

SEVKAZENERGO



KEY POINT

THE FUTURE OF THE COMPANY IS IN THE —
HANDS OF YOUNG SPECIALISTS

AS WELL AS

SEVKAZENERGO JSC APPRECIATES
AND SUPPORTS ITS EMPLOYEES
IN THEIR PERSONAL
DEVELOPMENT AND

HOBBIES

2024

ANNUAL REPORT
AND CAEPCO
SUSTAINABILITY REPORT

THE BEST POWER ENGINEERS



SEVKAZENERGO

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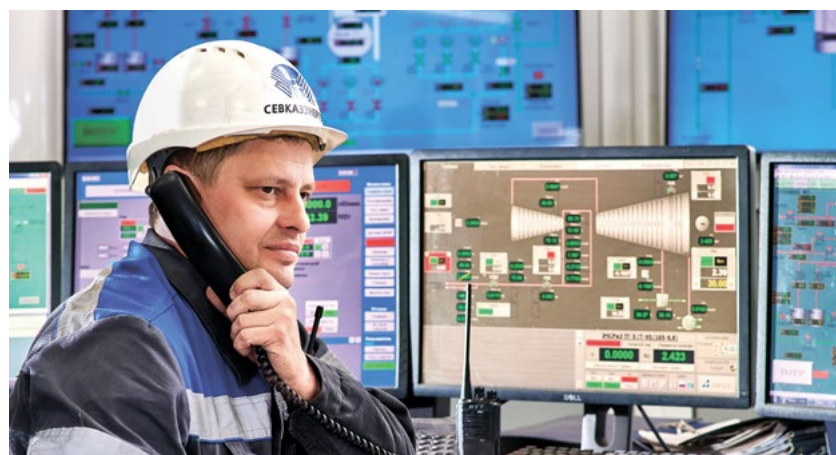
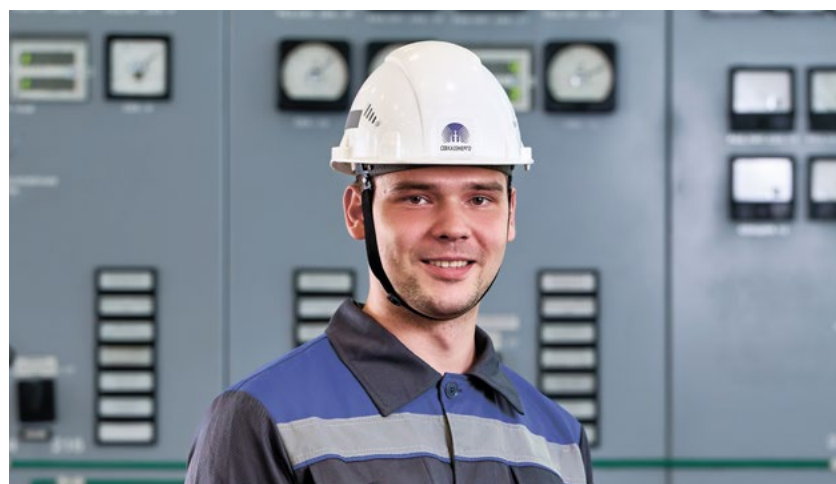
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SPEECH OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

GRI 2-22, 203-2

SDG



DEAR SHAREHOLDERS, INVESTORS AND COLLEAGUES!

Energy is a basis of the life, a driver of the progress and a guarantee of the society sustainability. Over the years, the SEVKAZENERGO JSC Group of Companies has remained the reliable supplier of the heat and electric energy in North Kazakhstan region. Notwithstanding, the Company's mission is far beyond: ensuring the conditions for the economic growth, living standard improvement and future energy industry creation.

The Company is aware of its responsibility to the consumers, employees and shareholders for operational transparency, stability and innovations. In the age of digitation, the Company transforms extensively its services, introduces the state-of-art solutions and strives to provide each consumer with the reliable and convenient services.

The modern energy industry is not merely infrastructure, but the ecosystem with three essential elements such as: human capital, innovations and automation. Such principles are a basis for development of the Company's strategy.

The Company continues to modernize the energy complex, to invest in the energy-efficient technologies, and to upgrade the equipment in order to ensure the uninterrupted power supply, even with the growing demand. Thereat, the Company's key valuation is the people. The staff proficiency, commitment and teamwork ability allow overcoming any crisis.

The past year shows that the Company's reliability is confirmed in the crisis situations. The 2024 flood was a hard challenge, but the efficient response, teamwork and dedication of the Company's staff helped not only to restore the power supply at the affected areas, but also to perform the extensive works for the repair of the power transmission lines. Such experience has demonstrated one more time that the team is a key resource.

The Republic of Kazakhstan is a fast developing country; thus, the increase in demand for electric energy is not merely a challenge, but also an opportunity for the development. The 2024 work results have confirmed the readiness of SEVKAZENERGO JSC to such changes: owing to the team spirit, proficiency and commitment to excellence, the Company will be able to secure the reliable power supply future of North Kazakhstan region and to make its contribution in the country development.

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ALEXANDER NIGAY

Chairman of the Board of Directors of SEVKAZENERGO JSC



SPEECH OF THE GENERAL DIRECTOR OF SEVKAZENERGO JSC

GRI 2-22, 203-2

SDG



DEAR SHAREHOLDERS, INVESTORS AND COLLEAGUES!

The power industry is not merely kilowatts and gigacalories, but the confidence about the future, foundation for the economy and basis for the comfort of every house. The SEVKAZENERGO JSC Group of Companies does not merely supply the power, but ensures the conditions for the region development and for stability even under the harshest conditions.

2024 was a period of serious challenges and remarkable achievements for us.

The flood in the North Kazakhstan region tested our readiness to challenges, and we proved that our team was capable to act quickly, consistently and efficiently. 34 emergency teams, more than 140 specialists worked hardly to restore the power supply at the rural localities affected by the unprecedented spring flood within the shortest possible period of time. Therefore, we did not stop there: we constructed the loop lines, installed the ice breakers, and performed the repairs and upgrade of the networks.

This year was also a stage of the extensive transformation of the infrastructure. The construction of the shaft of 180-meter chimney No 1 at Petropavlovsk CHPP-2 was finished. That was not merely technical project, but symbol of our progress. Unprecedented time (73 days only!), modern solutions, flux transfer – all that is a part of the great investment program to be implemented using the own funds of the Company.

Under the 2024 investment program, Petropavlovsk Heating Networks LLP finished the reconstruction of heating main No 3 along Satpaev Street with the total length of 1.5 km. The works for the reconstruction of main No 6 along Ruzheynikov Street were started. Besides, the major repair of pumping station No 1 was completed. While, in the process of the preparation for the heating season, the enterprise repaired 6.75 km of the main and distribution heating networks. Reconstruction of the mains, replacement of the stop valves, modernisation of the pumping stations – each repaired meter of pipes and each new mechanism are intended to achieve one target: reliability.

But, the key aspect is the people. More than two thousands of professional specialists, for whom the power supply is not merely the work, but vocation. Their knowledge, responsibility and teamwork capability allow them to overcome any difficulties and feel confident about the future.

Today, we faced with the challenging tasks of further modernisation of the infrastructure, and I am sure that we will put our ideas into practice subject to such team and to such approach. SEVKAZENERGO JSC does not merely provide the light and heat, but we construct the pridesworthy power supply industry.

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ANATOLY
KAZANOVSKY

General Director of SEVKAZENERGO JSC



KEY INFORMATION

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



MAIN PRODUCTION CHARACTERISTICS



S SEVKAZENERGO Joint-Stock Company (SEVKAZENERGO JSC) is an vertically integrated company, consisting of the enterprises of the North Kazakhstan region engaged in generation, transportation and sale of electrical and heat energy.

The Company introduces extensively the best world practices and carries on the business in accordance with the international standards in domain of production, ecology, health protection and social sphere.

The securities of the Company are registered with the National Register of Marketable Securities. The Company is registered with the Department of Justice of NKR dated July 13, 2009.
State Registration Certificate No 1066-1948-AO.

Key resources



The volume of sold heat energy in 2024 was

1,387
thousand Gcal



The length of the NKREDC JSC power transmission lines is about

13,029.77
km

The electric energy generation for 2024 was

2,329.5
million kWh

SEVKAZENERGO JSC supplies the electric energy generated thereby for 165,282 consumers of the North Kazakhstan region, provides the heating supply for 79,348 consumers of the city of Petropavlovsk.

GEOGRAPHY OF THE ACTIVITIES



The SEVKAZENERGO Company consists of:



- Petropavlovsk CHPP-2;
- North Kazakhstan Regional Electric Distribution Company JSC (electrical networks of the North Kazakhstan region);
- Petropavlovsk Heating Networks LLP (heating networks of the city of Petropavlovsk);
- Sevkazenergosbyt LLP

LENGTH OF POWER TRANSMISSION LINES

PTL types	Length of power transmission lines, km
220 kV	84.84
110 kV	1,380.64
35 kV	2,840.83
6-10 kV	4,412.38
0.4 kV	4,311.08

NUMBER OF SUBSTATIONS WITH BREAKDOWN INTO TYPES

Substation types	Number, pcs
220 kV	4
110 kV	36
35 kV	121
6-10 kV	2,175



The total length of the heating networks held in the inventory of **Petropavlovsk Heating Networks LLP** is **210.36 km**, including the length of the distribution networks – **145.2 km**, main networks – **65.16 km**. The Company introduces extensively the corporate management principles, optimizes the business processes and improves the practice in accordance with the international standards in domain of production, health protection and social sphere.

Consumer number

SEVKAZENERGO JSC is a last-resort supplier at the retail electricity market. The electric energy last-resort supplier is a power supply organisation engaged in power supply to consumers in case of failure of the power supply to consumers by all the other power supply organisations through no fault of consumer.

The last-resort supplier is defined among the power supply organisations, whose consumers are mostly the household consumers in comparison with the other power supply organisations in accordance with the responsibility area.

In **2024**, the number of electric energy consumers of **SEVKAZENERGOSBYT LLP** was **165 282 persons**, including **158 553 – individuals**, **6 729 – legal entities**. For the period from 2020 to 2024, the number of electric energy consumers was increased by **0.31%**. There are **79 348** heat energy consumers, including **76 792 – household consumers** from the “population” group, **2 556 – non-household consumers** from the production sector, commerce, budget and other groups. The number of heat energy consumers for the period from **2020 to 2024 was increased by 5.6%**.

	2020	2021	2022	2023	2024
	EE	EE	EE	EE	EE
Sevkazenergosbyt LLP	164,761	164,367	164,929	165,928	165,282
Legal entities	6,225	6,294	6,400	6,552	6,729
Individuals	158,536	158,073	158,529	159,376	158,553

	2020	2021	2022	2023	2024
	HE	HE	HE	HE	HE
Sevkazenergosbyt LLP	75,110	75,450	76,551	78,087	79,348
Legal entities	2,324	2,358	2,390	2,438	2,556
Individuals	72,786	73,092	74,161	75,649	76,792



IMS certificates

The integrated management system (IMS) enables to arrange most efficiently all the business processes at an enterprise. The advantages of introduction of the integrated management system is the opportunity to organize the activities of an enterprise as stable, high-quality, reliable enterprise.

SEVKAZENERGO JSC, NKREDC JSC, Petropavlovsk Heating Networks LLP have the certificates under the **ISO 9001** standard (in domain of quality), **ISO 14001** standard (in domain of ecology), **ISO 45001** standard (in domain of occupational health and safety within an enterprise).

Serial No	Standard	Reg. No of certificate	Validity period
SEVKAZENERGO JSC			
16	ISO 14001:2015	01 104 2026502	from September 10, 2023 to September 9, 2026
17	ISO 9001:2015	01 100 2026502	from September 10, 2023 to September 9, 2026
18	ISO 45001:2018	01 213 2026502	from October 7, 2023 to October 6, 2026
NK REDC JSC			
19	ISO 14001:2015	01 104 1518811	from June 28, 2024 to June 27, 2027
20	ISO 9001:2015	01 100 1518811	from June 28, 2024 to June 27, 2027
21	ISO 45001:2018	01 213 1518811	from June 28, 2024 to June 27, 2027
Petropavlovsk Heating Networks LLP			
22	ISO 14001:2015	01 104 2026503	from July 8, 2024 to July 7, 2027
23	ISO 9001:2015	01 100 2026503	from December 2, 2023 to December 1, 2026
24	ISO 45001:2018	01 104 2026503	from July 8, 2024 to July 7, 2027
Sevkazenergosbyt LLP			
25	ISO 9001:2015	01 100 151 88 04	from September 9, 2024 to September 8, 2027



KEY PERFORMANCE INDICATORS FOR 2024

GRI 2-24

SDG



Volume of energy generation and sale

3 For 12 months of 2024, the volume of electric energy generation at Petropavlovsk CHPP-2 was **2,329.5 million kWh**

This indicator was increased by 0.9% in comparison with 12 months of 2023 (2,308.6 million kWh). For the period from 2020 to 2024, the electric energy generation was decreased by 30.1%.

Period	2019	2020	2021	2022	2023	2024
Electric energy generation, million kWh	3,473	3,331	2,703	1,605	2,309	2,330
Share in the electric energy generation in Kazakhstan, %	3.2	3.1	2.4	1.4	2.1	2



The volume of heat energy generation for 12 months of 2024 was

1,879.2 thousand Gcal

and was increased by 2.7% in comparison with 12 months of 2023 (1 829.4 thousand Gcal). The indicator growth is related to lower average outdoor temperature in the heating months of 2024 than in 2023 (-5.74 °C and -4.61°C correspondingly). For the period from 2020 to 2024, the heat energy generation was increased by 9.0%.

Transportation and distribution of heat and electric energy

The volume of electric energy transportation and distribution of North Kazakhstan Regional Electric Distribution Company JSC for 12 months of 2024 was 1295.7 million kWh and was increased by 2.36%

in comparison with 12 months of 2023. For the period from 2020 to 2024, this indicator was increased by 9.45%.



Period	2020	2021	2022	2023	2024
Transportation and distribution, million kWh	1,183	1,290	1,257	1,266	1,296



Heat energy transmission



Name	2020	2021	2022	2023	2024
Heat energy transportation, thousand Gcal	1,264	1,426	1,332	1,366	1,387

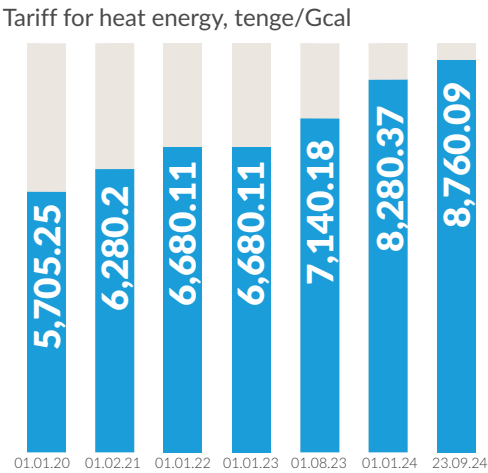
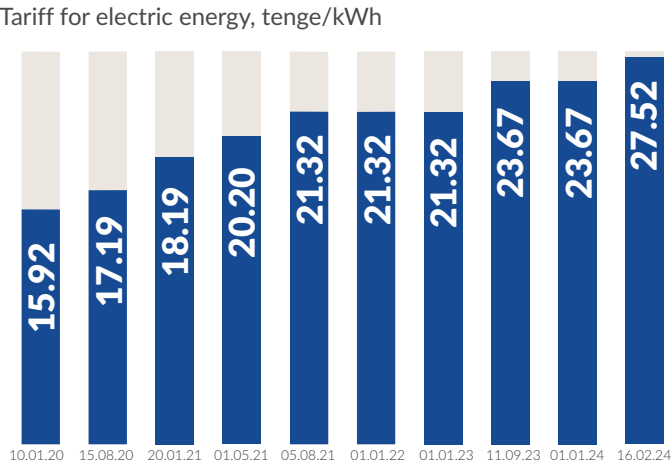
The volume of heat energy transportation and distribution of Petropavlovsk Heating Networks LLP for 12 months of 2024 was 1387 thousand Gcal and

was increased by 1.5% in comparison with 12 months of 2023. For the period from 2020 to 2024, this indicator was increased by 9.7%.



Average daily tariffs for consumers

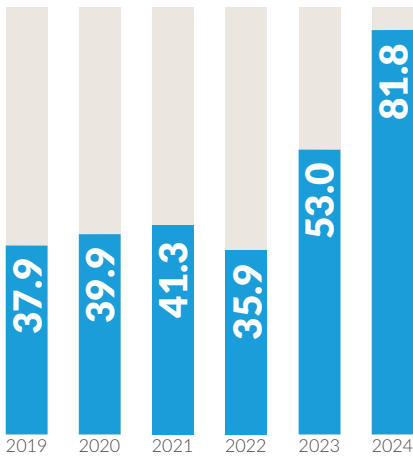
The average daily tariff for electric energy for consumers in 2024 since February 16 was increased to about 27.52 tenge/kWh. For the period from 2020 to 2024, the tariff for electric energy was increased by 73%.



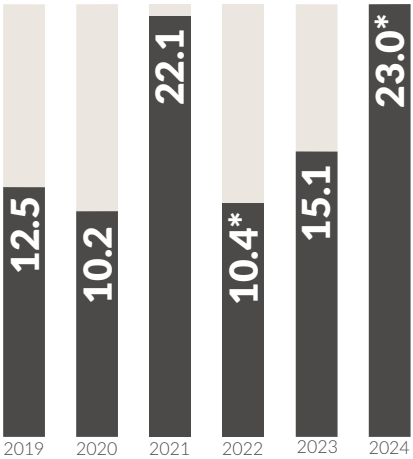
The average daily tariff for heat energy for consumers was increased from September 23, 2024, up to 8,760.09 tenge/Gcal. For the period from 2020 to 2024, the tariff for heat energy was increased by 54%.

Sale volume, net profit

Sale volume, billion tenge:

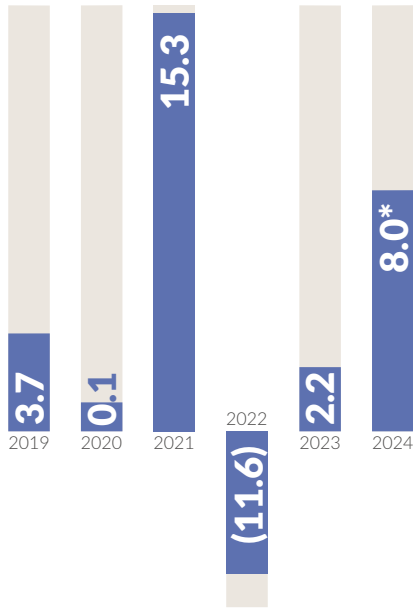


EBITDA, billion tenge:

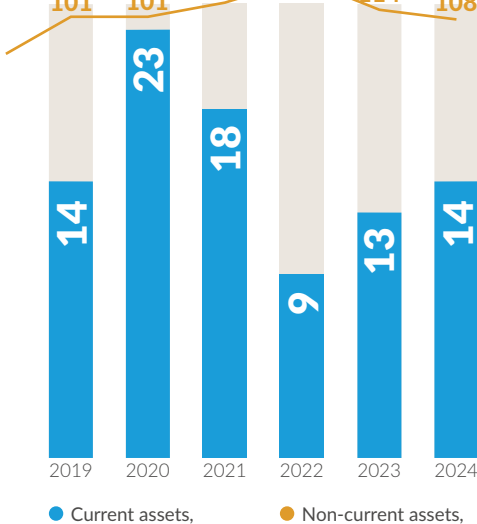


*- without depreciation of fixed assets.

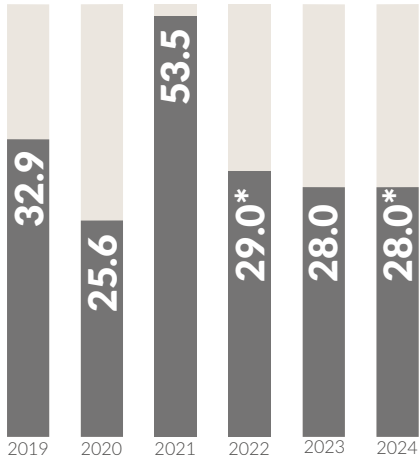
Net profit, billion tenge:



Assets:

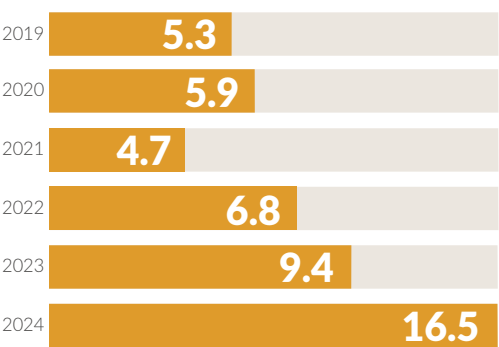


EBITDA margin,%:



*- without depreciation of fixed assets.

Investment volume, billion tenge:





Cumulative loss for the year – 3.9 billion tenge.

Authorised capital - 16,292 million tenge.

Own capital – 55,276 million tenge.

Assets – 122,175 million tenge.

Government

The taxes were paid in the amount of **6,705 million tenge**. The amount of the punitive sanctions for **SEVKAZENERGO JSC** was **2 954 thousand tenge**, the resolution was received and paid in November of 2024; for **Sevkazenergosbyt LLP** - **6 291 thousand tenge**, the resolution was received in December of 2024,

the payment was made on March 04, 2025. The punitive sanctions were not charged in 2024 for **North-Kazakhstan REDC JSC** and **Petropavlovsk Heating Networks LLP**. The investments in the modernization of the production facilities were **16.5 billion tenge**.



The main work types performed are as follows:

PETROPAVLOVSK CHPP-2

- Major repair of boiler units No 1, 9;
- Major repair of turbo units No 3 and No 3 of CHPP-2;
- Current repair of boiler plants No 3, 4, 5, 6, 7, 8, 10, 11, 12, plant turbo units No 1, 2, 4, 5, 7;
- Construction of the shaft of new reinforced concrete chimney of CHPP-2.

