inequality and injustice, as well as protecting the planet and ensuring peace and prosperity for the entire population.

By 2030, **17 key** areas have been selected, the implementation of which can potentially lead the country to the sustainable development of all major spheres of life and the solution of global problems affecting every person in this world.

The process of implementing and achieving the SDGs is under constant monitoring by both UN representatives and the Government of the Republic of Kazakhstan.

To effectively achieve the SDGs, the Inter-Agency and Expert Group on Indicators for Achieving the Sustainable Development Goals (MUEG - SDGs) has developed a system of global indicators, with the possibility for each UN member State to nationalise these indicators.

To date, Kazakhstan's monitoring system for achieving the SDGs includes **280 indicators**, of which **205** are global and **75** are national indicators.

More details:





ANNEX 2

Indicator	Disclosure	Report Section/Comment	Page
SDG, GRI 1: Foundation (2021, 2016)			
GRI 2: The Company and its reporting practices (2021)			
2-1	Information about the organisation	Key information About the Corporation	8, 18
2-2	Entities included in the organisation's reporting on sustainable development	Key information	8
2-3	Reporting period, frequency, and contacts	Ammex 1 Significant aspects and reporting boundaries	164
2-4	Revision of information	There was no revision of the data and information	-
2-5	External assurance	There was no external assurance	-
GRI 2: The Company's activities and its employees (2021)			
2-6 SDG 2, 8, 9, 11, 17	Company activities, value chain, and other business relationships	Key information Performance indicators for 2024 Business model About the Corporation Market analysis	8, 15, 24, 25, 30
2-6 SDG 9, 11, 17	The industry in which the company operates.	Market analysis Economy Overview An overview of the industry	30
2-7 SDG 8	Reporting period, frequency, and contacts	Staff development	131
2-8 SDG 8	Employees	Staff development	131
Corporate governance			
GRI 2: Corporate governance (2021)			
2-9 SDG 5	Structure and composition of governing bodies	Corporate governance Organisational structure	70, 72
2-10	Appointment and selection of the highest governing body	Board of Directors Selection and appointment Chairman of the supreme governing body	75
2-11	Board of Directors	Board of Directors Selection and appointment Composition of the Board of Directors	76
2-12 SDG 16	The role of the supreme governing body in overseeing impact management	Performance of the committees of the Board of Directors	78
2-13 SDG 16	Delegation of responsibility for impact management	Performance of the committees of the Board of Directors	78, 79
2-14 SDG 16	The role of the supreme governing body in sustainability reporting	Performance of the committees of the Board of Directors	79

Indicator	Disclosure	Report Section/Comment	Page
GRI 2: Corporate governance (2021)			
2-15 SDG 16	Conflicts of interest	Conflict of interest	83
2-16 SDG 17	Informing senior management about the most important issues Information policy	Information policy	83
2-17	Collective knowledge of the highest governing body	Compliance with the basic principles of the Corporate Governance Code	81
2-18	Evaluation of the activities of the supreme governing body	The activities of the Board of Directors for 2024 are evaluated positively	-
2-19	Remuneration policy	Remuneration policy	81
2-20	Process to determine remuneration	Remuneration policy	81
GRI 2: Strategy, policy, practice			
2-22	Statement on sustainable development strategy	Letter of the Chairman of the Board of Directors Letter of the Chairman of the Management Board Development strategy Development prospects overview	5, 7, 27
2-23	Commitment to politics	Corporate ethics	82
2-24	Fulfillment of assumed obligations	Corporate ethics	82
2-25	Elimination of negative effects	Internal control and audit Risk management Anti-corruption management In 2024, there were no complaints regarding the negative effects that Society had caused.	84, 88, 112
2-26	Mechanisms for consultation and expression of concern	Internal control and audit External audit Anti-corruption management	84, 88, 112
2-27	Compliance with laws and regulations	State Environmental Control In 2024, following a review of compliance with environmental legislation, regulations were issued	
2-28 SDG 17	Membership in associations	CAEPCO JSC is a member of the National Chamber of Entrepreneurs Atameken, Kazakhstan Electric Power Association	
2-29	Approach to stakeholder engagement	Sustainable development Interaction with stakeholders	110
2-30 SDG 2, 4, 7, 8, 9, 11, 12, 17	Collective agreements	The Corporation has Collective Agreements	