Also, in 2024, the enterprise took also the following measures:

- Survey and technical diagnostics of boilers, turbines,

hoisting mechanisms, frames, vessels, pipelines were carried out in order to determine the potential for further use.

- The slip rings of plant turbo unit No 2 were replaced;
- Current repair of the shop equipment was performed;
- Survey of chimney No 2 with issue of the expert conclusion on further use was carried out;
- The turbine shop equipment used for generation and supply of heat energy was repaired – cleaning of district water heaters, repair of network pumps, repair and partial replacement of network pipelines.

NORTH-KAZAKHSTAN REDC JSC

- In 2024, under the investment program, the following works for construction, reconstruction and retrofitting of the electrical networks of North Kazakhstan Regional Electric Distribution Company JSC were performed:
- Under the measure “Purchase of 110 kV switchgear unit for replacement at region substations”, 3 110 kV switchgear units were purchased, and the replacement at the 110/35/10 kV Presnovka substation and 110/35/10 kV Blagoveschenka substation was performed.
- Measures for relocation of 3 km of the 110 kV Nikolaevka-Troitskaya overhead line, 19 km of the 35 kV Troitskaya-Kyzylasker overhead line and 13.4 km of the 35 kV Opytnaya-Rublevka overhead line from the swampland.
- Replacement of the 35-110 kV switchgear units at the region substations in the quantity of 7 pcs.
- Purchase of equipment for the reconstruction of the 220/35/10 kV Smirnov substation and 10 kV indoor switchgear of 110/10 kV substation No 11 of the city of Petropavlovsk, reconstruction of which is planned for 2025.
- Development of the design and estimate documentation for the reconstruction of 110/10 kV substation No 5 of the city of Petropavlovsk, 35 kV Timiryazev- B.Khmelnitsky overhead line, buildings and equipment of the 10/0.4 kV transformer substation, Design and Estimate Documentation of the Project for the major repair of the 35 kV Astrakhanka-Rublevka overhead line, 35 kV Smirnov-Astrakhanka overhead line, 35 kV Korneevka-Yasnovka overhead line, as well as the development of the technical project for the replacement of earth-wire at the 110 kV PCHPP-2-Sibir overhead line.
- Measures for restoration of PTLs after the flood, particularly:

1. **10 kV overhead line, with the total length of 6 km:**
 - 10 kV F-5 Novonikolsk-Novoaleksandrovka overhead line;
 - 10 kV F-8 Bogolyubovo-Posselok overhead line;
 - 10 kV F No-7 from the 110/35/10 kV Bishkul substation overhead line;
 - 10 kV F No-6 from the 110/35/10 kV Sokolovka substation overhead line.
2. **110 kV overhead line with the total length of 15.6 km:**
 - 110 kV Sibir -Ulyanovskaya overhead line;
 - 110 kV Sibir –Novomikhaylovka overhead line;
 - 110 kV «PCHPP-2-Gorod overhead line.
3. **35 kV overhead line with the total length of 14.68 km:**
 - 35 kV Pokrovka-Amangeldinskaya overhead line,
 - 35 kV Bishkul-Novokamenka overhead line,
 - 35 kV Novokamenka-Bogolyubovo overhead line.

4. Construction of 10 kV cable line from the 110/35/10 kV Bishkul substation to the 10 kV indoor switchgear of the 1-th stage HWC.

PETROPAVLOVSK HEATING NETWORKS LLP

Under the “Major and Current Repair” direction, for 2024, the enterprise performed the scheduled repair of the main and distribution networks with the replacement of pipes with the total length of 6.777 km (1.58 km of the main networks and 3.905 km of the distribution networks). The repair and restoration of the damaged heat insulation and bare sections of pipelines were performed using the glass wool boards with the total length of 4.546 km.

Under the enterprise's 2024 investment program, using the funds covered by the tariff, the following measures were taken:

- the works under the project “Reconstruction of 2DN500mm heating mains No 3 along Satpaev Street from TK-6-19 to TK-3-15g” were completed. The period for implementation of the project is 2022-2024. The total length of the reconstructed section of the main pipeline is 1.510 km. In 2022, 0.189 km were completed; in 2023 - 1.021 km, in 2024 - 0.300 km. In 2024, the works were started on April 22 and were completed on July 26;
- the positive conclusion of the comprehensive extradepartmental expertise on the project “Reconstruction of 2DN400-DN500mm heating mains No 6 along Ruzheynikov Street from UN-6-10 to TK-6-14” was received. In August, the works for the reconstruction of the main pipeline were started. The period for implementation of the project is 2024-2026. The total length of the pipeline to be reconstructed is 1.666 km, among which 0.685 km were replaced in 2024;
- the construction and installation works for the major repair of the pumping station No 1 building and major repair of network pump foundations with connection of new pumping equipment were performed.

Over and above the plan, the following were purchased: 140 Kaspersky licenses, 2 multifunctional printers, 6 office armchairs, 2 tables, 2 central processing unit supports, 1 office equipment stand, 1 two-seater sofa, 1 set of executive desks, 1 monitor, 1 notebook, 1 crossing barrier, 1 power saw.



The flood was a test of the powermen for strength, professionalism, responsibility, solidarity in the face of the common disaster. Owing to the orchestrated efforts of the whole staff,



**WE
HAVE
SURVIVED
THIS TEST
HONORABLY**

COMBATING WITH
THE CONSEQUENCES OF
THE
2024
FLOOD



THE BEST
POWER ENGINEERS
WORK HERE





Main events and achievements in 2024

JANUARY

The representatives of **SEVKAZENERGO JSC** visited the **North Kazakhstan Senior Professional Teaching College** to discuss the further implementation of the **“PROFENERGY”** Program. The deputy of the Mazhilis of the Parliament of the Republic of Kazakhstan Irina Smirnova and deputies of People's Party of Kazakhstan Non-Governmental Organisation visited **Petropavlovsk CHPP-2**. The excursion for the pupils of secondary school No 9 was carried out at **Petropavlovsk CHPP-2**.



MARCH

The General Director of **SEVKAZENERGO JSC**, Anatoly Kazanovsky said to the mass media representatives about the modernisation of the equipment at **PCHPP-2**. During the working visit to the North Kazakhstan region, the Premier-Minister of the Republic of Kazakhstan Olzhas Bektenov visited **PCHPP-2** and was acquainted with the situation of the heating season.



MAY

The **SEVKAZENERGO JSC** group of enterprises supported the republican initiative **“Taza Kazakhstan”**. **SEVKAZENERGO JSC** takes part in the annual career fairs. **PCHPP-2** carried out the meeting as to the preparation for the **2024-2025** heating season with the participation of the Akim of the region Gausez Nurmukhambetov. The **“Salang”** Military Patriotic Club held the meeting with the citizen of honor of the city of Petropavlovsk Alexander Azegov and representatives of the **Branch of People's Party of Kazakhstan Non-Governmental Organisation**.



FEBRUARY

The specialists of **SEVKAZENERGO JSC** took part in the seminar of career guidance teachers of schools of the city of Petropavlovsk. The **2-year students** with the **“Power Supply”** specialty of **Petropavlovsk College of Machine Engineering and Transport named after B. Ashimov MSOPE** and **North Kazakhstan Senior Professional Teaching College** visited **Petropavlovsk CHPP-2** for the excursion. The representatives of the **SEVKAZENERGO JSC** group of enterprises took part in the **“Single Day of Citizen Reception”**. **North Kazakhstan REDC JSC** performed the scheduled fire drills with the participation of **the Company's staff** and **Firefighting and Rescue Work Service Republic State Institution of the Emergency Department of the North Kazakhstan region**.



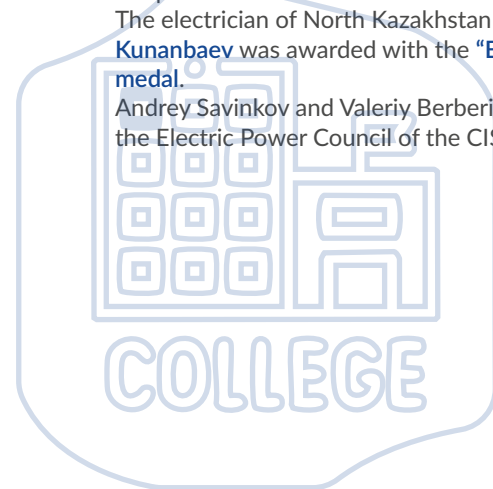
APRIL

The briefing of **North Kazakhstan REDC JSC** for representatives of the republican and local mass media about the situation with the power supply in the areas of the region during the flood. The employees of the **SEVKAZENERGO JSC** group of enterprises took part in the strengthening of the dam at Zarechny village. The First Deputy Premier-Minister of the Republic of Kazakhstan Roman Sklyar held the meeting on the flood situation at **North Kazakhstan REDC JSC**. The General Director of **SEVKAZENERGO JSC** Anatoly Kazanovsky said to the mass media about the assistance rendered to the population for the emergency period. The public hearing was held by the **SEVKAZENERGO JSC** group of enterprises about implementation of the approved tariffs for the services and implementation of the investment programs.



JUNE

The **2-year students** with the **“Electrical equipment”** specialty of **Petropavlovsk College of Machine Engineering and Transport** named after B. Ashimov MSOPE visited **PCHPP-2**. The **1-year students** of the **“Engineering and Digital Technologies”** faculty of North Kazakhstan University named after M. Kozybaev Non-Profit JSC visited **PCHPP-2** and **North Kazakhstan REDC JSC**. The President of the Republic of Kazakhstan conferred the **“Enbek Danky”** First Grade Order upon the electrician of North Kazakhstan **REDC JSC** Erkebulan Taszhanov. Anatoly Zagaevsky and Alexander Molchanov took part in the powermen-veteran forum. The electrician of North Kazakhstan **REDC JSC** Nadiyar Kunanbaev was awarded with the **“Ergen Enbegi ushin”** medal. Andrey Savinkov and Valeriy Berberih were awarded by the Electric Power Council of the CIS.



SEPTEMBER

SEVKAZENERGO JSC, **Petropavlovsk Heating Networks LLP** and **Sevkazenergosbyt LLP** together with **DCRNM** of the North Kazakhstan region held the press-tour on implementation of the investment program and tariff estimate. The employees of the **SEVKAZENERGO JSC** group of enterprises took part in the **“World Clean-up Day”** ecological initiative. The tenth-graders of **Mamlyutska Secondary School No №2 Municipal Public Institution** visited **PCHPP-2**. The **2-year students** of the **“Power Supply”** faculty of North Kazakhstan Senior Professional Teaching College visited the key facilities of **North Kazakhstan REDC JSC**.

OCTOBER

SEVKAZENERGO JSC finished the construction of the chimney shaft at **PCHPP-2**. **North Kazakhstan REDC JSC** reported about implementation of the 2024 investment program. The representatives of the **“AMANAT”** party visited **PCHPP-2**. The **SEVKAZENERGO JSC Group of Companies** took part in the **Single Day of Citizen Reception**. The Adviser of the Premier-Minister of the Republic of Kazakhstan Ermek Marzhipaev visited the **SEVKAZENERGO JSC** enterprises. The Director of **PCHPP-2** Dmitry Zakharov and Head of the Department of City Electrical Networks of North Kazakhstan **REDC JSC** Samat Kurumbaev were awarded with the **“ERGEN ENBEGI USHIN”** medal.



JULY

The First Deputy Premier-Minister of the Republic of Kazakhstan Roman Sklyar visited **PCHPP-2**.

AUGUST

The combined team of **SEVKAZENERGO JSC** won at the Olympics of **CAEPCO JSC**. **PCHPP-2** carried out the meeting as to the preparation for the **2024-2025** heating season with the participation of the Akim of the region Gausez Nurmukhambetov.



NOVEMBER

The Energy Vice-Minister of the Republic of Kazakhstan Sungat Essimkhanov checked the operations of **PCHPP-2**. The deputies of the Senate of the Republic of Kazakhstan visited **PCHPP-2**. The students of Higher Economical College visited the **“Salang”** Military Patriotic Club.

DECEMBER

The representatives of **Sevkazenergosbyt LLP** and **North Kazakhstan REDC JSC** held the briefing **“Changes in heating supply system in Kazakhstan since January 1, 2025”**. The General Director of **North Kazakhstan REDC JSC** Alexander Chekulaev informed the Akim of the North Kazakhstan region Gausez Nurmukhambetov about the implemented measures for restoration of power transmission lines after the 2024 flood. The Chief Mechanic of the boiler shop of the **SEVKAZENERGO JSC PCHPP-2** Kayssar Tursumbaev was awarded with the **“ERGEN ENBEGI USHIN”** medal. The Energy Vice-Minister Alibek Zhamauov visited **PCHPP-2**.





I LIKE VERY MUCH
THE OUTDOOR ACTIVE
RECREATION.
I AM ENGAGED WITH HUNTING,
FISHING
AND SPORTS

I LIKE VERY MUCH
THE ANIMALS,
DURING
THE FLOOD
I CARRIED AWAY THE DOGS
**FROM THE FLOODED
PRIVATE SECTOR**

OUR DEPARTMENT IS ENGAGED IN
MAINTENANCE AND REPAIR OF OVERHEAD
TRANSMISSION LINES WITH VOLTAGE OF
10/0.4 KV. MY WORK IS INTERESTING;
ALWAYS THERE IS SOMETHING NEW. NO
MONOTONY. I HAVE COME TO MY
PROFESSION PURPOSELY, I HAVE BEEN
INTERESTED IN THE POWER INDUSTRY

NADIYAR
KUNANBAEV

ELECTRICIAN FOR OPERATION OF
DISTRIBUTION NETWORKS

THE BEST
POWER ENGINEERS
WORK HERE





COMPANY OVERVIEW

GRI 2-1, 2-2, 2-3, 2-6, 3-3

SDG



BUSINESS PROFILE

S **SEVKAZENERGO JSC** is registered with the Department of Justice of the North Kazakhstan region under **No 10660-1948 AO on July 13, 2009**.

As of April 1, 2025, the Single Shareholder of the Company is **Central Asian Power Energy Corporation JSC** **owning the 100%** equity share.

The Company owns the shares in the paid authorised capitals of **Petropavlovsk Heating Networks LLP (100%)**, **Sevkazenergosbyt LLP (100%)**, **North Kazakhstan Regional Electric Distribution Company JSC (100%)**.

Legal address of the Company: Republic of Kazakhstan, North Kazakhstan region, Petropavlovsk city, 215 Zhambyl str.

The main activities of the Company are:

- Generation of electric and heat energy;
- Repair of the 0.7 kg/sq.cm pressure pipelines;
- Ensuring the readiness to bear the load in the whole operating power range and electric energy generation range, including for its transmission to the Unified Energy System of the Republic, as well as electric energy transit transmission in accordance with the operation mode;
- Implementation of the technical and organizational measures aimed at reducing the harmful impacts on the natural environment;
- Operation, repair and maintenance of the electrical and power equipment;
- Repair and operation of boilers, turbines, pressure vessels and pipelines;
- Operation, repair and maintenance of steam and hot water boilers, pressure vessels, boiler auxiliary equipment, oxygen and nitrogen cylinders, steam and hot water pressure pipelines, turbines, turbine auxiliaries, diagnostics, commissioning, modernisation and reconstruction.



SUBSIDIARIES

Petropavlovsk CHPP-2

Legal address: Petropavlovsk city, 28 Gashek str.

The main activity of Petropavlovsk CHPP-2 is generation of heat and electric energy.

As of December 31, 2024, the installed capacity of the plant was 541 MW for electric energy, 713 Gcal/h – for heat energy.

The plant consists of the following shops: fuel-transport, boiler, turbine, electrical, chemical shops.

Auxiliary shops: heating automation and measurement shop, mechanical repair shop, oxygen station, repair and construction site. The plant works in parallel with the Energy System of the Republic of Kazakhstan through the 220 kV overhead line: “2711”, “2721” and 110 kV Sibir overhead line; there are 35/110/220 kV outdoor switchgears with seven coupling transformers.

The power supply is performed at the boundary line of the balance sheet of the SEVKAZENERGO JSC PCHPP-2 networks through the electrical networks of North Kazakhstan Regional Electric Distribution Company JSC and KEGOC JSC.

The main fuel type at SEVKAZENERGO JSC PCHPP-2 is bituminous coal of the Ekibastuz basin of KCH-300 mark. The startup fuel is fuel oil of M-100 mark.

North Kazakhstan Regional Electric Distribution Company JSC

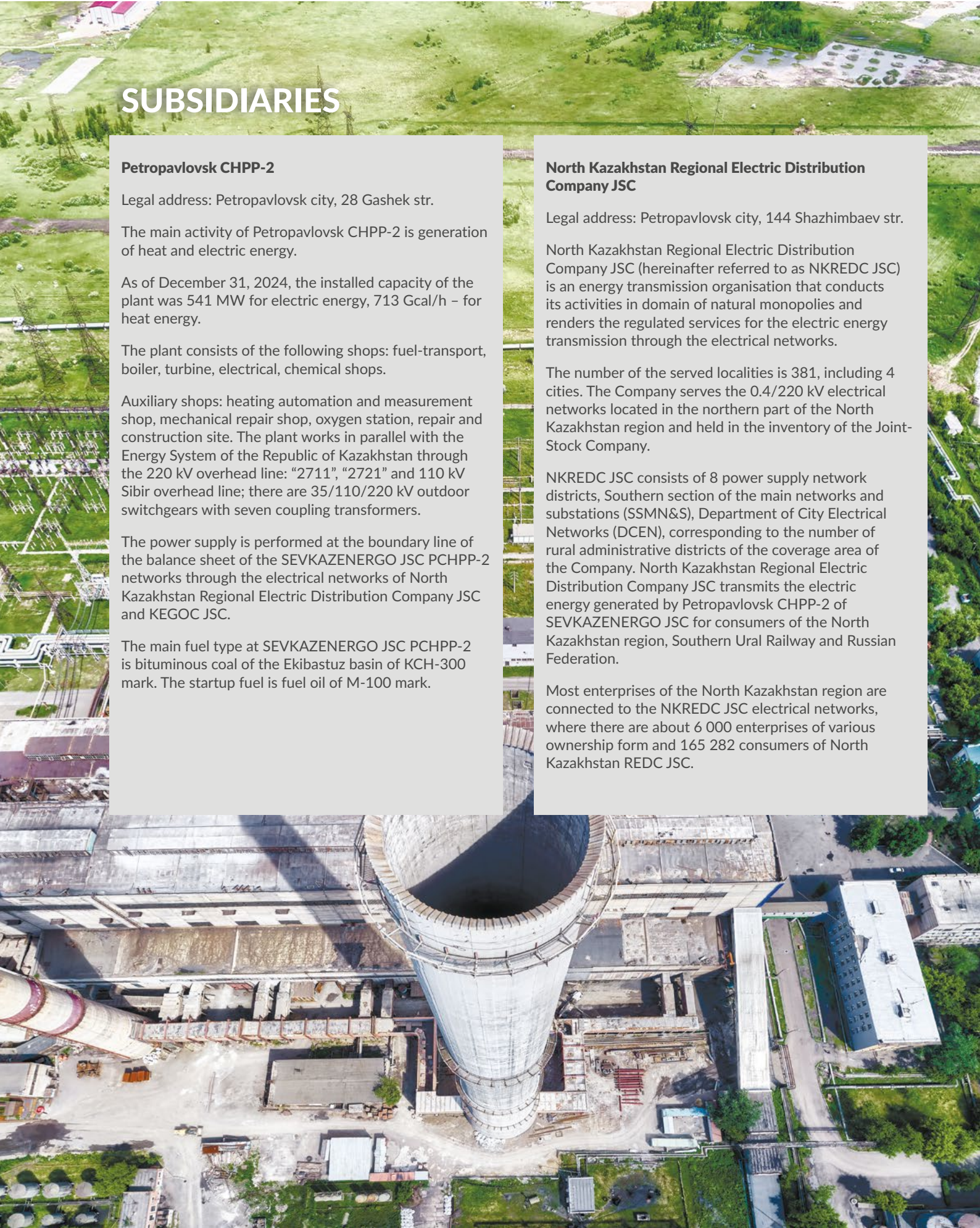
Legal address: Petropavlovsk city, 144 Shazhimbaev str.

North Kazakhstan Regional Electric Distribution Company JSC (hereinafter referred to as NKREDC JSC) is an energy transmission organisation that conducts its activities in domain of natural monopolies and renders the regulated services for the electric energy transmission through the electrical networks.

The number of the served localities is 381, including 4 cities. The Company serves the 0.4/220 kV electrical networks located in the northern part of the North Kazakhstan region and held in the inventory of the Joint-Stock Company.

NKREDC JSC consists of 8 power supply network districts, Southern section of the main networks and substations (SSMN&S), Department of City Electrical Networks (DCEN), corresponding to the number of rural administrative districts of the coverage area of the Company. North Kazakhstan Regional Electric Distribution Company JSC transmits the electric energy generated by Petropavlovsk CHPP-2 of SEVKAZENERGO JSC for consumers of the North Kazakhstan region, Southern Ural Railway and Russian Federation.

Most enterprises of the North Kazakhstan region are connected to the NKREDC JSC electrical networks, where there are about 6 000 enterprises of various ownership form and 165 282 consumers of North Kazakhstan REDC JSC.





Petropavlovsk Heating Networks LLP

Legal address: Petropavlovsk city, 23 Stroitel'naya str.

The main activity of Petropavlovsk Heating Networks LLP (hereinafter referred to as PHN LLP) is to transmit the heat energy to consumers from Petropavlovsk CHPP-2 of SEVKAZENERGO JSC, to maintain the heating network equipment in the technically sound state, to ensure the stable heating supply of the city of Petropavlovsk. Besides, the enterprise implements the upgrade of the main and distribution networks of the city, performs the consistent works for search and implementation of new power-efficient technologies corresponding to the modern requirements for the heating supply quality.

The total length of the heating networks held in the inventory of Petropavlovsk Heating Networks LLP is 210.36 km, including the length of the distribution networks – 145.2 km, main networks – 65.16 km.