Indicator	Disclosure	Report Section/Comment	Page
GRI 3: Material topics (2016)			
3-1	The process of defining essential topics	Annex 1 Significant aspects and reporting boundaries	164
3-2	List of significant topics	Annex 1 Significant aspects and reporting boundaries	164
Economy			
GRI 201: Economic indicators (2016)			
3-3	Material topics management	About the Corporation Financial and economic indicators	18, 51
201-1 SDG 4, 6, 13	Direct economic value generated and distributed	About the Corporation Financial and economic indicators	18, 51
201-2 SDG 13	Financial impact and future risks and opportunities from climate change	Climate change	102
201-3 SDG 2,3	Defined benefit obligations and other pension plans	All employees of the corporation are covered by the state pension system and pay mandatory pension contributions.	
GRI 202: Market presence (2016)			
3-3	Material topics management	Corporate governance Board of Directors	76
202-2	Percentage of senior management in important areas of activity hired from the local community	Corporate governance Board of Directors	76
GRI 203: Indirect economic impacts (2016)			
3-3	Material topics management	Results of the investment program Reconstruction and modernisation plans	36, 60
203-1	Supported investments in infrastructure and services	Results of the investment program Reconstruction and modernisation plans	36, 60
203-2 SDG 3, 4, 8, 11, 17	Significant indirect economic impacts	Letter of the Chairman of the Board of Directors Letter of the Chairman of the Management Board Development strategy	5, 7
GRI 205: Anti-corruption (2016)			
3-3 SDG 16	Material topics management	Sustainable development Anti-corruption management	112
205-2 SDG 16	Information and training on anti-corruption policies and procedures	Sustainable development Anti-corruption management	112
205-3	Confirmed incidents of corruption and actions taken	In 2024, there were no cases of corruption offenses committed by employees of the Corporation.	112

Indicator	Disclosure	Report Section/Comment	Page
Ecological aspects			
GRI 301: Materials (2016)			
3-3 SDG 11, 12	Material topics management	Sustainable development Materials used	110, 117
301-1 SDG 11, 12	Materials used by weight or volume	Sustainable development Materials used	110, 117
GRI 302: Energy (2016)			
3-3	Material topics management	Sustainable development Energy saving	110, 118
302-1	Energy consumption within the organisation	Sustainable development Energy saving The Company's activities in the area of energy saving and energy efficiency improvement are carried out on the basis of the international standard ISO 50001 Energy Management Systems.	118
GRI 303: Water and wastewater (2016)			
3-3 SDG 6, 11, 12	Material topics management	Sustainable development Water resources	120
303-5	Water consumption	Sustainable development Water resources	120
GRI 304: Biodiversity (2016)			
304-2	Significant impact of products and services on biodiversity	CAEPCO enterprises do not have a significant impact on flora and fauna	-
GRI 305: Emissions (2016)			
3-3	Material topics management	Sustainable development Air emissions	110, 123
305-1 SDG 3, 11, 12, 13	Direct greenhouse gas emissions	Sustainable development Air emissions	110, 123
GRI 306: Waste (2016)			
3-3	Material topics management	Sustainable development Waste management	126
306-1	Waste generation and significant waste-related impacts	Sustainable development Waste management	126
306-3	Generated waste	Sustainable development Waste management Compliance with the environmental legislation of the Republic of Kazakhstan when storing ash and slag waste helps to prevent environmental pollution from ash and slag production waste.	



Indicator	Disclosure	Report Section/Comment	Page
GRI 307: Compliance with environmental legislation requirements (2016)			
307-1 SDG 3, 6, 11, 12, 14, 15	Management approach	Sustainable development Environmental management system Environmental policy	110, 128, 114
GRI 414: Environmental assessment of suppliers (2016)			
414-1 SDG 8, 11, 12, 16	New suppliers selected according to criteria of social and environmental impacts	Procurement activities In 2024, there were no suppliers who were not selected according to the criteria of social and environmental impacts.	130
Social responsibility			
GRI 401: Employment (2016)			
3-3 SDG 8	Material topics management	Sustainable development Staff development	131
401-1 SDG 8	Recruitment of new employees and staff turnover	Sustainable development Staff development	137
GRI 402: Labour relations/Management Relations (2016)			
3-3 SDG 8	Material topics management	Staff development	138
402-1 SDG 8	Minimum time limits for notification of changes in working conditions	Notification of changes in working conditions is carried out in accordance with the norms of the Kazakh labour legislation.	
GRI 404: Training and Education (2016)			
3-3 SDG 4, 8	Material topics management	Sustainable development Staff development	110, 138
404-1 SDG 4, 8	Average number of training hours per employee per annum	Sustainable development Staff development	139
404-2	Staff development and transition assistance programs	Sustainable development Staff development	138
GRI 405: Diversity and equal opportunities (2016)			
405-1	Diversity of governance bodies and employees	Board of Directors Staff development	134
GRI 406: Non-discrimination (2016)			
406-1 SDG 5, 8, 10	Cases of discrimination and remedial measures taken	There were no cases of discrimination in 2024	

Indicator	Disclosure	Report Section/Comment	Page
GRI 403: Security practices			
403-1 403-2 403-4 403-5 403-7 SDG 4	Occupational health and safety management system. Prevention and mitigation of negative industrial impacts directly related to the business relations of the organisation. Participation of employees in ensuring occupational safety, consultations with employees and providing them with information on occupational safety issues. Occupational safety training for employees.	Sustainable development Occupational health and safety	147
GRI 413: Local Communities (2016)			
3-3 SDG 1, 2, 3, 4, 8, 10, 11	Material topics management	Sustainable development Social partnership	160
413-1	Operations involving local communities, impact assessment and development programs	Sustainable development Social partnership	160, 161
GRI 415: State policy (2016)			
415-1 SDG 17	Political contributions	The company does not make political contributions	
GRI 418 Personal privacy of consumers			
418-1 SDG 16	Customer confidentiality. Well-founded complaints concerning violations of confidentiality.	In 2024, there were no complaints of privacy violations.	
GRI G4 Industry Protocol on Electric Power Industry			
G4-EU2	Power generation	About the Corporation Key performance indicators Energy production and sales	15, 18
G4-EU3	Number of personal accounts of household, industrial, institutional and commercial consumers	Number of consumers	44
G4-EU4	The length of aboveground and underground transmission and distribution lines of electricity, broken down by regulation modes	Key information PTL length	8
G4-EU5	Distribution of quotas for COR2R emissions or equivalents	Sustainable development Climate change Air emissions	123, 125



ANNEX 3

CENTRAL-ASIAN ELECTRIC POWER CORPORATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (in thousands of tenge, unless stated otherwise)

	Note	31 December 2024	31 December 2023
ASSETS			
NON-CURRENT ASSETS:			
Property, plant and equipment	6	355,019,292	382,430,604
Intangible assets	7	61,538,842	68,170,744
Deferred tax assets	28	5,043,390	3,430,003
Other financial assets	8	58,219	58,219
Advances paid	10	10,140,647	7,673,184
Other non-current assets		21,245	40,551
Total non-current assets		431,821,635	461,803,305
CURRENT ASSETS:			
Inventories	9	5,696,032	7,021,485
Trade accounts receivable	11	32,202,427	23,625,032
Advances paid	10	1,268,872	1,344,627
Income tax prepaid		2,244,513	1,315,527
Other current assets	12	2,768,145	3,335,234
Other financial assets	8	95,518	2,590,832
Cash	13	10,697,089	3,889,773
Total current assets		54,972,596	43,122,510
TOTAL ASSETS		486,794,231	504,925,815
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	14	46,043,272	46,043,272
Additional paid-in capital		1,348,105	1,348,105
Properties revaluation reserve		70,743,066	108,776,175
Retained earnings		29,609,384	1,027,038
Non-controlling interest		(28,203)	86,963
Total equity		147,715,624	157,281,553