The extent of depreciation of the heating network equipment as of January 1, 2025, was 79.22 %, including at the main heating networks – 82.64 %, at the distribution networks – 70.65 %. The total installed (design) capacity of the pumping stations, including the heat points, was 12 691 kWh in 2024. In order to conduct the activities for heat energy transmission, Petropavlovsk Heating Networks LLP has the departments for operation and maintenance of equipment, occupational health and safety.

Sevkazenergosbyt LLP

Legal address: Petropavlovsk city, 66 Zhumbaev str.

Sevkazenergosbyt LLP is a company supplying the electric and heat energy to consumers of the city of Petropavlovsk and North Kazakhstan region under concluded contracts.

The main activity is the reliable and consistent supply of energy resources in the volumes corresponding to the population needs. The total number of electric energy consumers of Sevkazenergosbyt LLP as of December 31, 2024, was 165 282, heat energy – 79 348.

The regional center has 3 consumer service points for payment acceptance, and the region districts have 12 points. The contracts were concluded with 6 banks and Kazpost JSC for payment acceptance and for servicing through the bank terminals and Internet-portals. Consumer Service Center No 1 located at the address: 66 Zhumbaev str., has been functioning since December of 2013 to ensure the high quality and efficiency of servicing of the Company's clients.

HISTORY



1961

1963 1965 1999

On July 20, Order of Tselinny Council of National Economy No 304-p was issued: the direction of the station under construction was replaced with the fully functioning state industrial enterprise - Petropavlovsk CHPP-2. And, on December 22, the first turbo unit was started.

Petropavlovsk Enterprise of Electric Networks was established by Order of Tselinenergo District Administration.

Petropavlovsk Department of Heating Networks «Tselinenergo» was established at the premises of the shop of the heating networks of CHPP-2.

The justice authorities of the North Kazakhstan region registered AccessEnergо PCHPP-2 LLP.





Central Asian Power Energy Corporation JSC (CAPEC JSC) became the owner of the energy complex of the region and then became a shareholder of Central Asian Electric Power Corporation JSC (CAEPCO JSC).

SEVKAZENERGO Company was established in the organizational legal form of joint-stock company as a result of transformation and is the legal successor of all the rights and obligations of AccessEnerg PCHPP-2 LLP.

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company LLP carried out the reconstruction and modernisation of the equipment at 37 10-220 kV substations and reconstruction of 92.4 km of power transmission lines, aimed at improving the reliability of the power supply to consumers.

Consumer Service Center was established at the premises of North Kazakhstan Regional Electric Distribution Company JSC for real-time interaction of consumers with the energy transmission organisation under the “one stop” principle.

Under the investment campaign, the reconstruction and modernisation of the equipment at 20 10-220 kV substations and reconstruction of 99.29 km of power transmission lines were performed in order to improve in the reliability of the power supply to consumers.



Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 13 10-220 kV substations and reconstruction of 38.46 km of power transmission lines, aimed at improving in the reliability of the power supply to consumers.

Petropavlovsk CHPP carried out the modernisation of boiler plants No 6 and 7 with the increase in steam power of the plant by 100 tons steam per hour.

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 20 10-220 kV substations and reconstruction of 61.913 km of power transmission lines, aimed at improving the reliability of the power supply to consumers.

Petropavlovsk CHPP finished the project for the reconstruction and modernisation of plant turbine generator No 4 and carried out the reconstruction of plant turbo unit No 6. Implementation of these two projects allowed to increase the installed electric capacity by 54 MW.

The Contact Center was established at the premises of Sevkazenergosbyt LLP for quick accepting of consumers' calls.

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 23 10-220 kV substations and reconstruction of 117.846 km of power transmission lines, aimed at improving the reliability of the power supply to consumers.



2014

Plant turbo unit No 1 of Petropavlovsk CHPP-2 was put into operation in order to increase the installed electric capacity of the turbine by 21 MW.

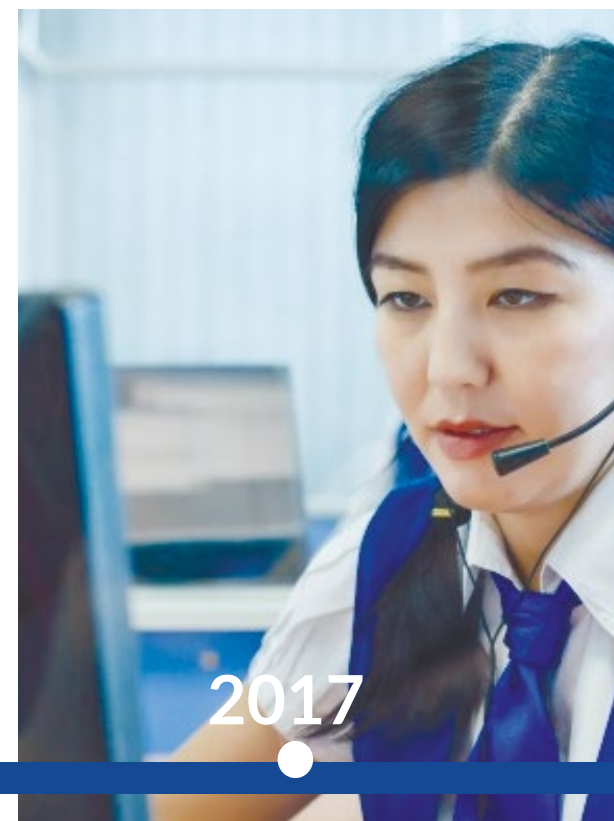
Turbo unit No 7 of Petropavlovsk CHPP-2 was reconstructed to increase the installed and available capacity of the turbine by 24 MW.

2015

New plant turbo unit No 5 of Petropavlovsk CHPP-2 was put into operation with the increase in electrical power by 62 MW. After the reconstruction, boiler plant No 12 was put into operation with the increase in steam production capacity by 50 ton/hour. The installed capacity of the plant was increased up to 541 MW.

The "PROFENERGY" Project was implemented in order to increase the educational level of the Company and working with young specialists. The work with educational institutions and for recruiting of young specialists for the enterprise.

2016



2017

Sevkazenergosbyt LLP implemented the "Voice Mail" function at the Contact Center.

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 21 10-110 kV substations and reconstruction of 100.494 km of power transmission lines, aimed at improving the reliability of the power supply to consumers.

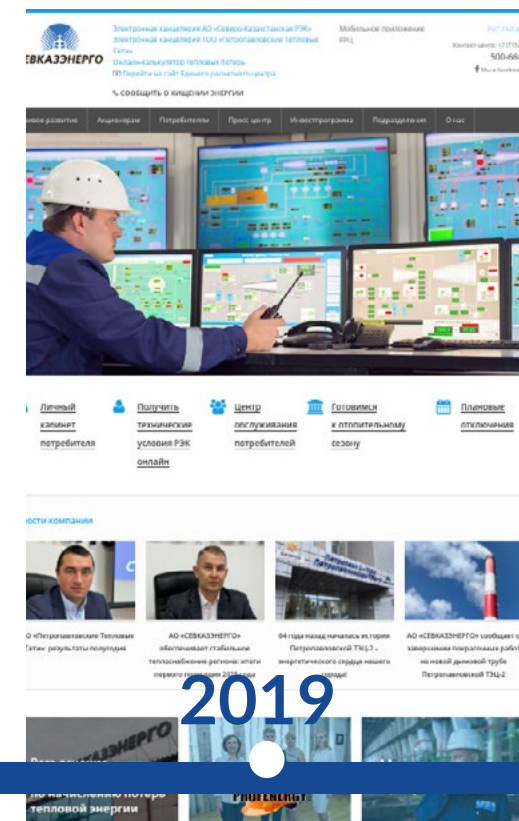
Petropavlovsk CHPP-2 put into operation the new 7 AT auto-transformer.

North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction of the central dispatch service with installation of the electronic map of connections of the region substations.

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 13 10-110 kV substations and reconstruction of 105 km of power transmission lines, aimed at improving the reliability of the power supply to consumers.

In the official web-site, SEVKAZENERGO JSC arranged the electronic map with presentation of the information about available powers at the substations of North Kazakhstan Regional Electric Distribution Company JSC, using which a consumer may determine the free power from the closest connection point.

2018



2019

Petropavlovsk CHPP put into operation the new 6 AT auto-transformer.

North Kazakhstan Regional Electric Distribution Company JSC implemented the Web-portal for consumers to submit the requests for receiving, cancellation and prolongation of the technical conditions in the online mode.

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 11 10-110 kV substations and reconstruction of 86.304 km of power transmission lines, aimed at improving the reliability of the power supply to consumers.

Reconstruction and refitting of the central dispatch room of Petropavlovsk Heating Networks LLP.

new boiler plant No 8 was installed. As a result, Petropavlovsk CHPP increased the steam production capacity by 270 ton/hour.

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 22 10-220 kV substations and reconstruction of 73.026 km of power transmission lines, aimed at improving the reliability of the power supply to consumers.

The Unified Information and Payment Center was established at the premises of Sevkazenergosbyt LLP in order to include the charges for services of outside organisations into the Unified Payment Document and to accept the payments for utilities and housing services, operational and other related technological services (but for the financial services) of outside organisations

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 20 10-220 kV substations and reconstruction of 72.65 km of power transmission lines, aimed at improving the reliability of the power supply to consumers.

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 25 10-110 kV substations and reconstruction of 61.66 km of power transmission lines, aimed at improving the reliability of the power supply to consumers.



2020

2021

2022

The equipment was purchased for accreditation of the metal laboratory of Petropavlovsk CHPP.

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 4 10-110 kV substations and reconstruction of 18 km of power transmission lines, aimed at improving the reliability of the power supply to consumers

The thawing plant of the shop was put into operation.

In the web-site of the SEVKAZENERGO Company, the “Electronic Office” of North Kazakhstan Regional Electric Distribution Company JSC was put into operation enabling the consumers to submit the requests for the Company without visit to the Consumer Service Center.

Under the investment campaign, the reconstruction and modernisation of the equipment at 1 110/10 kV substation and reconstruction of 10.78 km of power transmission lines were carried out in order to improve the reliability of the power supply to consumers.

North Kazakhstan Regional Electric Distribution Company JSC finished the construction of 52 km of the 110 kV Novomikhaylovka-Liteynaya overhead line

Under the investment campaign, North Kazakhstan Regional Electric Distribution Company JSC carried out the reconstruction and modernisation of the equipment at 1 35/10 kV substation and reconstruction of 66.177 km of power transmission lines, aimed at improving the reliability of the power supply to consumers.

Sevkazenergosbyt LLP implemented the projects for introduction of the mobile application of the “My Profile” service. The application allows to improve the process for data exchange between the Company and a consumer.

Petropavlovsk Heating Networks LLP performed the scheduled repair of the main and distribution networks with the replacement of pipes.



2023

2024

Petropavlovsk CHPP-2 finished the construction of the shaft of chimney No 1 with the height of 180 meters for the unprecedented period of 73 days.

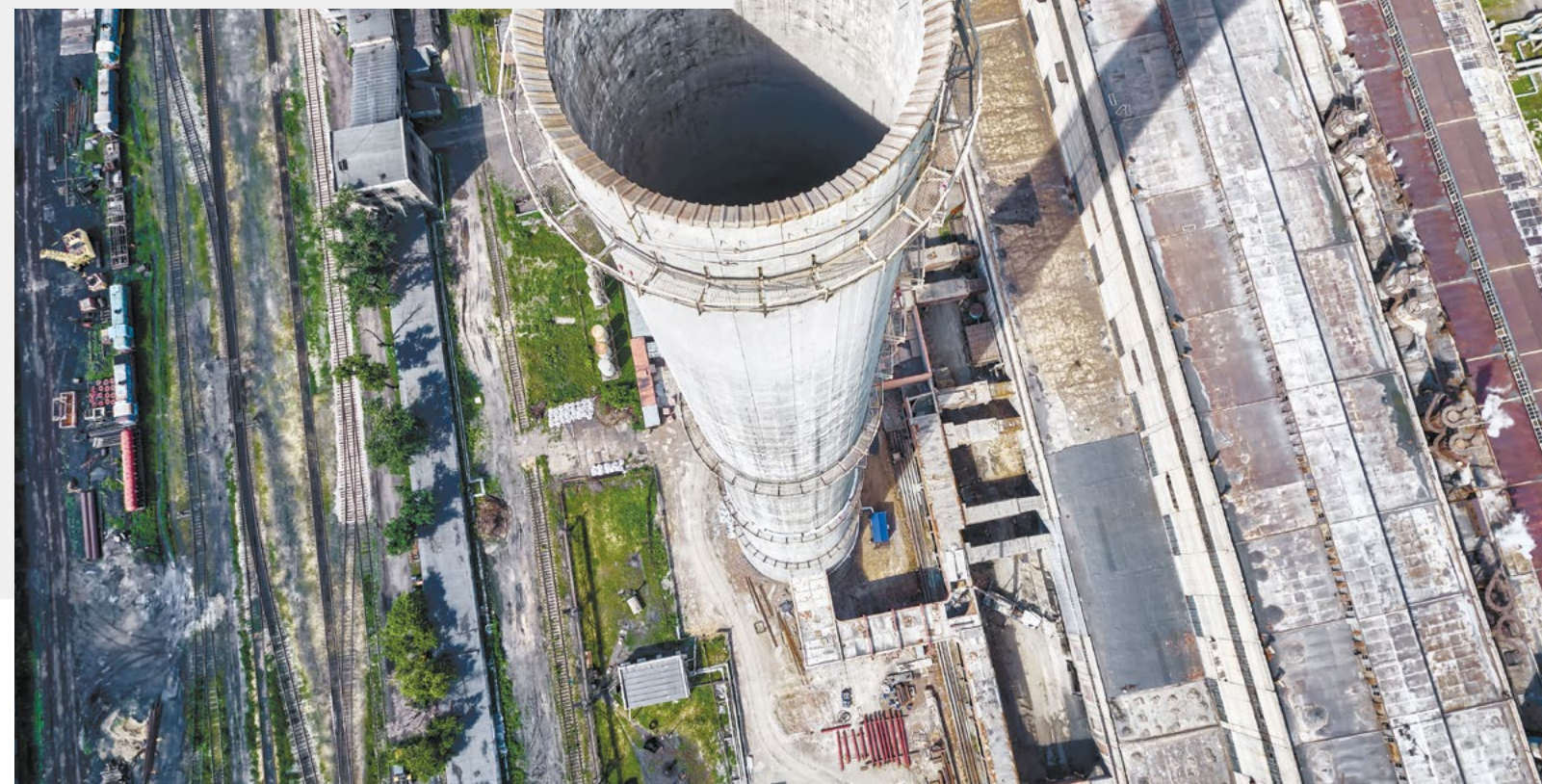
The major repair of boiler units No 1 and No 9 and turbo units No 3 and No 6 was completed

Petropavlovsk Heating Networks LLP finished the reconstruction of pumping station No 1, reconstruction of heating main No 3 along Satpaev Street with the total length of 1.5 km, repair of 6.75 km of the main and distribution heating networks.

North Kazakhstan REDC JSC constructed 4 ring PTLs, repaired 629.1 km, reconstructed 195 km of overhead PTLs, constructed 5.6 km of cable lines, performed the works at 45 substations. Also, 10 switchgear units were replaced at the region substations.

The reconstruction of boiler plant No 2 of Petropavlovsk CHPP-2 was started.

The reconstruction of plant turbo unit No 1 of Petropavlovsk CHPP-2 was started to transfer the equipment to the heat-extraction mode.





MISSION, VISION

M Mission

The purpose of the Company is to improve the population life quality and to ensure the conditions for economic development of the North Kazakhstan region. Such purpose is achieved through rendering the high-quality services of the power supply to the population, industrial enterprises, budget and commercial organisations in the North Kazakhstan region and in the city of Petropavlovsk. Quality of the rendered services suggests the reliable and uninterrupted power supply, subject to all the technical requirements and high level of consumer servicing.

The efficiency basis is the Company's employees. Their high proficiency, teamwork capability and commitment to result achievement enable the successful forward motion.

V Vision

SEVKAZENERGO JSC is an energy company located in the North Kazakhstan region, activities of which cover all the life cycle of the generated heat and electric energy: generation, transportation and sale. SEVKAZENERGO JSC is a subsidiary of the vertically integrated energy holding - Central Asian Electric Power Corporation JSC. The basis of relations of the partners, clients and suppliers with the top-management of the Company is the principles of respect and mutual liability.

V Valuables

- Respect of employees' personal rights and interests, consumers' requirements and cooperation conditions set forth by our partners and society.
- Objectiveness suggesting the remuneration in accordance with the results achieved and providing the equal rights for the professional growth.
- Fair dealing and disclosure of the information required for our working.
- Efficiency as sustainable achievement of the best possible results in everything we do.
- Courage to resist the unacceptable and to assume the responsibility for the consequences of the decision taken.
- Care expressed in efforts to protect the people against any harm or threat to the health and environment.
- Trust in employees allowing to delegate the powers and responsibility for the decisions, methods for their implementation.

P Position of the Company in the industry

- Monopoly of the Joint-Stock Company in the region where it operates at the market of heat energy generation and distribution and electric energy distribution.
- Differentiated portfolio of consumers and stable demand among various client types.
- Vertically integrated company – full cycle of supply of heat and electric energy from generation to distribution to end consumers.
- Experience gained from equity participation with international and Kazakhstan shareholders.
- Focus on implementation of advanced technological solutions and progressive development policy of the Company.
- Existing reliable communications with partners and divisions of the Company.



BUSINESS-MODEL

CENTRAL ASIAN ELECTRIC
POWER CORPORATION JSC



100%



Petropavlovsk Heating
Networks LLP



SEVKAZENERGO
LLP

Petropavlovsk
CHPP-2



North Kazakhstan Regional
Electric Distribution
Company JSC



Sevkazenergosbyt LLP

DEVELOPMENT PROSPECTS
OVERVIEW

CORPORATE GOVERNANCE

RISK MANAGEMENT

SUSTAINABLE DEVELOPMENT

ANNEXES

DEVELOPMENT STRATEGY

GRI 2-22

SDG



T The **strategical purpose** of the Company is to create a vertically integrated private power company rendering to its consumers the consistent and reliable services through synergy of the generation, distribution, transmission and guaranteed sale flows in domain of the power and heating supply

Target tasks

As a result of implementation of the investment program, by 2024, the depreciation of the plant generating equipment (turbo units) was reduced from **86.10% to 58.31%**:

- depreciation in **2009 – 86.10%**
- depreciation in **2022 – 58.31%**.

The growth of the installed electric capacity is **161 MW or 42.37 %** (in 2009 – 380 MW, in 2024 – 541 MW).

Decrease in the installed heating capacity – **146 Gcal/h or 17 %** (in 2009 – 859 Gcal/h, in 2024 – 713 Gcal/h).

Decrease in electric energy generation – **47.8 million kWh or 2.01 %** (in 2009 – 2 377.3 million kWh, in 2024 – 2 329.5 million kWh), the decrease in the volume is caused by the boiler unit steam deficit due to the resistance of sections of the gas path of boiler plants No 1-5, 6, 7, 12 connected to and operating through chimney No 2 after the collapse of chimney No 1. In 2024, the construction of the shaft of chimney No 1 with the height of 180 meters was completed; the connection of boilers was planned for 2025.

Decrease in sale of heat energy – **30.9 thousand Gcal or 1.62 %** (in 2009 – 1 910.1 thousand Gcal, in 2024 – 1 879.2 thousand Gcal). Decrease in the indicator is related with higher average outdoor temperature in the heating months of **2024** than in 2009 (**-5.74 °C** and **-6.49 °C** correspondingly).

Implementation status in 2024

Depreciation of the plant generating equipment **in 2024 was 57.12 %**, i.e. the sharp growth due to hours in service of the equipment with regard to the past year was kept down.

Share of the upgraded production assets, including the plant generating equipment and coupling transformers, was **61.54 %**.

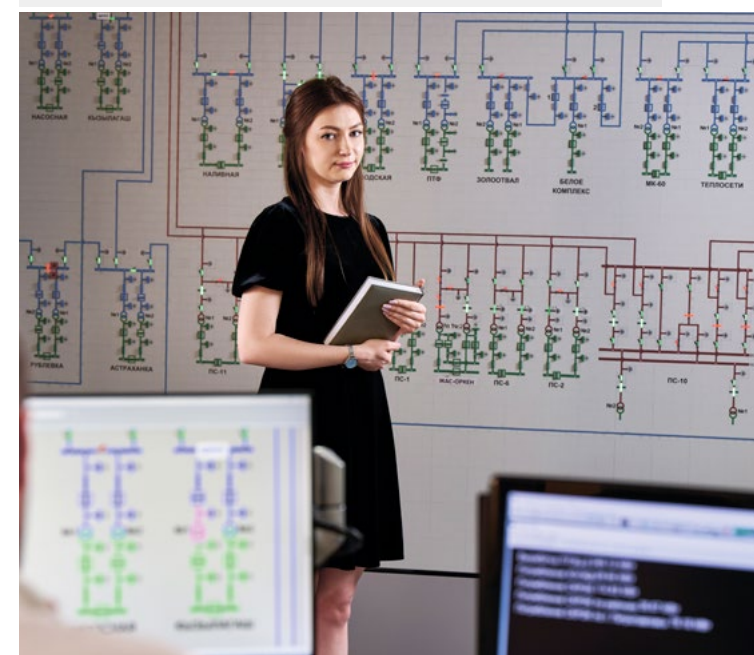
The cumulative volume of pollutant emissions was increased by **3.9 %** from **24.60 thousand tons** to **25.57 thousand tons**, including other emissions.

The installed electric capacity is **541 MW**.

The installed heating capacity is **713 Gcal/h**.

Increase in electric energy generation in 2023 by **20.9 million kWh (0.9%)**; **in 2024**, the generation was **2 329.5 million kWh**.

Increase in sale of heat energy in comparison with **2023** by **49.8 thousand Gcal (2.7%)**; **in 2024**, the supply was **1 879.2 thousand Gcal**.