CENTRAL-ASIAN ELECTRIC POWER CORPORATION JOINT STOCK COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 31 DECEMBER 2024 (in thousands of tenge, unless stated otherwise)

	Note	31 December 2024	31 December 2023
LIABILITIES			
NON-CURRENT LIABILITIES:			
Bonds issued	15	12,199,565	13,612,265
Non-current borrowings	16	85,496,977	119,255,948
Deferred income		509,448	1,234,107
Lease liabilities	18	6,624,523	8,534,171
Deferred tax liabilities	28	60,940,540	64,315,070
Asset decommissioning and restoration obligations	17	5,050,970	5,399,454
Employee benefit obligations		211,881	203,507
Other long-term accounts payable	20	2,056,297	3,476,330
Other liabilities and accrued expenses		440,703	669,811
Total non-current liabilities		173,530,904	216,700,663
CURRENT LIABILITIES:			
Current portion of bonds issued	15	3,997,261	785,682
Current borrowings and current portion of non-current borrowings	16	94,116,186	67,698,129
Current portion of deferred income		6,360	6,360
Current portion of lease liabilities	18	1,933,397	2,236,162
Trade accounts payable	19	51,588,872	42,115,447
Advances received		2,517,780	4,304,281
Current portion of asset decommissioning and restoration obligations	17	-	684,099
Income tax liability		119,781	4,227,586
Current portion of employee benefit obligations		67,313	46,303
Payables to employees		4,424,267	3,525,313
Taxes payable, other than income tax		4,966,744	4,766,686
Other current liabilities and accrued expenses		1,809,742	547,551
Total current liabilities		165,547,703	130,943,599
TOTAL EQUITY AND LIABILITIES		486,794,231	504,925,815

Signed on behalf of Group management:

B.Y. Oral
Chairman of the Management Board

23 May 2025
Astana, Republic of Kazakhstan



L. I. Miroshnichenko
Chief Accountant

The notes on pages 13-72 form an integral part of these consolidated financial statements.

**CENTRAL-ASIAN ELECTRIC POWER CORPORATION JOINT STOCK COMPANY
AND ITS SUBSIDIARIES****CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousands of tenge, unless stated otherwise)**

	Note	2024	2023
Revenue	21	291,719,677	191,552,852
Cost of sales	22	(224,794,762)	(159,228,096)
GROSS PROFIT		66,924,915	32,324,756
General and administrative expenses	23	(13,510,377)	(12,532,307)
Selling expenses		(3,150,198)	(2,482,121)
Finance income	24	2,496,179	5,583,400
Finance cost	25	(40,708,493)	(35,263,359)
Recovery of allowance for expected credit losses		1,725,581	3,461,014
Foreign exchange gain, net	26	637,336	23,920,832
Net gain from reversal of impairment loss/ (loss on impairment) of property, plant and equipment	6	1,483,104	(1,831,477)
Other income	27	7,900,507	1,621,467
Other expenses	27	(3,016,525)	(6,453,309)
PROFIT BEFORE TAX		20,782,029	8,348,896
Income tax expenses	28	(3,357,259)	(3,635,288)
PROFIT FOR THE YEAR		17,424,770	4,713,608
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR			
Items that will not be reclassified subsequently to profit or loss:			
Gain on revaluation of property, plant and equipment, net of income tax	6	-	32,363,530
Impairment loss on property, plant and equipment, net of income tax	6	(28,681,663)	-
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		(11,256,893)	37,077,138
Income/(loss) attributable to:			
Shareholders of the Group		17,539,936	4,737,453
Non-controlling interests		(115,166)	(23,845)
Total comprehensive (loss)/income attributable to:			
Shareholders of the Group		(11,141,727)	37,077,138
Non-controlling interests		(115,166)	-
PROFIT PER SHARE			
Profit per share, basic and diluted	32	474.68	128.21