BEFORE I BECAME A POWERMAN,
I WAS KEEN ON
THE ROCK MUSIC,
I WISHED TO
BECOME A PROFESSIONAL
MUSICIAN,
I CAN PLAY THE MUSICAL
INSTRUMENTS

I AM INTERESTED NOT ONLY IN MY
PROFESSION,
BUT ALSO THE POWER INDUSTRY
AS A WHOLE

THE BEST
POWER ENGINEERS
WORK HERE



MY DUTIES INCLUDE THE SEARCH AND
DISCLOSURE OF HEAT ENERGY THEFTS,
ACCEPTANCE OF NEW CONSUMER
FACILITIES CONNECTED TO THE HEAT
SUPPLY SYSTEM, PREPARATION OF
CALCULATIONS OF SPECIFIC HEAT LOSSES

ROMAN
BUNKOV
LIVE RECORDING ENGINEER





ANALYSIS OF MARKET ENVIRONMENT

GRI 2-6

SDG



OVERVIEW OF ELECTRICITY AND HEAT ENERGY MARKET

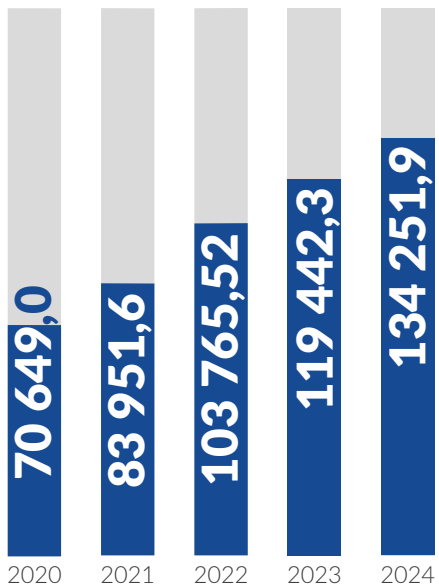
Overview of the economy of Kazakhstan in 2024

In 2024, the economy of Kazakhstan demonstrated the stable growth: according to the previous data of the National Statistics Bureau, the gross domestic product of the country was 134.25 trillion tenge after the increase by 4.8% in real terms in comparison with the previous year. The drivers of the economic growth were the agriculture, construction, trade, transport and warehousing, as well as the informational-communication sector and processing industry.

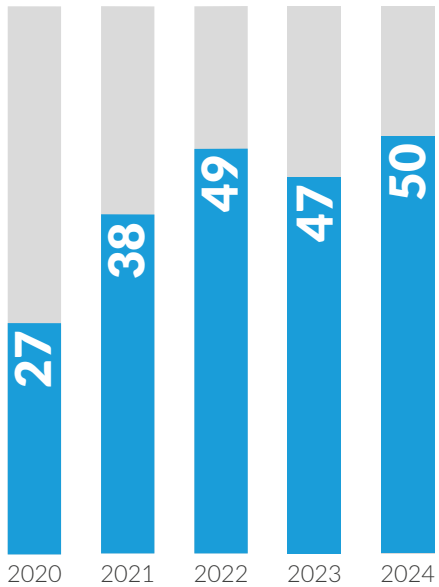
The production of commodities provided 35.4% GDP, while the services sector achieved 58.4%. The most significant contribution was still made by the processing industry that provided 25.7% GDP.

The industrial production index (IPI) was 102.8% with regard to the previous year. The processing industry was strengthened owing to the growth of the pharmacy (+21.8%), mechanical engineering (+9.7%), metallurgy (+6.9%) and metal products industry (+28.5%). The power supply and gas supply demonstrated also the positive dynamics with the increase by 4.5% due to the growth of volumes of the electric energy generation, transmission and distribution. While the mining industry was decreased by 0.2% due to the decrease in oil and gas production.

Volume of gross internal product, billion tenge



Volume of industrial production, trillion tenge



Overview of the electric power industry in 2024

Generation

2024 became a year of restoration and dynamic growth for the electric power sector of Kazakhstan. The total volume of the electric energy generation in the Unified Energy System of the country was 117 915.4 million kWh – that was by 4.5% more than in the previous year.

In the Northern zone that covers about 73% of the electric energy generation in the country, the generation growth in 2024 was 2.4% and achieved 86 489.7 million kWh. In the Southern zone, the generation was increased by 10.6% up to 15 565.7 million kWh, and in the Western – by 3.2% up to 15 860.0 million kWh.

The generation at TPPs was increased by 1.2%. The gas turbine units demonstrated the growth by 8.1%. The great growth was provided particularly by the hydroelectric power plant, generation of which was increased by 28.3%, and by the wind power plants with the growth of 18.2%.

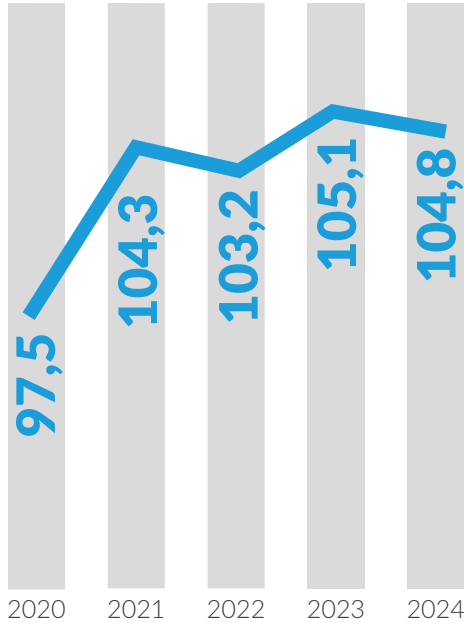
Kazakhstan continued to focus strategically on the increase in share of renewable energy sources. The total volume of the RES generation in 2024 was 7 555.1 million kWh, i.e. by 12.5% higher than that of 2023. The share of RES in the total balance achieved 6.4%.

The great increase in generation was recorded in some regions, including in Zhetyssu (+30.7%), Kostanay (+24.6%), East Kazakhstan (+20.9%), Zhambyl (+17.1%), Abay (+16.9%) and Atyrau regions (+15.0%). Meanwhile, the decrease was observed in Akmola and Kyzylorda regions.

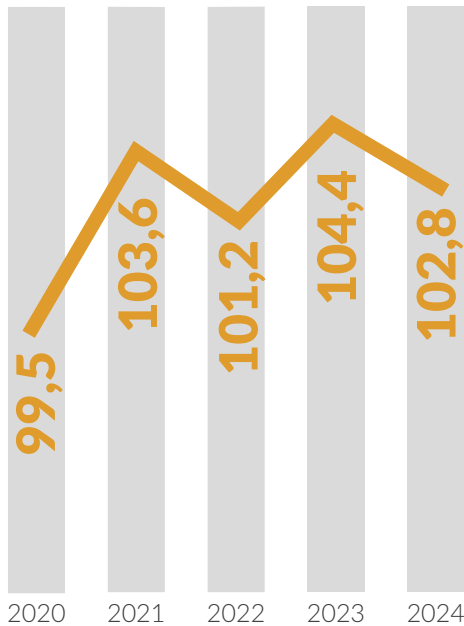
The remarkable progress was observed in the capacity development. According to the results of the year, the 608 MW traditional generation capacities were put into operation, including the projects at Atyrau, Zhezkazgan CHPP and Ekibastuz SDPP-1. Additionally, 8 RES projects with the total capacity of 163 MW were commissioned. For 2025, it is planned to construct also 166 MW traditional generation projects and 9 RES projects with the capacity of 455.5 MW.

In 2024, the special attention was paid to the development of the nuclear power industry. On October 6, the referendum was held where the most citizens approved the construction of a nuclear power plant. Already in December, the construction place was determined as Zhambyl district of the Almaty region. In March of 2025, one more strategically significant reform of the industry was implemented: establishment of the Nuclear Energy Agency of the Republic of Kazakhstan accountable directly to the President of the Republic of Kazakhstan.

Dynamics of gross internal product, % of that of the previous year



Dynamics of industrial production, % of that of the previous year



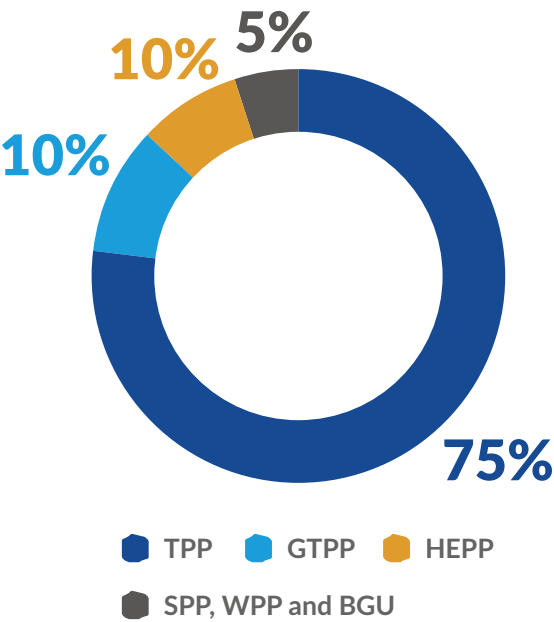
Source: National Statistics Bureau of the Agency for strategic planning and reforms of the Republic of Kazakhstan



Generation of electric energy in the Republic of Kazakhstan, billion kWh



Structure of electric energy generation in Kazakhstan in 2024 with breakdown into generation types



Generation of electric energy with breakdown into 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%
SPP, WPP and BGU	4.12	5.69	6.39	12%

Generation of electric energy with breakdown into zones, billion kWh

Zone of the Unified Energy System of the Republic of Kazakhstan	2022	2023	2024	Change
North	83.91	84.43	86.49	2%
South	14.44	14.05	15.57	11%
West	14.52	14.34	15.86	11%

Consumption

It is worth reminding that the single electric energy purchaser has acted at the electricity market since 2023; and the balancing market works in real time. All the volumes of generated electric energy are purchased on a centralized basis by the purchaser; and the balancing market ensures the correction of deviations in the Unified Energy System. Participation in this market is obligatory for all the retail market entities.

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

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

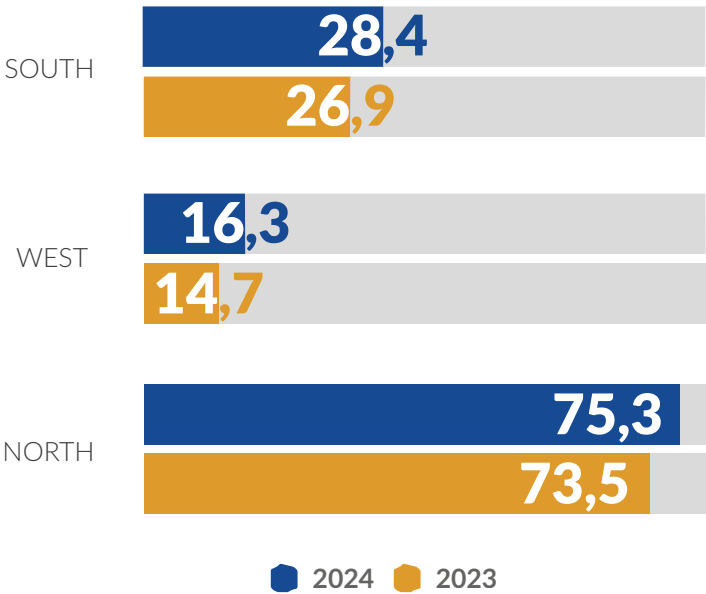
In the Northern zone, the consumption growth was 2.4% and reached 75 335.4 million kWh. The most growth was observed in the Western zone - +9.87% up to 16 283.3 million kWh. In the Southern zone, the consumption growth achieved 28 376.9 million kWh, increasing by 5.3%.

In order to maintain the balance between the generation and consumption, Kazakhstan effected the export to Russia in the volume of 1 456.1 million kWh and the import— 2 252.7 million kWh, ensuring the power supply stability.

Consumption of electric energy in the Republic of Kazakhstan, billion kWh



Consumption of electric energy with breakdown into zones, billion kWh



In 2024, the share of SEVKAZENERGO JSC in the total electric energy generation in the country was 2.0%. In comparison with 2023, the share of SEVKAZENERGO JSC was 2.2%, but the decrease in share was caused firstly by the growth of SPP, WPP, GGS in the country. Thereat, if the generation volumes are compared among CHPPs and SDPPs (traditional energy industry), the share of SEVKAZENERGO JSC in 2024 was 4.1%.



IN THE LABORATORY, I DEAL WITH
CALIBRATION OF AMPERE METERS,
VOLTMETERS, WATT METERS AND
ELECTRIC ENERGY METERS. I LIKE TO
LEARN PERMANENTLY AND TO IMPROVE
MY PROFESSIONAL SKILLS. IT IS AN
INCENTIVE IN WORKING FOR ME

IRINA
PAVLOVA
METROLOGY ENGINEER



SPORTS
FOR ME IS NOT ONLY A WAY
TO KEEP MY BODY UP,
THE EXERCISES
AT THE GYM
ENERGIZE ME
AND HABITUATE TO
DISCIPLINE

THE BEST
POWER ENGINEERS
WORK HERE





OVERVIEW OF RESULTS OF THE ACTIVITIES

GRI 2-24

SDG



Petropavlovsk Heating Networks LLP

Under the “Major and Current Repair” direction, for 2024, the enterprise performed the scheduled repair of the main and distribution networks with the replacement of pipes with the total length of 6.777 km (1.58 km of the main networks and 3.905 km of the distribution networks). The repair and restoration of the damaged heat insulation and bare sections of pipelines were performed using the glass wool boards with the total length of 4.546 km.

The Project “Automatic system for commercial accounting of heat energy” (ASCAHE) was continued in order to increase the precision and accuracy of payments between the suppliers and consumers.

Petropavlovsk CHPP-2

- Major repair of boiler units No 1, 9;
- Major repair of turbo units No 3 and No 6;
- Current repair of boiler plants No 3, 4, 5, 6, 7, 8, 10, 11, 12, plant turbo units No 1, 2, 4, 5, 7;

Sevkazenergosbyt LLP

For convenience of consumers and prompt servicing, Sevkazenergosbyt LLP started the interaction with the city service portal developed on the basis of INTERGO Informational Industry Solution Center LLP for acceptance of consumers' requests both in person and remotely.



RESULTS OF THE INVESTMENT PROGRAM IN 2024

GRI 3-3, 203-1

In 2024, the investments were used for the modernisation, upgrade and repair of the main production assets.





Main projects of the investment program implemented in 2024:

1. Reconstruction of boiler plant No 2.

Under this measure, the works for the reconstruction of boiler plant No 2 were continued by the General Contractor - SAEM Petropavlovsk LLP. Also, in 2024, the obsolete design of reconstruction of boiler plants No 1-5 was corrected; as well as the detailed design of reconstruction of the auxiliary equipment of boiler plant No 2 was developed. In addition, the engineering control and supervision over the construction and installation works were conducted. Totally, this project is planned to be implemented for the period from 2023 to 2027; and the implementation of this measure will allow:

- To restore the fleet life and to ensure the reliable operation for 40 years;
- To reduce the fuel consumption by 4.45% owing to the increase in efficiency from 87% to 91.1% due to the decrease in losses, including losses with exhaust gases due to the decrease in temperature of exhaust gases from 199.3-166.6°C to 132°C;
- To reduce the depreciation of the boiler unit equipment by 73.34%;
- To reduce the consumption of electric energy by the induced-draft fans due to the decrease in the excess air factor in exhaust gases from 1.46 to 1.31 caused by the gas tightness of the boiler furnace, decrease in leaked-in air to the furnace and exhaust gas path of the boiler;
- To ensure the NOx allowable emissions owing to staged combustion of fuel and use of the special furnace device;
- To ensure the decrease in ash emissions into the atmosphere due to the installation of high-performance ash collection systems.
- To increase the performance by 20 tons steam per hour from 220 ton/hour to 240 ton/hour.

2. Major repair of boiler units resulting in the increase in the value of the fixed assets.

For the purposes of this section, the major repairs of boiler units were performed in order to increase the value of the fixed assets: plant No 1, 3, 9, 10, allowing to prolong the service life of ones reaching the end of the fleet life, in order to bear the heat and electric loads; to reduce the accident frequency rate causing, in its turn, the decrease in the number of boiler starts and, thus, the decrease in the fuel oil consumption.

3. Major repair of turbo units resulting in the increase in the value of the fixed assets.

- Plant turbo unit No 3:

With the increase in the fleet life by 15 thousand hours, this measure will slow down the growth of depreciation of the turbine by 0.99%; i.e. without prolongation, the planned depreciation of the turbine is 84.00%, subject to the implementation of the measure - 83.01%.

- Plant turbo unit No 6:

With the increase in the fleet life by 15 thousand hours, this measure will slow down the growth of depreciation of the turbine by 0.79%; i.e. without prolongation, the planned depreciation of the turbine is 89.14%, subject to the implementation of the measure - 88.35%.

4. Construction of new reinforced concrete chimney, H=180m, CHPP-2 of SEVKAZENERGO JSC, Petropavlovsk city.

Under this measure, the works for construction of new reinforced concrete chimney, H=180, were continued; and the following was performed:

- the shaft of new reinforced concrete chimney was constructed to the elevation of +180 m,
- the protective head was installed,
- the service ladder and traffic-light platforms were installed,
- the lighting and lightning protection were installed,
- the rotation unit of new flue gas duct to the chimney from boiler plants No 1-4 was constructed.

Finishing of the project and putting of the facility into operation are planned for 2025.

5. Construction of enclosing dams of section No 3 of ash dump No 2 of Petropavlovsk CHPP-2 of SEVKAZENERGO JSC, II stage.

Under this measure, the project was completed to increase the capacity of operating section No 3 of ash dump No 2 by 3.9 million m³, in order to avoid the risks of its overfilling and emergency shutdown of Petropavlovsk CHPP-2 related to the impossibility of ash and slag waste storing.

6. Major repair of the PCHPP-2 buildings resulting in the increase in the value of the fixed assets.

In 2022-2023, the results of the survey of the PCHPP-2 main building were used to determine the sections of the building (load-bearing and enclosing structures), which were in unsatisfied, emergency condition; and in order to bring them into the operable condition, it was required to perform the construction works. The collapse of the structures causes an accident with equipment shutdown. Therefore, the works for development of the detailed design documentation for repair of the PCHPP-2 main building, with strengthening of the load-bearing and enclosing structures, were started. In 2024, a part of the works for the main building in rows B-C/1-13 was performed; the repairs of the roofs of the repair facility buildings, combined auxiliary building, canteen, household building and main control room were performed. In 2025, the similar construction works will be continued.

7. Arrangement of the automated system for monitoring of emissions to the environment with regard to the main stationary emission sources.

Subject to the Environmental Code of the Republic of Kazakhstan from January 1, 2023, the 1-category enterprises have to introduce the automated system for monitoring of emissions to the environment. Under this measure, the SGK-510 information-measurement system was installed. The automated system has been introduced and is functioning at chimney No 3.



8. Reconstruction of the fuel feeder, with the replacement of toothed disc crushers and hammer crushers.

In 2024, the works for the replacement of one hammer crusher and preparatory works for installation of the toothed disc crushers were performed under the project for the modernisation of the fuel feeder of PCHPP-2. For 2025, the installation works for the second hammer crusher and two toothed disc crushers are planned.

This project included also the replacement of the obsolete scale at belt conveyor No 5 A, B. Thus, in 2001, belt conveyors No 5 A, B were equipped with the VK-2 scale. The service lifetime of the scale was more than 22 years; but, pursuant to the passport, the service life was not less than 12 years. For the period of scale operation, there were many regulations of load cells and manual turnings of the measuring equipment for the decrease in errors of the scale readings. The implementation of such measures had the temporary effect, and, over some time, the measurement accuracy was shifted upwards. In order to determine the true volume of coal supplied to the raw coal silo and to control the coal stock balances of the enterprise, the project for the reconstruction of the fuel feeder included the replacement of the conveyor scale.

9. Major repair of the rail tracks of PCHPP-2 resulting in the increase in the value of the fixed assets.

Under the project for major repair of the rail tracks of PCHPP-2 in 2024, the works at tracks No 1, 2, 3, 4 were performed with the replacement of the rail-sleeper grid and turnout switches. Also, the full replacement of the rail crossing at J. Gashek street was performed, with the installation of the rubber cord flooring. The measure is aimed at the decrease in depreciation that may cause the failure of fuel supply to CHPP-2, as well as car derailment.

10. Replacement of the mill exhaustor fans of boiler plant No 6, resulting in the increase in the value of the fixed assets.

In 2024, the VM-18AK mill exhaustor fans, which had been in the unsatisfied technical condition, were replaced with VM-17V. According to the experience of the replacement of such fans, the reconstruction of the coal pulverization systems will allow not merely to upgrade the auxiliary equipment of the boiler unit, but also to achieve the following indicators:

- The performance of the coal pulverization systems in the operational modes will provide the boiler unit with ready dust at the rating loads and leaked-in air for the dust systems.
- The consumption of electric energy for the coal pulverization has been greatly decreased; the power consumed by the engines of the mill exhaustor fans will be reduced by 160 kWh.
- The reliability and service life of the mechanical ventilation, dust-air ducts and coal pulverization systems will be greatly increased.

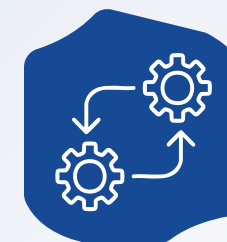


The main measures taken under the repair fund in 2024.