Signed on behalf of Group management:

B.Y. Oral
Chairman of the Management Board23 May 2025
Astana, Republic of KazakhstanL. I. Miroshnichenko
Chief Accountant

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**CENTRAL-ASIAN ELECTRIC POWER CORPORATION JOINT STOCK COMPANY
AND ITS SUBSIDIARIES****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousands of tenge, unless stated otherwise)**

	Share capital	Additional paid-in capital	Properties revaluation reserve	(Accumulated deficit)/Retained earnings	Non-controlling interest	Total equity
At 1 January 2023	46,043,272	1,348,105	84,294,954	(16,365,766)	110,808	115,431,373
Profit for the year	-	-	-	4,737,453	(23,845)	4,713,608
Other comprehensive income for the year	-	-	32,363,530	-	-	32,363,530
Total comprehensive income for the period	-	-	32,363,530	4,737,453	(23,845)	37,077,138
Amortisation of properties revaluation reserve	-	-	(7,882,309)	7,882,309	-	-
Effect of operations under common control	-	-	-	4,773,042	-	4,773,042
At 31 December 2023	46,043,272	1,348,105	108,776,175	1,027,038	86,963	157,281,553
Profit for the year	-	-	-	17,539,936	(115,166)	17,424,770
Other comprehensive loss for the year	-	-	(28,681,663)	-	-	(28,681,663)
Total comprehensive loss for the year	-	-	(28,681,663)	17,539,936	(115,166)	(11,256,893)
Amortisation of properties revaluation reserve	-	-	(9,351,446)	9,351,446	-	-
Effect of operations under common control	-	-	-	1,690,964	-	1,690,964
At 31 December 2024	46,043,272	1,348,105	70,743,066	29,609,384	(28,203)	147,715,624

Signed on behalf of Group management:

B.Y. Oral
Chairman of the Management Board23 May 2025
Astana, Republic of KazakhstanL. I. Miroshnichenko
Chief Accountant

The notes on pages 13-72 form an integral part of these consolidated financial statements.

**CENTRAL-ASIAN ELECTRIC POWER CORPORATION JOINT STOCK COMPANY
AND ITS SUBSIDIARIES****CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousands of tenge, unless stated otherwise)**

	Note	2024	2023
OPERATING ACTIVITIES:			
Profit for the year		17,424,770	4,713,608
Income tax expenses recognised in profit or loss	28	3,357,259	3,635,288
Adjustments for:			
Depreciation and amortisation	6, 7	33,860,737	30,415,809
Finance costs	25	40,708,493	35,263,359
Recovery of allowance for expected credit losses		(1,725,581)	(3,461,014)
Recovery of allowance for obsolete inventories	9	(157,344)	(46,868)
Loss from disposal of property, plant and equipment and intangible assets	27	470,807	2,752,002
(Gain from reversal of impairment losses)/impairment loss on property, plant and equipment, net	6	(1,483,104)	1,831,477
Foreign exchange gain, net		(637,336)	(23,920,832)
Finance income	24	(2,496,179)	(5,583,400)
Accrual of a provision for construction in progress	27	380,160	1,133,832
Profit from write-off of accounts payable		(222,000)	-
Income from government grants		(706,240)	(146,636)
Financial result from assets and subsidiary transfer, net	27	(4,263,375)	-
Other		128,551	1,166,070
Operating cash flow before movement in working capital		84,639,618	47,752,695
Changes in inventories		1,355,931	(660,684)
Changes in trade accounts receivable		(17,463,903)	(5,477,944)
Changes in advances paid		54,604	23,971
Changes in other current assets		2,784,538	(1,318,102)
Changes in trade accounts payable		18,658,657	14,402,261
Changes in advances received		(409,548)	(1,003,131)
Changes in other liabilities and accrued expenses		(882,575)	1,512,260
Cash generated by operating activities		88,737,322	55,231,326
Income tax paid		(6,697,478)	(1,654,903)
Interest paid	15, 16, 18	(34,755,091)	(30,313,588)
Net cash from operating activities		47,284,753	23,262,835