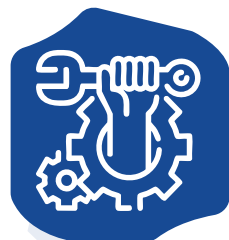
1. Major repair of boiler plant No 1

2. Scheduled repair of the main and auxiliary equipment of PCHPP-2 in order to maintain the sound technical condition of the main and auxiliary equipment



3. Survey and technical diagnostics of boilers, turbines, hoisting mechanisms, frames, vessels, pipelines in order to determine the potential for further use

4. Replacement of slip rings of plant turbo unit No 2



5. Current repair of the shop equipment

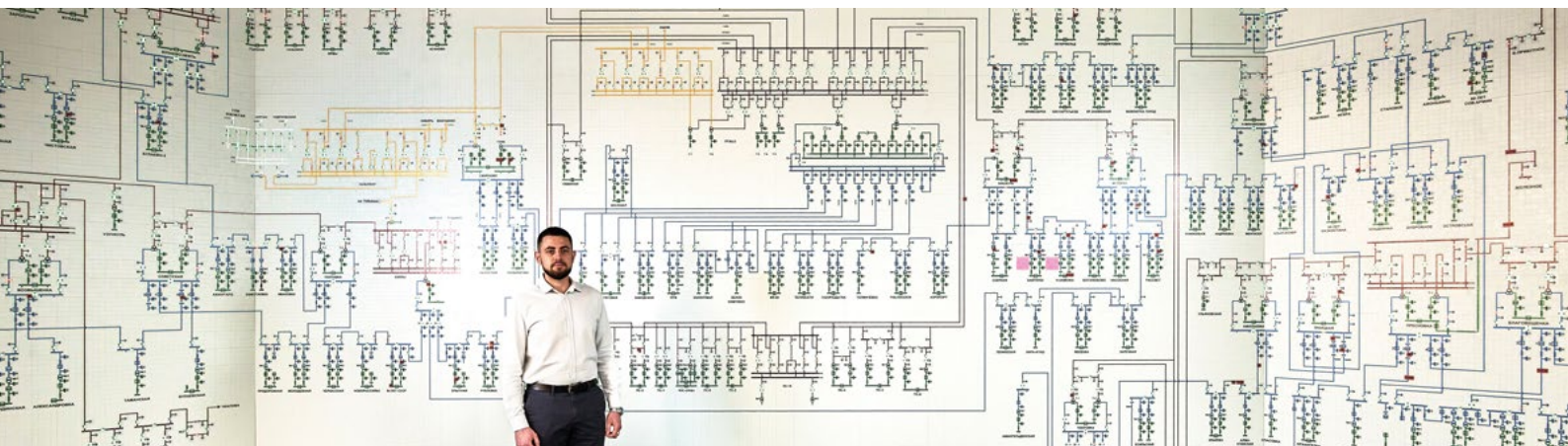
6. Survey of chimney No 2 with issue of the expert conclusion on further use



7. Repair of the turbine shop equipment used for generation and supply of heat energy – cleaning of district water heaters, repair of network pumps, repair and partial replacement of network pipelines



PROCESS AUTOMATION



The information on implementation of the automatic system of commercial accounting of electricity (ASCAE) of the retail electricity market (REM) and wholesale electricity market (WEM) at the enterprise:

- The engineering design of ASCAE of the wholesale electricity market of North Kazakhstan Regional Electric Distribution Company JSC was approved on September 13, 2005.
- From 2009 to 2018, out of the funds of the investment program, the equipment was installed at 46 substations of the city and region, 551 WEM metering points were equipped with ASCAE, including at the battery limit of JSC at 24 metering points; 821.59 million tenge with VAT were spent.
- The implementation of the project for introduction of ASCAE of the retail electricity market at North Kazakhstan Regional Electric Distribution Company JSC was started in 2011.
- As of January 1, 2025, out of the own and borrowed funds, REM ASCAE covers 30 214 metering points. The total amount of the assimilated funds was 1 724, 28 million tenge. At the expense of consumers, REM ASCAE is installed at 6 993 metering points; totally, REM ASCAE includes 37 207 electricity metering points.

REM ASCAE is a three-level hierarchic information-measurement and computing network with distributed information processing. This network consists of the following levels:

- First level – primary measurements. The readings of the metering devices of electric energy consumers on the 0.4 kV existing power lines are sent to the Data Acquisition and Transmission Devices installed on the 0.4 kV side at the transformer substation, power distribution substation, unitized transformer substation. The data is transferred using the PLC technology.

- Second level – ASCAE information acquisition, storage and processing at the Data Acquisition and Transmission Devices (PLC-concentrator). The data from the PLC – concentrator is transferred via the GSM/GPRS communication channel to the central data processing server.

- Third level – main center of information acquisition and storage of “EMCOS” Software.

This software allows to review the data from the meters in real time, to export it to MS Excel, to store the data in various file formats, to change the method for displaying of diagrams, to print the graphics, to review the occurred events, to configure the system, to review the archives.

REM ASCAE is a solution for the increase in precision of electricity accounting, electricity quality control, detection and localization of losses, disclosure of electricity thefts, “transparency” of the electric energy distribution process, reducing the staff hours for acquisition and processing of the data on consumed electricity.

The complex of measures, including the replacement of a “bare wire” with self-supporting insulated wire (SSIW), replacement of leads, relocation of the metering devices to the boundary line of the balance sheet, introduction of ASCAE, will ensure the decrease in electric energy losses. The further implementation of ASCAE is deemed by JSC as impractical subject to high value of the project implementation, additional expenditures for maintaining and servicing of ASCAE not included into the tariff estimate, large payback period of the project and absence of economic effect.

PROJECT

IMPLEMENTATION EFFECT

ASCAHE

During the period for implementation of the project “Automatic system for commercial accounting of heat energy” (ASCAHE), 1376 modems were installed. The introduction of the metering devices increases the accuracy and precision of the data and calculations between suppliers and consumers under the current and long-range tariff systems and reveals the actual condition of the household heat consumption. ASCAHE improves the efficiency of acquisition of the data on accounting of heat energy in order to control the consumption and to reduce the delayed payments for the consumed heat energy. The system allows to detect promptly the losses and off-the-meter consumption of heat energy in order to take instantly the measures for prevention and saving of heat energy at the residential sector.

TEZIS ACS PTC

Since November of 2017, the automated control system for the process of technological connection to electrical networks – ACS PTC has been put into pilot operation. The system is aimed at the increase in transparency of the process for registration of the technical specifications for connection of consumers to the electrical networks. The great advantage of the system is the intermediate control enabling to determine at what stage and which of the process participants hold the documents. The system provides the efficient support to the operational activities of the enterprises, organizes the accounting and control for the process of issue of the technical specifications, agrees the design and estimate documentation and prepares the documents for consumers. Under the project of ACS PTC, the time of the consumer connection was reduced; the whole process of connection of new consumers to the infrastructure facilities was facilitated and optimized.

SCADA

North Kazakhstan Regional Electric Distribution Company JSC supports the tendency for development of the automated control systems for production funds and assets. The project for creation of the automated dispatch control structure with the “SCADA” system included the replacement of the obsolete sensor panel board with new one (video-wall).



PROJECT	IMPLEMENTATION EFFECT
Ellipse	SEVKAZENERGO JSC put the automated control system for production facilities and assets based on the Ellipse 8 system (Ellipse ACSPF&A) into pilot operation. The Unified Ellipse System allows to plan and to perform the maintenance and repair, including: - to automate the elimination of possible failures and emergency works; - to reduce the number of failures and emergency works owing to the optimal forecasting and timely performance of the scheduled works
Mobility	Since 2018, North Kazakhstan REDC JSC has put into pilot operation the Mobility application fully integrated with Ellipse ACSPF&A, enabling to issue remotely the job assignments, to organize the inventory reconciliation and monitoring of equipment, to provide the online access to the historical, regulatory data. Under the Mobility project, a mobile application was created for the employees engaged in maintenance and repair of equipment, in order to perform the operational maintenance and repair of the infrastructure facilities in the field



WORKING WITH CONSUMERS

S

Sale of services

The main functions of Sevkazenergosbyt LLP are:

- sale of electric and heat energy under concluded contracts;
- collecting the payments of consumers for electrical and heat energy consumed thereby.

Analysis of sale of electric and heat energy of the power supply organisation for 2024 (exclusive of INTER RAO UES)

Indicators of the power supply organisation	Volume	Amount
Sale of electric energy:	thousand kWh	thousand tenge with VAT
Sevkazenergosbyt LLP	1,148,823	30,927,895
legal entities	816,261	24,717,136
individuals	332,562	6,210,759

Sale of heat energy	thousand Gcal	thousand tenge with VAT
Sevkazenergosbyt LLP	1,386.4	12,119,066
legal entities	518.8	7,884,890
individuals	867.6	4,234,176

Organization of consumer servicing.
Project implementation.

For the convenience of consumers, the payment system was developed for payment through the second-tier banks, Internet, ATMs, terminals. The contracts for acceptance of payments from the population were concluded with the second-tier banks, Kazpost JSC, AstanaPlat LLP and QIWI Kazakhstan LLP. Additionally, the household consumers may make the payment on the UPC bills without the bank fees.

The servicing area of the branches of Sevkazenergosbyt LLP accepts the consumers for the contract concluding and termination, current account opening and closing, statement issuing, providing of subscribers with the information on current accounts, application acceptance, etc.

One of the main objectives of the power supply organisation is to satisfy the population needs, to increase the consumer servicing level and to ensure the compliance with the mandatory requirements of the international quality system standards.

In 2013, the Contact Center was established at the premises of Sevkazenergosbyt LLP for prompt servicing of all the calls via the multi-line telephones both automatically and through conversation with an operator. In average, in 2024, on the weekdays, the employees of the Contact Center are accepting about 1,295 calls; and the maximum number of the accepted calls may achieve 2,051 calls per day.



In 2017, the opportunity to estimate the Contact Center’s operator working upon completion of a call was implemented. The Interactive Voice Response System provides the information in answer to standard questions. Moreover, a consumer may call to the single number of the Contact Center and receive the comprehensive information about reasons of a power cutoff and period for cutoff elimination.

For the period from January of 2024 to December of 2024, the “My Profile” service in the web-site of SEVKAZENERGO JSC was used by 1,541 household consumers and 232 non-household consumers.

SOCIAL PARTNERSHIP

GRI 201-3, 413-1

SDG



The electric energy sale is based on the differentiated tariff for the along-living old-age pensioners, invalids, Great Patriotic War participants and equated persons.

Graduates of the higher education institutions get the opportunity to undertake the industrial

The official web-site of SEVKAZENERGO JSC has the “Feedback” section, through which 1,047 consumer requests were received in 2024. Consumers may send their requests or inquiries; therefore, a consumer does not need to apply in person to the Service Centers.

and pre-graduation internship at the power supply organisations.

The personnel is interested in the reliability and financial stability of a power supply organisation; availability of social programs; safety; material and moral material incentives.

- 2. The total amount of all the overdue accounts receivable in dynamics for every reporting period. It reflects the potential risk volume.
- 3. The turnover of all the accounts receivable in dynamics. It reflects the efficiency of the working with consumers.

Analysis of accounts receivable

The problem with management of the accounts receivable at power supply organisations is most acute.

The accounts receivable are estimated with breakdown into:

- 1. The total amount of all the accounts receivable in dynamics for every reporting period. It reflects the dynamics of the total amount of the funds for every rendered service.

From general to specific

First stage

The general analysis of the accounts receivable is carried out; and the general representation for all the consumer categories is formed. The reasons of an existing situation are disclosed.

Second stage

A certain implementation plan is developed and is brought under control (responsible persons, period, result).

The detailed analysis and control of the accounts receivable are carried out with breakdown into: consumer categories, regions, service types, every consumer.

Upon analysis, the accounts receivable are subdivided into the total and overdue ones, with breakdown into creation periods.



Name of power supply organisation	Working with the accounts receivable in 2024, thousand tenge with VAT					
	Accounts receivable as of January 1, 2025			Ratio of collection of accounts receivable, %	Executive endorsements entered in 2024	Enforcement proceedings initiated in 2024
	Total	Above 1 month	Above 3 months	Annually average		
Sevkazenergosbyt LLP	5,338,445 (without Inter RAO UES)	1,015,334	637,269	78	752,315	158,680

Indicators

Ratio of collection of accounts receivable

The ratio reflects how much the accounts receivable have been collected throughout a reporting period.

Collection of accounts receivable. Management methods

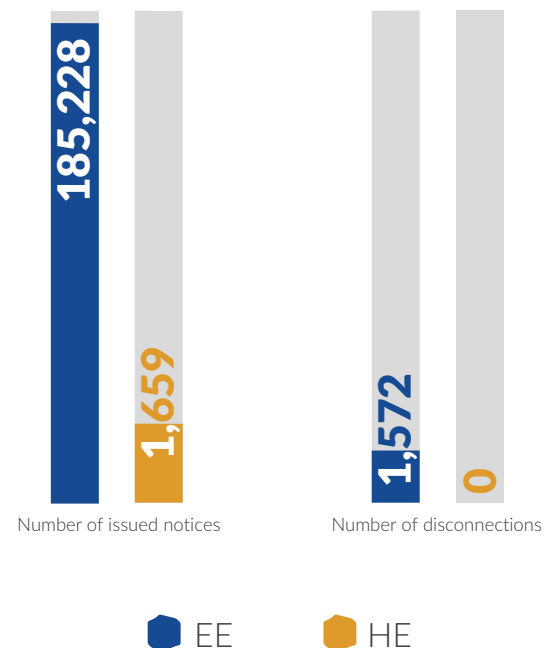
The interaction with consumers is through the SMS-informing, e-mailing, warnings and notices delivery, disconnections, etc. The purposes of interaction is to encourage a debtor to pay the indebtedness and to make a decision about transfer to a litigation and enforcement proceeding.

Debt-related disconnections of consumers are regularly implemented together with the representatives of the transmission organisations.



The restriction of the consumption mode because of the consumer's failure to fulfill the contractual conditions with regard to the payment for the rendered services:

SEVKAZENERGOSBYT LLP



The management of the accounts receivable is aimed at the decrease in the amount of the overdue accounts receivable. Such measure promotes the increase in payment of the consumers' indebtedness to the power supply organisations.



According to the results of 2024, the following objectives were implemented:

- the use of the introduced procurement process control system enabling to plan and to control all the processes with the most efficiency;
- achievement of the full transparency of the purchase procedures owing to the publication of announcements on planned procurement, procurement result reports at the electronic trade platform of EurasianTeck LLP, enabling to attract the new sellers of goods under mutually favorable conditions;
- saving of the funds as a result of efficient procurement processes, ensuring the full financing of unforeseen requirements without involvement of additional sources.

The main priorities in the procurement activity for 2024 were:

- increase in transparency of the procurement activity;
- increase in the commercial efficiency;
- introduction of the efficient procurement planning system;
- transfer to the electronical purchasing form;
- automation of the procurement processes;
- introduction of the efficient system for the internal and external reporting on the procurement activity;
- increase in efficiency of the reporting systems for internal clients;
- increase in efficiency of the processes for accounting of inventories, storage and issue.

PROCUREMENT ACTIVITY

GRI 414-1

SDG



B Building the efficient procurement activity is one of the important objectives of the Company for the purpose of the increase in operational efficiency. The key procurement priorities of the SEVKAZENERGO JSC Group of Companies are to ensure the transparency of the procurement and tenders, to increase the number of the procurement participants in order to achieve the maximum economic effect and to reduce the expenditures.

Since 2017, the Purchase Department of the whole Group of Companies started the transformation processes for the increase in efficiency and transparency of the procurement activity. Throughout the year, the projects aimed at the procurement process automation, procurement planning system improvement, categorical procurement strategy development, optimization of the inventories accounting, storage and issue process, KPI system implementation and other direction were developed.





Information of purchase volumes for 2024 for the SEVKAZENERGO JSC Group of Companies

Type of regulated service	Total amount of purchases	Including:			
		Purchases according to the tender results	Purchases from one source, in tenge		Purchases with request for quotation, in tenge
			For causes, purchased from one source only	After recognition of tender and request for quotation as void	
SEVKAZENERGO JSC					
Services for heat energy generation, transmission, distribution and (or) supply	Inventories				
	1,116,218,531.90	600,211,968.77	42,682,062.07	252,466,788.30	220,857,712.76
	Works, services				
	21,616,673,319.11	901,364,839.16	3,189,182,624.95	17,482,288,501.82	43,837,353.18
	Total				
	22,732,891,851.01	1,501,576,807.93	3,231,864,687.02	17,734,755,290.12	264,695,065.94
North Kazakhstan Regional Electric Distribution Company JSC					
Services for electric energy transmission	Inventories				
	2,918,933,083.86	1,548,126,355.04	381,757,143.41	850,866,803.57	138,182,781.84
	Works, services				
	3,649,594,389.82	112,260,209.44	1,149,455,279.69	2,348,462,775.62	39,416,125.07
	Total				
	6,568,527,473.68	1,660,386,564.48	1,531,212,423.10	3,199,329,579.19	177,598,906.91
Petropavlovsk Heating Networks LLP					
Services for heat energy transmission and distribution	Inventories				
	4 896 785 905,88	69 615 440,12	4 151 413 247,56	572 144 549,47	103 612 668,73
	Works, services				
	1 056 289 107,75	169 250 000,00	8 879 766,70	853 466 856,50	24 692 484,55
	Total				
	5 953 075 013,63	238 865 440,12	4 160 293 014,26	1 425 611 405,97	128 305 153,28
Sevkazenergosbyt LLP					
Services for heating supply	Inventories				
	16,320,585,094.07		16,268,420,159.80	21,669,347.93	30,495,586.34
	Works, services				
	3,777,104,404.91		3,710,027,542.78	56,548,249.14	10,528,612.99
	Total				
	20,097,689,498.98		19,978,447,702.58	78,217,597.07	41,024,199.33

Information of purchase volumes for 2024 for the SEVKAZENERGO JSC Group of Companies

SEVKAZENERGO JSC						
Type of regulated service	Total amount of purchases	Including:				Volume of purchases from local producers, %
		Purchases according to the tender results	Purchases from one source, in tenge		Purchases with request for quotation, in tenge	
			For causes, purchased from one source only	After recognition of tender and request for quotation as void		
Services for heat energy generation, transmission, distribution and (or) supply			Inventories			27.21
	9,984,575,031.90	600,211,968.77	345,082,062.07	8,818,423,288.30	220,857,712.76	
			Works, services			
	21,616,673,319.11	901,364,839.16	3,189,182,624.95	17,482,288,501.82	43,837,353.18	
			Total			
	31,601,248,351.01	1,501,576,807.93	3,534,264,687.02	26,300,711,790.12	264,695,065.94	
North Kazakhstan Regional Electric Distribution Company JSC						
Services for electric energy transmission			Inventories			1.04
	2,918,933,083.86	1,548,126,355.04	381,757,143.41	850,866,803.57	138,182,781.84	
			Works, services			
	3,649,594,389.82	112,260,209.44	1,149,455,279.69	2,348,462,775.62	39,416,125.07	
			Total			
	6,568,527,473.68	1,660,386,564.48	1,531,212,423.10	3,199,329,579.19	177,598,906.91	
Petropavlovsk Heating Networks LLP						
Services for heat energy transmission and distribution			Inventories			0.26
	4,896,785,905.88	69,615,440.12	4,151,413,247.56	572,144,549.47	103,612,668.73	
			Works, services			
	1,056,289,107.75	169,250,000.00	8,879,766.70	853,466,856.50	24,692,484.55	
			Total			
	5,953,075,013.63	238,865,440.12	4,160,293,014.26	1,425,611,405.97	128,305,153.28	
Sevkazenergosbyt LLP						
Services for heating supply			Inventories			0.01
	16,320,585,094.07		16,268,420,159.80	21,669,347.93	30,495,586.34	
			Works, services			
	3,777,104,404.91		3,710,027,542.78	56,548,249.14	10,528,612,99	
			Total			
	20,097,689,498.98	-	19,978,447,702.58	78,217,597.07	41,024,199.33	



FINANCIAL AND ECONOMIC INDICATORS

GRI 3-3, 201-1

SDG



The consolidated financial statements of the Company for 2024 were prepared in accordance with the International Accounting Standards. Principles of the accounting policy are unified for all the Company's enterprises.

The key financial and economic indicators of the Company demonstrate the effectiveness and efficiency of the operational and financial activities, as well as implementation of the main directions of the Company's strategic development.

Indicators	2022	2023	2024
Income from main activities	35 878	53 039	81 839
Cost price subject to period	(36 118)	(49 005)	(69 709)
Profit from operational activities	(240)	4 034	12 130
EBITDA total per year	7 440*	15 056	23 381*
EBITDA total per year, margin in %	20,7	28	28,6*
Saving (expenses) of income tax	127	(613)	(2 268)
Net profit (loss) per year	(3 936)	2 148	7 986
Assets	127 335	127 367	122 175
Capital	57 250	59 897	55 276
Capital expenditures for fixed assets	6 810	9 449	7 105

*EBITDA total is presented exclusive of loss from depreciation of fixed assets.



INCOME FROM SALE OF PRODUCTS /SERVICES

According to the results of 2024, the Company generated the electrical and heat energy subject to the energy transmission and sale for the total amount of 81 839 million tenge, or by 54.3% more than the 2023 results, as related to the growth of commodity release volumes and tariffs for the electric and heat energy. The dominant factors affecting the level of income from sale in 2024 in comparison with the past period are the following:

- income from the electric energy sale was increased in comparison with 2023 **by 26 068 million tenge, or by 59%** owing to the tariff growth, including:

- the electric energy generation was increased in comparison with 2023 **by 9 628 million tenge or by 34%** owing to the tariff growth;
- income from the power market was increased **by 798 million tenge or by 30%** owing to the stable generation; the derating factors were not applied;
- income from the power supply for 2024 amounted **to 11 184 million tenge.**
- incomes from the heat energy sale subject to the sales markup were increased **by 2 210 million tenge or by 26%** owing to the tariff growth.

COST PRICE OF SOLD PRODUCTS /SERVICES

The cost price of the sold electrical and heat energy for 2024 was 69 709 million tenge; the growth was by 20 704 million tenge or 42 % in comparison with 2023. In the Company's cost price structure, the dominant specific weight (20 %) is occupied by the "Fuel" item. The increase in this item (coal) was 2 072 million tenge, or 15 %, including - 528 million tenge owing to the growth of the volume of coal consumption by 4% and growth of the fuel price by 1 498 million tenge or 10%. The depreciation charges were increased by 990 million tenge owing to the revaluation and input of the fixed assets. The expenses for remuneration were increased by 1 277 million tenge, or 22% in relation to the growth of wages. The expenses for purchase of electric energy from the Single Purchaser were increased by 12 355 million tenge. Also, in relation to the legislation alterations, the additional expenses were introduced for the purchase of electric energy intended to cover the misbalances when the system operation implemented the approved hourly daily schedule of electric energy generation-consumption, and amounted to 1 503 million tenge according to the 2024 results.

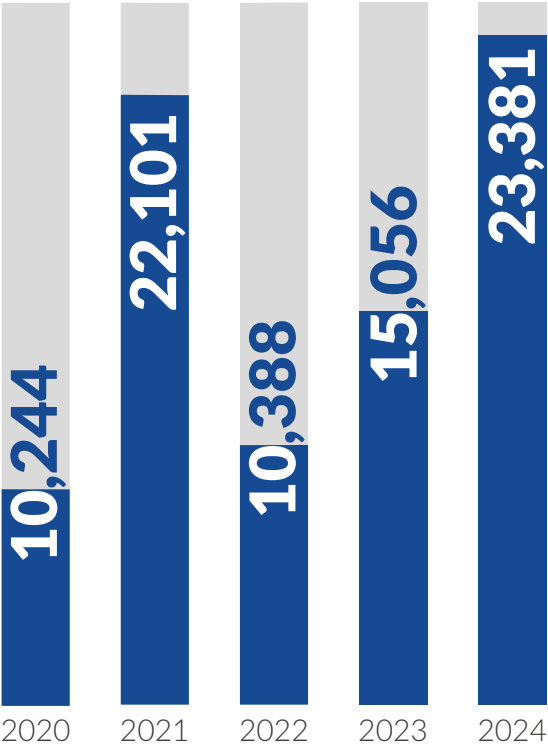




Dynamics of EBITDA total

The EBITDA indicator for 2024 was 23 381 million tenge; the increase in comparison with 2023 was by 8 325 million tenge or 55.3%. The main factors of the increase in the indicator of operational efficiency was the income growth by 54%.

EBITDA total per year, million tenge



EBITDA indicator for operational segments

The EBITDA operational indicator is selected as main one for assessment of the Company's production activities. This performance indicator does not take into account the other incomes, incomes from financing, non-monetary component of the commitments with regard to the exchange difference, depreciation and nonrecurring or erratic items that have no impact on the basic production activities of the Company. The EBITDA operational indicator of the Company for 2024 was 20 849 million tenge; its increase was 9 086 million tenge or 77% in comparison with 2023. In the structure of the EBITDA operational indicator, the leading (primary) marginal segment was the generation of the electrical and heat energy (81 274 million tenge), where the increase by 28 278 million tenge, or 32% in comparison with 2023 was observed due to the increase in tariffs.

Dynamics of net income / loss

The income from the operational activities for 2024 was 12 130 million tenge; the income was explained by the tariff growth. The financial net incomes /expenses were decreased by 77 million tenge, or 3 %. The expenses for the income tax were increased by 1 430 million tenge.

Financial and economic indicators with breakdown into segments for 2024, thousand tenge

Indicators	EE and HE generation	EE transmission and distribution	HE transmission and distribution	EE and HE sale	Elimination	Total
Incomes from main activities	49,450,381	9,766,408	4,927,014	39,973,799	(22,278,680)	81,838,922
Cost price	(35,763,787)	(8,468,880)	(4,899,213)	(38,790,356)	21,654,564	(66,267,672)
Gross profit	13,686,594	1,297,528	27,801	1,183,443	(624,116)	15,571,250
Period expenses	(2,021,121)	(454,615)	(246,296)	(766,407)	47,071	(3,441,368)
Profit from operational activities	11,665,473	842,913	(218,495)	417,036	(577,045)	12,129,882
Financial incomes (expenses), net	(2,331,038)	(219,646)	(450,595)	151,031		(2,850,248)
Other incomes (expenses), net	(2,667,648)	2,779,367	1,050,345	(299,743)	198,221	1,060,542
Profit /(loss) from exchange difference	(257)	26,785	(112,376)			(85,848)
Expenses for income tax	(1,302,959)	(739,406)	(224,640)	(81,919)	80,923	(2,268,001)
Net profit for the year	5,363,571	2,690,013	44,239	186,405	(297,901)	7,986,327
Profit /(loss) from change in cost price of fixed assets	(11,912,836)	15,496	43,126			(11,854,214)
Total accumulated income (loss)	(6,549,265)	2,705,509	87,365	186,405	(297,901)	(3,867,887)
EBITDA operational with breakdown into segments	18,362,155	1,950,025	644,021	464,271	(571,601)	20,848,871



ASSETS AND LIABILITIES



The cumulative assets of the Company as of December 31, 2024, were

122,175
million tenge

As of December 31, 2024, the value of the fixed assets was 101 199 million tenge, or 83 % of the value of all the assets. Under the extensive investment program for 2024, the fixed assets were used for the construction in progress and were purchased in the amount of

16.5
million tenge

	Assets, million tenge	Current assets	Long-term assets
2019	13.973	101.322	115.295
2020	22.522	101.446	123.998
2021	17.957	119.519	137.476
2022	9.483	117.852	127.335
2023	13.586	113.782	127.368
2024	14.011	108.164	122.175

	Liabilities, million tenge	Capital	Long-term liabilities	Current liabilities
2019	58.443	18.307	38.545	115.295
2020	55.587	27.233	41.178	123.998
2021	70.030	37.390	30.056	137.476
2022	57.251	21.907	48.177	127.335
2023	59.897	29.891	37.580	127.368
2024	55.276	25.588	41.311	122.175

The stated authorised capital of the Company was

143,9
million ordinary shares

As of December 31, 2024, the value of the fully paid ordinary shares was 16 292 million tenge. The total financial debt at the end of the reporting year was 27 572 million tenge; therewith, the Company kept the financial stability.



ALSO, I LIKE TO

SING,

THOUGH NOT PROFESSIONALLY,
BUT WITH

ALL MY HEART!

I AM ENGAGED WITH

COOKERY,

BAKING IS MY PASSION.

THE BEST
POWER ENGINEERS
WORK HERE



MY WORK IS RELATED TO ANALYSIS AND ORGANIZATION OF THE REMUNERATION SYSTEM, PARTICIPATION IN THE STAFF INCENTIVE PROGRAMS. FOR MY PROFESSION, A COMBINATION OF ANALYTICAL THINKING AND ATTENTIVENESS TO DETAILS IS IMPORTANT, SINCE OUR WORKING HAS THE IMPACT NOT ONLY CORRECT CALCULATIONS, BUT ALSO ON THE FAIR APPRECIATION OF THE STAFF LABOR

EKATERINA
MARCHENKO

LEADING LABOR ECONOMIST



PROSPECTS FOR DEVELOPMENT

GRI 2-22, 3-3

SDG



PLANS FOR THE RECONSTRUCTION AND MODERNIZATION OF THE EQUIPMENT FOR 2025

Under the investment program, in 2025, it is planned to continue some measures for the equipment modernisation, aimed at the increase in generation, decrease in depreciation of the PCHPP-2 equipment, decrease in losses during electric and heat energy transmission, and improvement of the environmental parameters of the activities.

The main directions of the planned works:

1. Continued implementation of the project for the reconstruction of boiler plant No 2.

The implementation of this measure will allow:

- To restore the fleet life and to ensure the reliable operation for 40 years;
- To reduce the fuel consumption by 4.45% owing to the increase in efficiency;
- To reduce the depreciation of the boiler unit to 0%;
- To reduce the electric energy consumption;
- To increase the performance by 20 tons steam per hour from 220 ton/hour to 240 ton/hour.

Finishing of the project - 2027.

2. Plant turbo unit No 1

In 2015, the reconstruction of the turbo unit working only in the condensation mode without generation of heat energy. The extensive building-up of the city of Petropavlovsk and deficit of heat energy are the reasons for the reconstruction of the turbo unit planned in 2025, with the heat-extraction plant, in order to ensure the growth by 90 Gcal/h.

3. Finishing of the construction and putting of the new reinforced concrete chimney with H-180 m into operation at Petropavlovsk CHPP-2 of SEVKAZENERGO JSC:

- arrangement of the ash basement;
- applying of protective chemical compound onto the shaft internal walls;
- installation of the metal gate;
- arrangement of the production sewerage;

- applying of the marking painting and installation of concrete blind area.

- reconstruction of the flue gas duct from boiler units No 1-4 and from boiler plant No 5-6, in order to reconnect them to the new chimney.

- installation of the automated system for monitoring of emissions to the environment.

4. Major repair of boiler plants No 3, 6, 11 resulting in the increase in the value of the fixed assets. The measure is aimed at prolongation of the service life of ones reaching the end of the fleet life, in order to bear the heat and electric loads, in accordance with the generation plan.

5. Development of the project "Construction of enclosing dams of section No 3 of ash dump No 2 of Petropavlovsk CHPP-2 of SEVKAZENERGO JSC (III stage)" and preparation of the building material open pit. The measure is aimed at the increase in the capacity of section No 3 of ash dump No 2, in order to avoid the emergency shutdown of Petropavlovsk CHPP-2 related to impossibility of ash and slag waste storing.

6. Major repair of the central and dredging pumping station buildings, 1 and 2 water purification plant buildings and main building of Petropavlovsk CHPP-2. In 2022-2023, the results of the survey of the PCHPP-2 main building, dredging and central pumping station buildings, 1 and 2 water purification plant buildings and fence of PCHPP-2 disclosed the defect sections of the building structures, which were in the unsatisfied and emergency condition; and the major repair was required in order to bring them into the operable condition. The collapse of the structures poses the risk to the staff life and risks of equipment emergency shutdowns.

7. Replacement of the main boilers of boiler unit No 6.

The main boilers (system water heater 500-3-23 type) were put into operation in 1972. The time in service is more than 53 years. The fleet life of vessels exceeds the



statutory service life (30 years). Decommissioning of the main boilers will result in the underheating of district water and disruption of the schedule of the heating supply of the city of Petropavlovsk.

8. Modernisation of the 220 kV outdoor switchgear

The 220 kV switchgear equipment has been used since 1967 and run out more than two fleet lives. The spare parts to the switches are not available and are not manufactured. Failure of the switches will cause the equipment shutdown and electricity sacrifice.

In 2025, it is planned to purchase the long-lead equipment, with further installation from 2026 to 2027.

9. Reconstruction of Petropavlovsk CHPP-2 with the replacement of 9, 10, 11 sections of the 6 kV indoor switchgear.

Sections No 9, 10 and 11 of the 6 kV indoor switchgear were put into operation in 1967. The oil switches of the VMP-10 type exhausted the life span and were already taken out of production; and the spare parts were not manufactured. During the operation process, the occurring defects will affect the reliability of the equipment, causing the process failures (damages) and long-time repair.

Under the existing project, in 2025, it is planned to purchase the long-lead equipment for further replacement in 2026.

10. Major repair of the transfer crane.

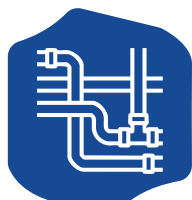
The transfer crane was put into operation in 1965.

The results of the survey of the crane carried out by an expert organization disclosed the defects. If such defects are not eliminated by the autumn – winter period of 2025-2026, the prohibition will be issued for the crane operation. Therefore, in order to eliminate the defects, the replacement of the escape wheels and major repair of the load trolley current lead rollers will be performed, with further prolongation of the operation life.

11. Purchase of new TEM-9 diesel locomotive.



In 2025, under the investment program, Petropavlovsk Heating Networks LLP plans to continue the works for the reconstruction of heating main No 6 2DN400-2DN500mm along Ruzheynikov street at the section from Gogol str. to Khalturin str. (the period for implementation of the project: 2024-2026). About



0.890
km of the main
pipeline will be
replaced

In 2025, North Kazakhstan Regional Electric Distribution Company JSC plans to take some measures under the investment programs:

- Reconstruction of the 220/35/10 kV Smirnov substation;
- Reconstruction of the 10 kV indoor switchgear of 110/10 kV substation No 11 of the city of Petropavlovsk;
- Reconstruction of the 35 kV Timiryazev-B. Khmelnitsky overhead line with the length of 10.6 km;
- Replacement of earth-wire at the 110 kV CHPP-2-Sibir overhead line with the length of 109.7 km;
- Major repair of the 35-110 kV overhead line in the North Kazakhstan region in the volume of 62.24 km;
- Reconstruction of five buildings and equipment of the transformer substation, 10/0.4 kV OUTS;
- Modernisation of the equipment of the 10 kV switchgear of the Novomikhaylovka and Nikolaevka substations ;
- Purchase of inventories for reconstruction of the 220 kV Timiryazev and Sibir substations, 10 kV indoor switchgear of 110/10 kV substation No 5;
- Purchase of fixed assets.
- Reconstruction (restoration) of 7 km of the 35 kV overhead line, postponed from 2024.



REASONABLE FORECASTS FOR NEXT THREE YEARS

In 2025-2027, under the investment programs, it is planned to take the following main measures.

Petropavlovsk Heating Networks LLP:

It is planned to perform the reconstruction of the main pipelines with the length of 2.331 km, including:

- Reconstruction of the section of heating main No 6 2DN400-2DN500mm along Ruzheynikov street from UN-6-10-c to TK-6-14-c with the length of 0.981 km;
- Reconstruction of the section of heating main No 9 2DN400mm along Brussilovsky street from UN-9-01 to TK-9-08 with the length of 1.350 km.

NK REDC:

- Reconstruction of the 110/35/10 kV substations at the region districts;
- Reconstruction of the 10 kV indoor switchgear at the 110/10 kV substations;
- Replacement of earth-wire at the 110 kV overhead line with the length of about 110 km;
- Modernisation of the equipment of the 10 kV switchgear of the 110/35/10 kV Novomikhaylovka and Nikolaevka substations;
- Reconstruction of buildings and equipment of the transformer substation, 10/0.4 kV OUTS;
- Reconstruction (restoration) of the 35 kV overhead line in the districts of the region, 10-0.4 kV cable lines in the city of Petropavlovsk and districts of the region;
- Construction of the operative dispatch service building (ODS) of the city;
- Implementation of the measures for energy saving and increase in energy efficiency.

Petropavlovsk CHPP-2:

- Reconstruction of boiler plant No 2
- Reconstruction of plant turbo unit No1
- Reconstruction of the heat power evacuation arrangement
- Replacement of the main (3 pcs.) boilers of boiler unit No 6
- Construction of the new reinforced concrete chimney
- Reconstruction of the common flue gas duct (in order to reconnect the boiler units to the new chimney and chimney No 3)
- Dismantling of chimney No 2
- Construction of enclosing dams of section No 3 of ash dump No 2 (III stage)
- Construction of ash dump No 4
- Reconstruction of the scrubber building of boiler plant No 9-11
- Reconstruction of the fuel feeder of PCHPP-2
- Reconstruction of the 220 kV switchgear
- Major repair of buildings and structures.



MY WORK IS PREPARATION OF
SCHEDULED POWER OUTAGE IN THE
REGION, COLLECTION OF INFORMATION
ON PROCESS VIOLATIONS AT THE ELECTRIC
NETWORKS. PEOPLE COMFORT AND
SAFETY DEPENDS DIRECTLY OR
INDIRECTLY ON EACH OF US

BELLA
SAVENKO
ENGINEER



REAL HOBBY IS
KNIT-WORK.
MY MOTHER HAS TEACH TAUGHT
ME, AND SINCE WHEN I CONTINUE
TO DEVELOP
IN SUCH DIRECTION

THE BEST
POWER ENGINEERS
WORK HERE





CORPORATE MANAGEMENT

GRI 2-9, 3-3, 202-2

SDG



S SEVKAZENERGO JSC has the efficient and transparent corporate management system complying with the Kazakhstan and international standards. The corporate management promotes the increase in transparency of the activities, growth of the assets and maintaining the financial stability of the Company.

GENERAL MEETING OF SHAREHOLDERS

The superior body for management of the Company is the General Meeting of Shareholders. The Company's Shareholders may offer the proposals into the agenda of the annual General Meeting of Shareholders, may nominate the candidates to the Board of Directors, Committees and may convene the meetings of the Board of Directors.



RESULTS OF WORKING OF THE GENERAL MEETING OF SHAREHOLDERS

The decisions under the competence of the General Meeting of Shareholders of SEVKAZENERGO JSC were made by the General Meeting of Shareholders (GMS) of CAEPCO JSC on the following issues in 2024:

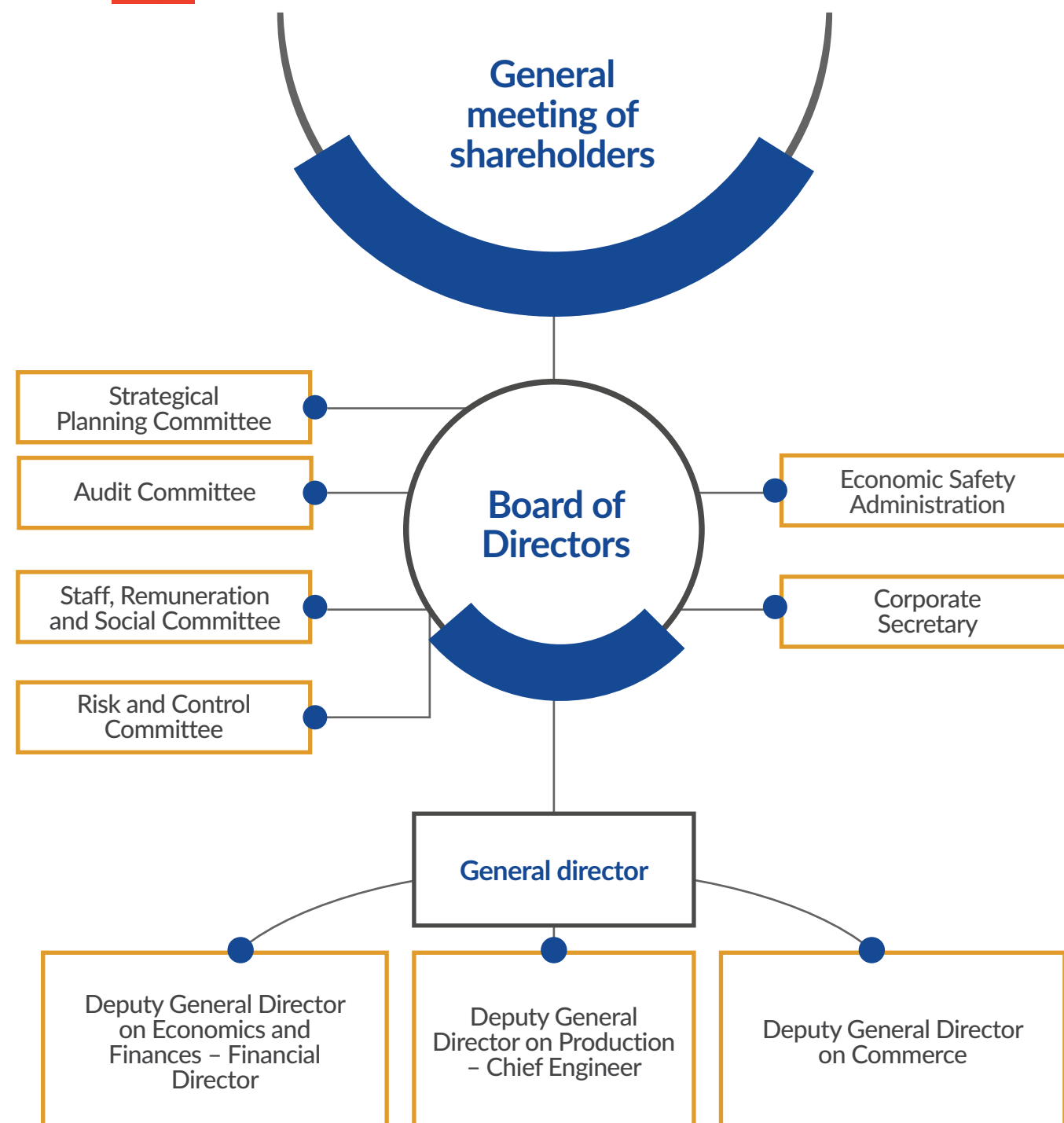
- the decision on election of members of the Board of Directors, determination of their terms of office;
- the decision on approval of the concluding of the related-party large transaction by SEVKAZENERGO JSC with Halyk Bank of Kazakhstan JSC;
- the decision on approval of the concluding of the related-party large transaction by SEVKAZENERGO JSC with VTB JSC;
- the decision on approval of the annual consolidated financial statements and net income distribution procedure of SEVKAZENERGO JSC for the 2023 financial year;
- the decision on choosing an audit organisation for audit of the 2024 financial statements.



ORGANIZATIONAL STRUCTURE

GRI 2-9

SDG





STRUCTURE OF THE AUTHORISED CAPITAL

The Single Shareholder owning 100% shares is Central Asian Electric Power Corporation JSC.

As of December 31, 2024, pursuant to the financial statements, the authorised capital of the Company is

16 292
million tenge

Name of the holder	Ordinary shares		Privileged shares	Total shares	
	number	ratio		number	ratio
Central Asian Electric Power Corporation JSC	143,863,799	100%		143,863,799	100%

INFORMATION ON DIVIDENDS

GRI 2-9 SDG



The policy of the Company with regard to the procedure for accrual, declaration, size, form and period of dividend payment is determined in the Charter and Regulation on Dividend Policy of Central Asian Electric Power Corporation JSC, to which SEVKAZENERGO JSC has acceded based on the decision of the Board of Directors of the Company dated August 6, 2020 (Minutes No 6).

The main principles of the Dividend Policy of the Company are:

- Balance of interests of the Company and its shareholders upon determination of dividend amounts;
- Increase in the investment attractiveness, financial stability, capitalization and liquidity of the Company;
- Ensuring the market return of the invested capital;
- Respecting and adhering to the shareholders' rights, and increase in their welfare.