**CENTRAL-ASIAN ELECTRIC POWER CORPORATION JOINT STOCK COMPANY
AND ITS SUBSIDIARIES****CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousands of tenge, unless stated otherwise)**

	Note	2024	2023
INVESTING ACTIVITIES:			
Disposal of property, plant and equipment		15,969	1,280,000
Proceeds on disposal of investments		-	100,050
Purchases of property, plant and equipment		(35,181,292)	(28,623,536)
Purchases of intangible assets		(59,946)	(52,811)
(Placement)/withdrawal of cash from deposit accounts		(6,868)	1,569,970
Interest received on placed deposits		997,383	527,067
Interest received on loans issued		364	1,010,011
Net cash outflow on disposal of sale of subsidiary	27	(48,624)	-
Repayment of loans issued		299,636	3,492,084
Return of financial assistance issued to the Company under common control		2,645,499	1,879,824
Return of financial aid from shareholder		-	94,721
Other investment activities		966	2,000
Net cash used in investing activities		(31,336,913)	(18,720,620)
FINANCING ACTIVITIES:			
Proceeds from bank borrowings	16	83,506,550	45,146,729
Bonds issuance	15	-	8,609,375
Proceeds from financial aid from shareholder	20	500,000	4,902,280
Proceeds from financial aid from related party	20	-	2,400,000
Repayment of borrowings	16	(90,284,181)	(55,373,093)
Redemption of bonds	15	(500,000)	(7,079,564)
Lease liabilities	18	(2,238,658)	(2,143,785)
Net cash from financing activities		(9,016,289)	(3,538,058)
NET INCREASE IN CASH		6,931,551	1,004,157
CASH at the beginning of the year	13	3,889,773	2,992,004
Effect of exchange rate changes on cash balances in foreign currencies		(124,453)	(106,547)
Effect of changes in allowance for expected credit losses for cash		218	159
CASH at the end of the year	13	10,697,089	3,889,773

Signed on behalf of Group management:

B.Y. Oral
Chairman of the Management Board23 May 2025
Astana, Republic of KazakhstanL. I. Miroshnichenko
Chief Accountant

The notes on pages 13-72 form an integral part of these consolidated financial statements.



GLOSSARY

Overhead power line	shall mean an electric line for transmission of electric power through the wires located in the open air and attached by means of insulators and fittings to supports or brackets.
Overhead transmission lines	shall mean the structures intended for transmission of electric power over a distance by wires.
Gigacalorie	shall mean a unit of measurement of thermal energy used for assessment in the heat power industry, heating systems and the utilities sector.
Gigacalorie per hour	shall mean a derived unit of measurement used to specify the amount of heat produced or used by a certain equipment per a unit of time.
Cooling tower	shall mean a structure shaped like an exhaust tower providing air stack effect.
Ash	shall mean an incombustible residue (in the form of dust) which consists of mineral impurities left after complete combustion of fuel
Ash dump site	shall mean a place for collection and disposal of waste ash and slag generated during combustion of solid fuel at combined heat and power plants.
Calorie or cal	shall mean an off-system unit for measuring the amount of heat
Boiler unit	shall mean a device for generating pressurised steam or hot water through fuel combustion, use of electric power, heat of exhaust gas or technological process
Power transmission line or PTL	shall mean a structure consisting of wires (cables) and auxiliary devices for transmission of electric power from power plants to consumers.
Megawatt	shall mean a unit of power measurement in electric power production
Pump	shall mean a device for pressure movement (suction, discharge) of fluid (primartly) as a result of energising (kinetic or potential energy).
Pumping station	shall mean a pump set with ancillary equipment mounted according to a certain model that ensures operation of the pump.
Pavlodar EDC	Pavlodar Electric Distribution Company JSC
Substation	shall mean an electric installation used for conversion and distribution of electric power and consisting of transformers or other power converters, switchgear, control devices and auxiliary facilities
Combined heat and power plant or CHP or cogeneration unit	shall mean a thermal power plant generating not only electric power, but also heat supplied to consumers in the form of steam and hot water
Transformer (from Latin: transformare, 'transform')	shall mean a device for converting any significant properties of energy (e.g., electric transformer, torque converter) or objects (e.g., photo transformer)
Turbine generator	shall mean a combination of a steam turbine, electricity generator and exciter united by one shaft train; it converts potential energy of steam into electric power
Installed capacity	shall mean an effective value of the turbine generators' rated capacity.
Installed heat capacity of the plant	shall mean the sum of all rated heating capacities for all the equipment commissioned under the act and designed for supplying heat to external consumers and steam and hot water for internal needs.
Installed electrical capacity of the energy system	shall mean total effective capacity of all turbo and hydropower generators of power plants in the energy system in accordance with their passports or specifications
Emulsifier	shall mean a wet ash and dust cleaning device operating in the phase inversion mode
COSO	shall mean the Committee of Sponsoring Organisations of the Treadway Commission
EBITDA	shall mean an analytical indicator, which equals earnings before interest, taxation, depreciation and amortisation
ESAP	shall mean Environmental and Social Action Plan
ISO	shall mean International Organisation for Standardisation
KEGOC	shall mean Kazakhstan Electricity Grid Operating Company JSC
OHSAS	shall mean Occupational Health and Safety Assessment System
ESAP	shall mean Environmental and Social Action Plan