The Company is going to spend a part of the net profit to pay the dividends in the volume enabling the Company to keep the enough funds for its development.

The decision on payment of annual dividends is made by the General Meeting of Shareholders (GMS) of CAEPCO JSC under the recommendation of the Board of Directors of the Company. In case of the unforeseen circumstances which are negative for the Company, the Board of Directors shall recommend to the General Meeting of Shareholders (GMS) of CAEPCO JSC not to make a decision on dividend (declaration) payment.

In 2024, at the annual meeting, the Board of Directors of CAEPCO JSC made the decision not to pay the dividends to the shareholders of SEVKAZENERGO JSC for the 2023 financial year.

BOARD OF DIRECTORS

GRI 2-10, 2-11, 2-12, 2-13

SDG



The Board of Directors of SEVKAZENERGO JSC carries on the common management of the activities of the Company, except for the solving of the issues classified by the Charter and Law “On Joint-Stock Companies” as under the exclusive competence of the General Meeting of Shareholders (GMS). The Board of Directors forms and controls the executive body of the Company. In order to implement the goals of the activities, the Board of Directors shall adhere to the following principles:

- making the decisions on a collegiate and reasonable discussion basis using the accurate and full information about the Company’s activities in accordance with the highest business standards;
- preventing the restriction of the legal interests and rights of the shareholders to take part in management of the Company, to receive the dividends, reports and information about the Company;
- ensuring the achievement of the balance of interests of the Company’s shareholders and making the most objective decisions by the Board of Directors in the interests of the Company’s shareholders;
- providing the accurate and updated information to the Company’s shareholders.

Also, the Board of Directors of SEVKAZENERGO JSC makes the decisions on the issues of the activities under the competence of the General Meeting of Shareholders (Participants) of the following legal entities: North Kazakhstan Regional Electric Distribution Company JSC, Petropavlovsk Heating Networks LLP, Sevkazenergosbyt LLP, whose 100 % shares (equity shares) are owned by SEVKAZENERGO JSC. The Board of Directors of North Kazakhstan Regional Electric Distribution Company JSC (subsidiary of SEVKAZENERGO JSC) carries on also the management of the power supply network company. The remuneration to the members of the Board of Directors shall be defined by Resolution of the General Meeting of Shareholders of the Company.



The independent members

The Board of Directors of SEVKAZENERGO JSC includes two independent directors, amounting to more than 30 % of the total number of members of the Board of Directors and complies with the Law of the Republic of Kazakhstan “On Joint-Stock Companies”..

The independent members of the Board of Directors of SEVKAZENERGO JSC meet the following criteria:

- They are not the affiliates of SEVKAZENERGO JSC and have not been the affiliates within three years preceding their election to the Board of Directors;
- They are not the affiliates with regard to the affiliates of SEVKAZENERGO JSC;
- They are not subordinated to the officials of SEVKAZENERGO JSC or affiliates of SEVKAZENERGO JSC and have not been subordinated to such persons within three years preceding their election to the Board of Directors;
- They are not the public officers;
- They are not the shareholders’ representatives at the meetings of the bodies of SEVKAZENERGO JSC and have not been such representatives within three years preceding their election to the Board of Directors;
- Do not take part in the audit of SEVKAZENERGO JSC as auditor employed by an audit organisation, and have not taken part in such audit within three years preceding their election to the Board of Directors .

The main function of an independent director is to provide the Board of Directors with an independent, competent and professional opinion on the issues considered, as well as to make the recommendations on proper preparation of solutions on the issues under the competence of the Board of Directors. Only the independent directors shall vote on the resolution concerning the company’s related-party transactions.

Selection and appointment

GRI 2-18

The members of the Board of Directors of SEVKAZENERGO JSC are elected by the decision of the Board of Directors of CAEPCO JSC. The number of members of the Board of Directors of SEVKAZENERGO JSC shall be not less than three persons; therewith, not less than thirty percent of the board of directors shall be independent directors. A member of the Board of Directors of SEVKAZENERGO JSC may be only an individual, who shall be elected among the shareholders – individuals or persons proposed (recommended) to be elected to the Board of Directors as representatives of the shareholders’ interests. An individual not being a shareholder of the Company and not proposed (not recommended) for election to the Board of Directors as representative of the shareholder’s interests may be elected as member of the Board of Directors; and the number of such individuals shall not exceed fifty percent of the Board of Directors.

The General Director of SEVKAZENERGO JSC may also be elected as member of the Board of Directors, but may not be elected as chairman of the Board of Directors. The Chairman of the Board of Directors of SEVKAZENERGO JSC shall be elected among its members by majority votes of the total number of members of the Board of Directors on a show of hands.

The term of office of the members of the Board of Directors shall be defined by the General Meeting of Shareholders. The term of office of the Board of Directors shall expire at the General Meeting of Shareholders, at which new Board of Directors is elected. The persons elected to the Board of Directors may be re-elected an unlimited number of times.

A candidate complying with the independence criteria may be elected as independent director in accordance with the Law of the Republic of Kazakhstan “On Joint-Stock Companies”, particularly:

- having not been an employee of the Company or member of the Company’s executive body for the last 5 years;
- not being remunerated by the Company or related party, but for fulfillment of the functions of the member of the Board of Directors;
- holding not more than ten percent of the shares of the Company and not included into the executive body or board of directors of another company owning more than 10 percent of the Company, only unless such another company and the Company are members of one group of companies.

In accordance with the Regulation on Board of Directors of SEVKAZENERGO JSC, the working of the Board of Directors shall be estimated upon approval of the annual financial statements of the Company.

COMPOSITION OF THE BOARD OF DIRECTORS

GRI 2-11

As of April 7, 2025, the composition of the Board of Directors of the joint-stock companies is as follows.



Nigay Alexander

Chairman of the Board of Directors
AO «СБКАЗЭНЕРГО»

- 18.01.2024–17.01.2026 - date of election / date of expiry of powers of the Chairman of the Board of Directors of SEVKAZENERGO JSC
- 15.01.2018 – until now - PAVLODARENERGO JSC - Chairman of the Board of Directors.
- 15.01.2018 – until now - Akmola Regional Electric Distribution Company JSC - Member of the Board of Directors.
- 15.01.2018 – until now - CAEPCO JSC - Member of the Board of Directors.



Kazanovsky Anatoly

Member of the Board of Directors
AO «СБКАЗЭНЕРГО»

- 18.01.2024–17.01.2026 - date of election / date of expiry of powers of a member of the Board of Directors of SEVKAZENERGO JSC
- 01.09.2023 – until now - SEVKAZENERGO JSC - Member of the Board of Directors.
- 18.09.2023 – until now - North Kazakhstan REDC JSC - Member of the Board of Directors.



Li
Sergey

Member of the Board of Directors

- **13.04.2021 – until now** - SEVKAZENERGO JSC - Member of the Board of Directors.
- **13.04.2021 – until now** - PAVLODARENERGO JSC - Member of the Board of Directors.
- **March of 2021 – until now** - CAEPCO JSC - Deputy Chairman of the Management Board for Economics and Finance.



Perfilov
Oleg

Member of the Board of Directors

- **31.08.2023 – until now** - CAEPCO JSC - Deputy Chairman of the Management Board for Production.
- **01.09.2021 – until now** - PAVLODARENERGO JSC - Member of the Board of Directors .



Tan
Levin

Independent director

- **March 2024 – until now** - CAEPCO JSC - Chairman of the Board of Directors.
- **17.06.2022 – until now** - PAVLODARENERGO JSC - Member of the Board of Directors, independent director.
- **17.06.2022 – until now** - АО «ЦАЭК» - Akmola Regional Electric Distribution Company JSC - Member of the Board of Directors, independent director.



Lim
Lei Ling

Independent director

- **17.04.2023 – until now** - PAVLODARENERGO JSC - Member of the Board of Directors, independent director.
- **24.07.2023– 22.10.2025** - Date of election / date of expiry of powers of a member of the Board of Directors of North Kazakhstan Regional Electric Distribution Company JSC

Working of the Board of Directors

Meetings in presentia	Meetings in absentia
2018 - 10	2018 - 2
2019 - 12	2019 - 4
2020 - 11	2020 - 3
2021 - 8	2021 - 6
2022 - 2	2022 - 12
2023 - 2	2023 - 10
2024 - 6	2024 - 7

In 2024, 13 meetings of the Board of Directors were held. The key issues considered by the Board of Directors were:

- on electing the Chairman of the Board of Directors of the Company and on determination of the compositions of the Committees of the Board of Directors;
- on concluding the related-party transactions by SEVKAZENERGO JSC;
- on concluding, by SEVKAZENERGO JSC, the transaction taking into account the Company's obligations for ten and more percent of the own capital;
- on approving the Development Plan for 2025-2029, including budget for 2025 for the enterprises of the SEVKAZENERGO JSC group;
- on approving preliminary the annual consolidated financial statements of SEVKAZENERGO JSC for 2023;
- on determining the amount for payment for the services of the audit organisation for the audit of the financial statements of SEVKAZENERGO JSC;
- on approving the internal regulatory documents of the structural divisions accountable to the Board of Directors;
- on introducing the alterations to the subsidiaries' charters;
- on approving the financial statements of North Kazakhstan Regional Electric Distribution Company JSC for 2023;
- on choosing an audit organisation for the audit of North Kazakhstan Regional Electric Distribution Company JSC;
- on agreeing the large related-party transactions by NK REDC JSC;
- on electing the members of the Supervisory Board of Sevkazenergosbyt LLP and determining their terms of office;
- on extending the terms of office of the General Director of Sevkazenergosbyt LLP, on determining the remuneration size;
- on extending the terms of office of the acting General Director of Petropavlovsk Heating Networks LLP, on determining the remuneration size.





RESULTS OF WORKING OF THE COMMITTEES OF THE BOARD OF DIRECTORS

GRI 2-12, 2-13, 2-14

Strategical Planning Committee

Objectives:

- Consultation support and development of recommendations to the Board of Directors of the Company on the issues of determination of priority directions of the Company's activities, development strategy, development of the Company's budget, planning of the financial and operational activities of the Company;
- disclosure of the existing problems in domain of planning and budgeting of the Company's activities.

Composition of the Committees:

- Tan Levin – Chairman.

Members:

- Oleg Perfilov,
- Sergey Li ,
- Anatoly Kazanovsky.

In 2024, the meetings of the Committee were not held.

Audit Committee

Objectives:

- Development and submission of the recommendations of the Board of Directors to make the managerial decisions in domain of the financial statements and internal audit of the Company;
- introduction of the modern methods for improvement of the risk-oriented internal audit;
- control over timely and complete fulfillment of the corrective action plans for internal audit.

Composition of the Committees:

- Tan Levin – Chairman.

Members:

- Anatoly Kazanovsky,
- Sergey Li.

In 2024, the meetings of the Committee were not held.

Risk and Control Committee

Objectives:

- Development and submission of the recommendations of the Board of Directors to make the managerial decisions in domain of the internal control system and risk management system of the Company;
- introduction of the modern methods for improvement of RMS and ICS at the Company;
- control over timely and complete fulfilment of the implementation plans for improvement of RMS and ICS;
- introduction of efficient programs for efficiency testing of RMS and ICS.

Composition of the Committees

- Tan Levin – Chairman.

Members:

- Anatoly Kazanovsky,
- Azamat Kunaev,
- Igor Gorkaev,
- Arman Khazi- Saudenov.

In 2024, 1 meeting of the Committee was held.

Staff, Remuneration and Social Committee

Objectives:

- Consultation support and development of the recommendations to the Board of Directors of the Company on the staff, social issues;
- development of the mechanisms for interaction between the Board of Directors and structural divisions of the Company.

Composition of the Committees:

- Lim Lei Ling – Chairman.

Members:

- Sergey Li,
- Anel Zhumabekova,
- Anatoly Kazanovsky,
- Natalia Konstantinova.

In 2024, 1 meeting of the Committee was held.

EXECUTIVE BODY

Name, organizational and legal form	Members of the Board of Directors	Position	Date of election / expiration of term of office
SEVKAZENERGO JSC	Anatoly Kazanovsky	General Director	07.08.2023–06.08.2025
North Kazakhstan Regional Electric Distribution Company JSC	Alexander Chekulaev	General Director	07.08.2023–06.08.2025
Petropavlovsk Heating Networks LLP	Vitaliy Kholosha	Acting General Director	06.12.2024 – 05.12.2025
Sevkazenergosbyt LLP	Magaiyi Sagandykov	General Director	01.02.2024–31.01.2026

Kazanovsky Anatoly

General Director of SEVKAZENERGO JSC



Experience::

- **October 16, 2015 – August 6, 2023** - General Director North Kazakhstan Regional Electric Distribution Company JSC, Petropavlovsk city.
- **August 7, 2023- until now** - General Director SEVKAZENERGO JSC

Awards:

- **The Decision of the Kazakhstan Electricity Association dated November 15, 2018 (Certification dated November 15, 2018, No 1849).** - “Honorary Power Engineer of the Kazakhstan Electricity Association”.
- **The Degree of the President of the Republic of Kazakhstan K.K. Tokaev (Certificate dated August 20, 2020, No 5486)** - Anniversary Medal “25 years of the Constitution of Kazakhstan”.
- **Decree of the President of the Republic of Kazakhstan Tokaev K.K. dated December 13, 2024, (certificate dated December 13, 2024, No 45734)** – “Kurmet” Order.

The sole executive body of SEVKAZENERGO JSC is the General Director. The General Director carries on the management of the current activities of the Company, executes the decisions of the Board of Directors and General Meeting of Shareholders. The remuneration for the executive body is determined by the decision of the Board of Directors of SEVKAZENERGO JSC.



REMUNERATION POLICY

GRI 2-17, 2-19, 2-20

The amount of the remuneration for the members of the Board of Directors is determined by the decision of the General Meeting of Shareholders of the Company. The amount of the remuneration for the members of the Board of Directors may consist of two parts:

- fixed remuneration;
- additional remuneration, which may be paid depending on the results of the Company's activities and estimation of the contribution of each member of the Board of Directors in their achievement, as well as for participation in the working of the Committees of the Board of Directors.

The total amount of the remuneration paid to the members of the Board of Directors of the Company in 2023 was 97 654 981 tenge. The amount of the remuneration for the executive body was determined by the decision of the Board of Directors of

SEVKAZENERGO JSC and for 2024 was 34 694 044 tenge.

The Company's policy with regard to the procedure for accrual, declaration, size, form and period for dividend payment is determined in the Charter and Regulation on Dividend Policy of Central Asian Electric Power Corporation JSC, to which SEVKAZENERGO JSC has acceded based on the decision of the Board of Directors of the Company dated August 6.

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

GRI 2-19SDG4 QUALITY EDUCATION

Main principles of the Corporate Management Code	Information on compliance with the principles	Comments
Fairness Equal attitude to all the shareholders irrespective of equity share and location and providing the opportunity to protect their rights.	Complied	The corporate management of SEVKAZENERGO JSC is based on the principles of protection and respect for the rights and legal interests of the Company's shareholders; therefore, it promotes the growth of the assets and support of the financial stability and profitability of the Company.

Main principles of the Corporate Management Code	Information on compliance with the principles	Comments
Accountability The accountability of the Board of Directors of the Company to the shareholders; executive bodies – to the Board of Directors of the Company, employees – to the executive management (General Director of the Company). This principle ensures the accountability and separation of powers of the management bodies of the Company, as well as full accountability of the Company to the shareholders, implemented through the timely and complete providing of the Company's shareholders with the true information regarding the current financial position of the Company, achieved economic indicators, results of activities, management structure of the Company..	Complied	This principle of the Corporate Management Code is followed through keeping of the Company's organizational structure prescribed by the Charter and Law of the Republic of Kazakhstan “On Joint-Stock Companies”. Also, the accountability principle is reflected in each regulation of a management body /structural division, allowing the separation of powers of the management bodies of the Company, as well as full accountability of the Company to the shareholders.
Responsibility The responsibility of the Company to its shareholders, employees, clients and Partnership and close cooperation therewith in order to increase the Company's assets, stability and reliability. This principle describes the ethical standards for the shareholders and employees of the Company, as well as prescribes the responsibility of the officials of the Company when they commit the wrongful, guilty (willful or reckless) actions or omission prescribed by the current legislation..	Complied	In 2011, the Company accepted the Code of Business Conduct that combined the standards of regulation of business relations in four directions: - Business and professional ethics; - Organizational ethics; - Corporate management; - Social responsibility of the Company. The Code of Business Conduct is a book of rules and principles, which are applied by all the Company's employees through applying the business-ethic principles at the workplace. Also, the Implementation plan for interaction with the stakeholders has been developed and accepted, based on which the Company submits annually the report on the Plan implementation.
Transparency Timely disclosure of the true information about all the significant facts related to the functioning of the Company, including about its financial position, results of activities, ownership and management structure, in the scopes prescribed by the legislation and internal documents, as well as providing the free access for all the stakeholders to such information through its placement in the public accessible sources, in the manner prescribed by the legislation and internal documents of the Company.	Complied	The main objectives of the company as to compliance with the transparency principle are: - timely submission of the information on all the significant issues related to the Company; - ensuring the availability of the public information about Company for all the stakeholders; - increase in the hospitality and trust in the relations between the Company and stakeholders; - improving the Company's corporate management; - forming the favorable image of the Company.



	Main principles of the Corporate Management Code	Information on compliance with the principles	Comments
	Environment protection and social responsibility The Company ensures the careful and rational attitud towards the environment in the process of its activities and bears the social responsibility to the Company.	Complied	SEVKAZENERGO JSC developed and accepted the Implementation plan for environmental and social actions, which regulated the Company's policy in domain of environment protection and social responsibility of the Company.
	Efficiency The General Director of the Company and its Board of Directors shall ensure the reasonable and fair management of the Company in order to ensure the stable growth of its financial indicators, increase in the joint-stock property, to develop the efficient staff policy, to increase the qualification of the Company's employees, incentive and social protection, to protect the interests of its employees.	Complied	The efficiency principle is regulated by the Regulation on General Director. The General Director is the sole executive body of the Company carrying on the management of its current activities and implementing the strategy defined by the Board of Directors and shareholders. The purposes of the working of the Board of Directors are to develop the well-considered, long-term-oriented strategy, to increase the Company's assets, to carry out the efficient activities, to represent the rights and legal interests of the shareholders, to control the executive body.
	Accountability Control over the financial and operational activities of the Company in order to protect the rights and legal interests of its shareholders, supervision of the superior managers over the subordinated managers in accordance with the policies and procedures approved by the Board of Directors of the Company, as well as efficient use of the internal and external auditors' services, together with establishment of the efficient risk-oriented internal control system.	Complied	Control over the financial and operational activities of the Company is carried out by the General Director of SEVKAZENERGO JSC in accordance with the provisions prescribed by the internal documents of the Company. Also, the Company has the Risk and Control Committee, Audit Committee, which are the consulting and advising bodies of the Board of Directors of SEVKAZENERGO JSC, aimed at assisting to the Board of Directors in monitoring of the made decisions and processes and at authenticity of the financial statements and functioning of the adequate internal control and risk management systems.

Report on working with stakeholders in 2024

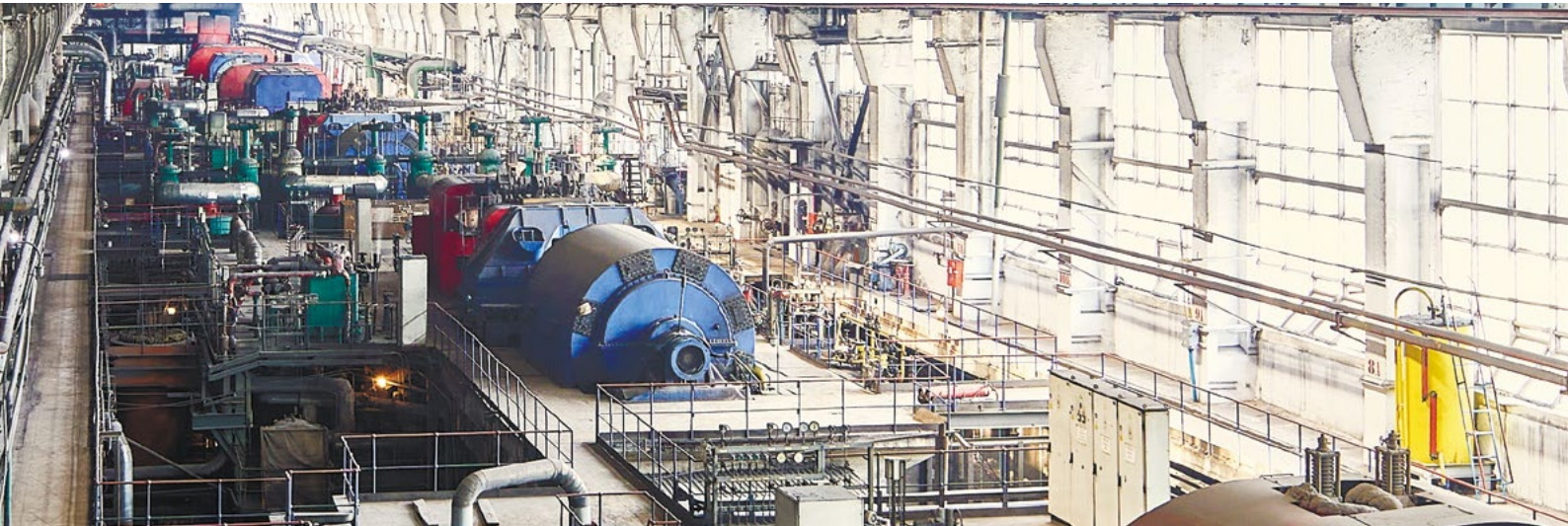
Stakeholder with regard to the Company	Interest of stakeholders with regard to the Company	Form of dialogue of the stakeholders with the Company	Performed working in 2024
Shareholders	- Implementing the strategic objectives; - economic profit / effectiveness; - corporate management rating; - funds for development and receiving of dividends; - value of net assets; - implementation of social programs; - transparency of business-processes.	- Decisions of the General Meeting of Shareholders; - Decisions of the Board of Directors; - corporate web-site; - annual report; - meetings, business meetings.	13 meetings of the Board of Directors were held. Meetings and measures were implemented in order to improve all the forms of corporate management.
Management and staff	- Employment, relations of staff and top management, f non-discrimination, diversity and equal opportunities, staff satisfaction with employment and with working of subordinated departments of the Company: - training and education; - improvement of production safety	- Fair and transparent conditions of staff remuneration, ensuring the staff professional growth; - safe labor conditions; - staff potential development; - production safety briefings and implementation of labor condition improvement programs; - implementation of staff social support; - programs for staff advanced training, training and development: - regular meetings with the top management, negotiations / meetings with the staff, trade union, including according to the year results: - informing the staff about the activities of the Company, professional growth opportunities via corporate web-sites, social networks.	The total expenses for staff training in 2024 – 13 516 thousand tenge. In 2024, the staff reserve included 182 employees. In 2024, 80 employees of the SEVKAZENERGO JSC Group of Companies were awarded for excellence



Stakeholder with regard to the Company	Interest of stakeholders with regard to the Company	Form of dialogue of the stakeholders with the Company	Performed working in 2024
Trade unions	• job creation and retention; • improvement of production safety culture	• Public hearings; • signing of contracts, memorandums, strategical cooperation agreements; • regular meetings with the top management, negotiations / staff meetings; • report on the year results; • regulation of labor relations with the Company's employees; • staff remuneration in accordance with the labor legislation of the Republic of Kazakhstan; • acceptance of letters (messages) of the Company; • social networks; • Annual	In the reporting year, 51.3% of the employees of the Group of Companies are members of the trade union. A trade union organisation assists to the employer in the moral support and summer resting of the employees' children, in curative events - 25 events were held for 2024; provides the social welfare assistance for the employees, their family members and retirees - 130 employees of the SEVKAZENERGO JSC Group of Companies were provided with the financial support in 2024: conducts the control over the designated use of the funds allocated for occupational health and safety, health improvement of the employees and their family members; takes part in the investigations of occupational accidents and making of decisions on determination of guilt degree.