JSC	shall mean a joint stock company
AEDC	shall mean Akmola Electricity Distribution Company JSC
ASCAHE	shall mean automatic system for commercial accounting for heat energy
ASCAE	shall mean automatic system for commercial accounting of electricity
GDP	shall mean gross domestic product
OHL	shall mean overhead lines
WPP	shall mean wind power plant.
Gcal	shall mean gigacalorie
Gcal-hr	shall mean gigacalorie per hour
SDPP	State District Power Plant
GTPP	shall mean gas turbine power plant
HEPP	shall mean hydroelectric power plant
EBRD	shall mean European Bank for Reconstruction and Development
ESP	Electrostatic Precipitator
kWh	shall mean kilowatt per hour
MW	shall mean megawatt
MNE RK	Ministry of National Economy of the Republic of Kazakhstan
NGO	shall mean a non-governmental organisation
PE	Protection of the Environment
PEDC	shall mean Pavlodar Electricity Distribution Company JSC
PCHPP-2	shall mean Petropavlovsk combined heat and power plant No. 2
JSCP	JSC PAVLODARENERGO
RK	Republic of Kazakhstan
DPG	District Power Grids
ICS	shall mean internal control system
BD	Board of Directors
ABC	Aerial Bundled Cable
NK EDC	shall mean North-Kazakhstan Electricity Distribution Company JSC
JSCS	JSC SEVKAZENERGO
MM	Mass Media
RMS	shall mean risk management systems
IFRS	Inventories
LLP	shall mean a limited liability partnership
TPP	shall mean a thermal power plant
CHPP	shall mean a combined heat and power plant
CAPEC	shall mean Central-Asian Power Energy Company JSC
CAEPCO	Central-Asian Electric Power Corporation JSC
EPP	Electric Power Plant



CONTACTS

CENTRAL-ASIAN ELECTRIC POWER CORPORATION JSC

The head office of CAEPCO JSC is located at:

SAAD business center, 2 Dostyk Str., Astana, 050012, Republic of Kazakhstan

Email: info@energy.kz

Tel.: +7 (7172) 64-57-77

Full name	Position	Contact details
Person in charge for working with investors and shareholders		
Talgat M. Zhumadilov	Managing Director for Corporate Affairs	2 Dostyk Str., Astana, Republic of Kazakhstan tel. +7 (7172) 64-57-77
Person in charge for preparation of the Annual Report		
Elena N. Klivets	Director of Public Relations Department	2 Dostyk Str., Astana, Republic of Kazakhstan tel. +7 (7172) 64-57-77