Stakeholder with regard to the Company	Interest of stakeholders with regard to the Company	Form of dialogue of the stakeholders with the Company	Performed working in 2024
Consumers	• Quality of products and services.	• Consumer feedback system; • reporting meetings, negotiations, questionnaire	Volume of transportation and distribution of electric energy of North Kazakhstan Regional Electric Distribution Company JSC for 12 months of 2024 was 1295.7 million kWh. Volume of transportation and distribution of heat energy of Petropavlovsk Heating Networks LLP for 12 months of 2024 was 1387 thousand Gcal. For 2024, the operators of the Contact Center served more than 286 thousand calls concerning the charging, accepting of meter readings and scheduled and emergency power outage, information on which is available to the operators via online-connection with the dispatching departments of the power supply companies. In average, on the weekdays, the employees of the Contact Center serve about 1295 calls; the maximum number of accepted calls reached 2051 (in February). 475 messages were received via "Voice Mail" for 2024. The official web-site of SEVKAZENERGO JSC has the "Feedback" section, via which 1115 messages were received from consumers in 2024. In order to improve the quality and efficiency of consumer servicing; the "My Profile" service has the "Correspondence" section. In 2024, this service received 1773 messages. The representatives of the Group of Companies took part in 22 meetings with the population.





Stakeholder with regard to the Company	Interest of stakeholders with regard to the Company	Form of dialogue of the stakeholders with the Company	Performed working in 2024
Suppliers of goods, works and services	- Ensuring equal access to participation in tenders; - Support of national commodity manufacturers	- Request of quotations; - regular analytical meetings, negotiations, business correspondence; - information / reporting on implementation of the production, investment and social plans and liabilities submitted to the Company; - reporting of the business results of the Company; - consideration of letters (messages) addressed to the Company.	In 2024, the volume of purchases of the Group of Companies was above 84 318 million tenge.
Mass media	- Compliance, job creation and retention, production safety culture; - improvement of production energy-and resource-efficiency; - mechanism of emissions to the environment	- Press-conferences; - submission of press-releases; - preparation of media-plan / publication of information on the Company's activities; "Hot line", social networks; - annual report and Internet-resource of the Company.	In 2024, 4 press-trips and press-conferences, 18 briefings were held. - Under the informational work, in 2024, 284 informational messages were prepared and sent to mass media; 73 expert opinions were prepared for mass media from the representatives of the Group of Companies; 25 requests of mass media were processed; the total number of mentions of the Company was 4436 publications; - regular placement of the updated public information in the corporate web-site of the Company.

REPORT ON COMPLIANCE WITH THE CODE OF CORPORATE ETHICS

GRI 2-22, 2-23

SDG



In 2024, the Corporate Management Practice of the Company complied fully with the Corporate Management Code.

The corporate management system of SEVKAZENERGO JSC regulates the process of interaction of the management bodies, internal control bodies of the Company, shareholders, other stakeholders, and ensures the balance of interests of all the mentioned parties.

The corporate management system is regulated by the internal documents of the Company and is summarized in the Corporate Management Code. The Code complies fully with the legislation of the Republic of Kazakhstan "On Joint-Stock Companies": the document is executed subject to the existing international experience in domain of corporate management and recommendations for the use of the corporate management principles by the Kazakhstan joint-stock companies.

The compliance with the principles of the Corporate Management Code is aimed at formation and introduction, into the Company's daily activities, of the corporate management norms and traditions meeting the international standards and promoting the positive image of the Company in the eyes of its shareholders, clients and employees, at the achievement of the most complete exercise of the shareholders' rights and increase in their awareness about the activities of the Company, as well as at the control and decrease in risks, support of the stable growth of the Company's financial indicators and successful implementation of its statutory activities.

CONFLICT OF INTERESTS

GRI 2-15

SDG



The conflict of interests is regulated in the Code of Corporate Ethics for the personnel of the enterprises of the SEVKAZENERGO JSC Group of Companies. This document describes the responsibility of employees, official position abuse, actions of employees inside and out of the Company. In the "Anti-Corruption and Fraud Policy", the main principles with regard to fraud and corruption include the principle "Minimization of conflict of interests". This principle declares that the Company shall reduce the conflict of interests based on efficient distribution of the powers and responsibility through formation of the transparent organizational structure. The actions of the members of the Board of Directors are regulated by the relevant Regulation. In accordance with clause 6.2.3 of the Regulation, the members of the Board of Directors shall monitor and eliminate, if possible, the potential conflicts of interests at the level of officials and shareholders, including the illegal use of the Company's property and abuse upon related-party transactions.



INFORMATION POLICY

GRI 2-16

SDG



The information policy of SEVKAZENERGO JSC is a complex of actions, measures and regulations allowing to manage the process of the corporate information dissemination, perception of a single vision of the Company among the target audience.



The main objectives of information disclosure are:

- providing timely the information on all the significant issues related to the Company, in order to comply with the legal rights of the shareholders, investors and other stakeholders in providing of the information required to make a well-considered decision or to perform the other actions capable to influence on the financial and operational activities of the Company, as well as other information promoting the most complete understanding of the Company's activities;
- ensuring the availability of the public information on the Company for all the stakeholders;
- increasing the hospitality and trust in the relations between the Company and shareholders, potential investors, market participants, government agencies and other stakeholders;
- improving the corporate management of SEVKAZENERGO JSC;
- forming the favorable image of the Company.

INTERNAL CONTROL AND AUDIT

GRI 2-25, 2-26

Internal control and audit

In order to improve the business-processes and to increase the efficiency of the made decisions, SEVKAZENERGO JSC (hereinafter referred to as the Company) has arranged the internal control mechanisms. The Company has the functioning internal control system (ICS) that provides the sufficient confidence in the efficiency of control over the operational activities, compliance with the laws and rules.

The internal audit function of the Company is implemented by the Internal Audit Department of CAEPCO JSC (hereinafter referred to as IAD), working of which is based on the International Internal Audit Standards (The IIA), legislation of the Republic of Kazakhstan and internal regulatory documents.

The independence and objectiveness of IAD are ensured by its reporting line and accountability to the Board of Directors of CAEPCO JSC. The working of the Department is supervised by the Audit Committee of the Board of Directors of CAEPCO JSC.

IAD is functioning based on the internal regulatory documents, including:

- Regulation on Internal Audit Department;
- Policy and Rules for Internal Audit;
- Internal Audit Interaction Regulations at the Group of Companies.

IAD is functioning in accordance with the work plan for year approved by the Board of Directors of CAEPCO JSC and submits the reports on the results of the IAD working to the Board of Directors of CAEPCO JSC.

In 2024, IAD carried out the inspections at SEVKAZENERGO JSC and its enterprises for the following aspects:

1. Analysis of long-unused and little-used inventories.
2. Evaluation of efficiency of ICS of the "Procurement management" business-process.
3. Evaluation of efficiency of ICS of the "Accounting of incomes and accounts receivable" business-process.
4. Evaluation of ICS of the "Management of investment activities" business-process.
5. Evaluation of ICS of the "Maintenance and repair management" business-process.
6. Evaluation of efficiency of the measures for Implementation of the recommendations provided by IAD and external auditor.

The results of the performed audit tasks are used to develop the recommendations aimed at improving the risk management process, increasing the internal control efficiency and strengthening the corporate management.

Additionally, on a regular basis, the following is implemented:

- monitoring of implementation of the issued recommendations;
- consultation support;
- methodological working on the issues of internal control and audit.

The internal auditors adhere to the following principles: honesty, objectiveness, confidentiality and professional competency.





EXTERNAL AUDIT

GRI 2-25, 2-26

A Deloitte LLP is an audit organisation engaged in the external audit of the financial statements of the SEVKAZENERGO JSC Group.

The contract with the organisation for audit services was concluded on October 22, 2024.

Anti-Corruption

The SEVKAZENERGO JSC group of enterprises uses the Anti-Corruption and Fraud Policy approved by the Board of Directors and being a ruling internal regulatory document of the Company and its subsidiaries in such domain. Among others, the Policy prescribes to the top-management of the Group to establish the single ethic standard for zero tolerance to corruption in any forms and manifestations.

The main principles of the Policy are the maintaining of high corporate management level, intolerance to corruption and fraud, proper risk assessment, minimization of conflict of interests based on efficient distribution of the powers and responsibility through formation of the transparent organizational structure.

The important elements in strengthening of this direction are creating and introducing the efficient strategy, preventing the corruption and fraud, as well as responding promptly to occurring events of similar nature. The Group forms the relevant culture of conduct and negative attitude towards all the manifestations of corruption and fraud.

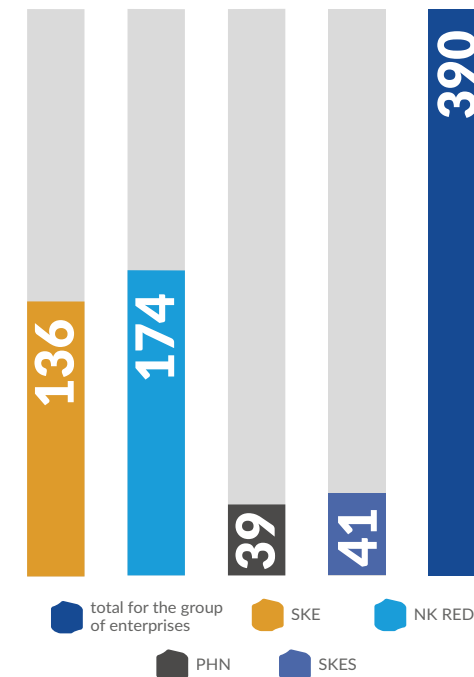
The policy describes the methods and procedures, in particular the disclosure and assessment of such facts, in-house investigations, bringing to responsibility for all the disclosed wrongful actions. The SEVKAZENERGO JSC group of enterprises has developed and uses the feedback channels ("hot line", telephone and post services), where the legal entities and individuals (including employees of the Group) may report about the impending or accomplished facts of corruption and fraud.

The works are performed on a regular basis in order to increase the transparency of the activities. In order to bring the existing requirements and principles of the Anti-Corruption and Fraud Policy to attention of the business partners of the Group, the approved typical patterns of the contracts for purchase of goods, works and services concluded by the Company and its subsidiaries include the following sections reflecting the communication channels in case of disclosure of corruption facts.

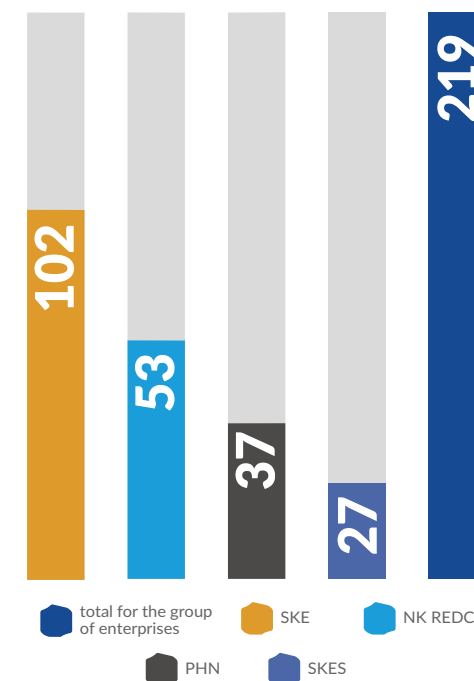
In accordance with the internal procedures, all the newly hired employees are obligatory acquainted with the Anti-Corruption and Fraud Policy and sign the written acknowledgement on compliance with these requirements.

According to the 2024 results, 390 newly employed employees of the SEVKAZENERGO JSC Group of Companies were informed about principles of the Anti-Corruption and Fraud Policy..

Number of informed persons (newly employed employees)



Number of employees taking part in the training



In October of 2024, the trainings were held for the employees of the Group of Companies on the topic: "Implementation of principles of the Anti-Corruption and Fraud Policy of the CAEPCO JSC Group of Companies", in which 219 employees took part, i.e. 10.3% of the total number of the filled staff positions.



The facts of corruption and fraud in 2024 were not disclosed.



FOR ME,
**THE ELECTRICAL
POWER INDUSTRY**
IS A TRAVEL ADVENTURE INTO
THE SCIENCE WORLD.
IN SPARE TIME I LIKE TO KNIT,
TO SEW AND TO READ

**THE BELLETRISTIC
LITERATURE**

**THE BEST
POWER ENGINEERS
WORK HERE**



I HAVE BEEN EMPLOYED WITH
NORTH-KAZAKHSTAN REDC JSC UNDER
THE YOUNG SPECIALIST SUPPORT
PROGRAM "PROFENERGY". THE OBJECTIVE
OF THE CALCULATION ENGINEER IS TO SET
THE EQUIPMENT PROTECTION IN SUCH A
WAY TO MINIMIZE THE DAMAGE OF AN
EMERGENCY.

YULIYA
SUVORKOVA

CALCULATION AND REGIME ENGINEER





RISK MANAGEMENT

GRI 2-25

CORPORATE RISK MANAGEMENT SYSTEM

The SEVKAZENERGO JSC group of enterprises has the corporate risk management system (hereinafter referred to as RMS).

Regulatory control of RMS at the Group of Companies

INTERNATIONAL COSO –Committee of Sponsoring Organizations of the Treadway Commission:

- COSO “Risk management of organisation. Integration with strategy and efficiency of activities”;
- COSO: “Development of key risk indicators for improvement of risk management system”;
- COSO: “Understanding of risk appetite”.

ISO - International Standardization Organisation, including:

- ISO 31000-2018 “Risk management. Principles and control”.

CORPORATE

- Risk management policy at the Group of Companies;
- Methods and organization of the risk management system at the SEVKAZENERGO JSC Group;
- Regulations for interaction of divisions of the enterprises of the SEVKAZENERGO Group through the risk management system.

The single Corporate Risk Management Policy approved by the Board of Directors of CAEPCO JSC and implemented by the SEVKAZENERGO JSC Group of Companies describes the attitude of the Group of Companies towards the risks, general principles for development and functioning of RMS, its purposes and objectives, main approaches to organization, implementation and control of the risk management process.

In 2022, the Board of Directors of CAEPCO JSC approved the Strategy for development and improvement of the risk management and internal control system that covers the SEVKAZENERGO JSC group of enterprises. In order to implement the agreed Development Strategy, based on the principles of the COSO concept “Risk management of organisation. Integration with strategy and efficiency of activities”, as well as ISO 31000-2018 standard “Risk management. Principles and control”, the risk management policy of the Group of Companies was updated and approved by the decision of the Board of Directors of CAEPCO JSC. By the decision of the Board of Directors, SEVKAZENERGO JSC has acceded to the Risk Management Policy.

The risk management policy implemented by SEVKAZENERGO JSC defines the attitude of the group of enterprises towards the risks and describes the general principles of building and functioning of RMS, its purposes and objectives, main approaches to the organization, implementation and control of the risk management process.

The main goals of the Company in domain of risk management are the timely disclosure, evaluation and decrease in the negative impact of events (risks) posing a threat to the efficient operational activities and reputation, employee health, environment, property interests of the shareholders and investors, as well as implementation of favorable opportunities for stable continued functioning and sustainability, reasonable assurance in the achievement of the strategical and operational goals set by SEVKAZENERGO JSC.

In order to determine the risk impacts on the activities of SEVKAZENERGO JSC, the risk significance level shall be determined through expert assessment of the risk probability and consequences, as well as through quantitative assessment using the mathematical methods of calculation of the risk probability and consequences.

Principles for development and functioning of the risk management system



CREATION AND PROTECTION OF BUSINESS VALUE

the risk management promotes achieving the set goals and improving the indicators of the activities, including in domain of health and safety, environment protection, business continuity, compliance with the regulatory legal requirements, service quality, project management, business efficiency, management of the group of companies and reputation

INTEGRATION

the risk management is an integral component of all the processes, including strategical planning processes, project and change management, business continuity management, helping to the top-management of the group of companies to make the reasonable selection, to define the action priority and to distinguish the alternative action directions.



USE OF THE BEST AVAILABLE INFORMATION

the input data for the risk management process is based on the information sources such as historic data, experience, feedback from stakeholders, observations, forecasts, expert appraisals. Thereat, the possible restrictions/errors in the used data or results of simulation/forecasting, as well as discordance of opinions among the experts shall be taken into account.

PRIORITY

the group of enterprises takes the necessary measures firstly for the risks which are critical for its activities.



INTERACTION AND COORDINATION

the risk management complies with the current external and internal environment, where the Group of Companies strives to achieve its goals

INVOLVEMENT

the proper and timely involvement of stakeholders and, in particular, persons making the decisions at all the levels of the group of companies guarantees that the risk management remains relevant and meets the modern requirements, enabling the stakeholders to be properly represented and to be sure that their opinion is taken into consideration in the process of the risk criteria determination



ADAPTABILITY

the risk management is liable for the changes. In response to the external and internal events, to changes in the corporate environment and knowledge, the risk monitoring and review are implemented; new risks occur; some risks are changed; the other risks disappear; the new approaches and methods are developed and implemented in order to improve permanently the risk management system at the Group of Companies.

RESPONSIBILITY AND FUNCTIONALITY

the top-management undertakes the powers and obligations on ensuring the access to the necessary resources for assistance to the persons accountable to and responsible for the risk management; promotes the increase in the risk culture of the group of enterprises. The Board of Directors plays the role of a supervising body, defines whether the necessary risk management processes exist, whether such processes are adequate and efficient.

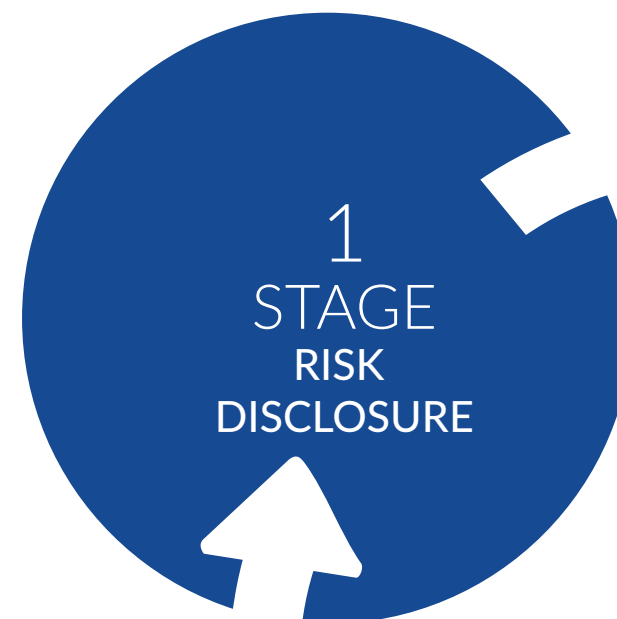




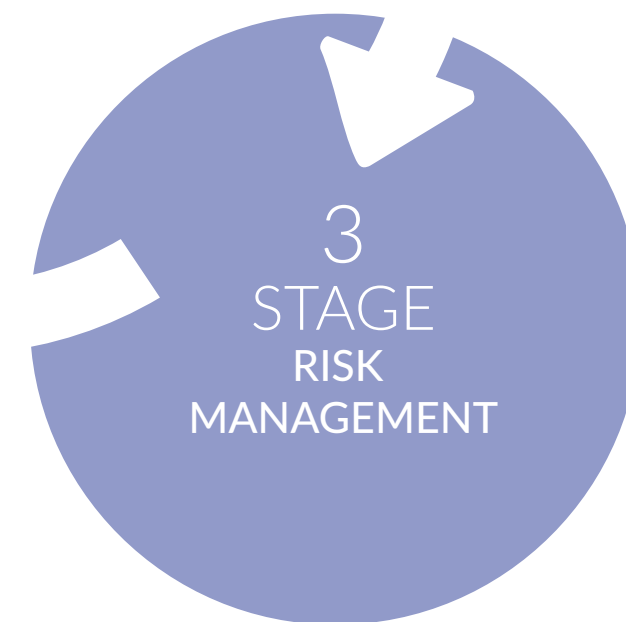
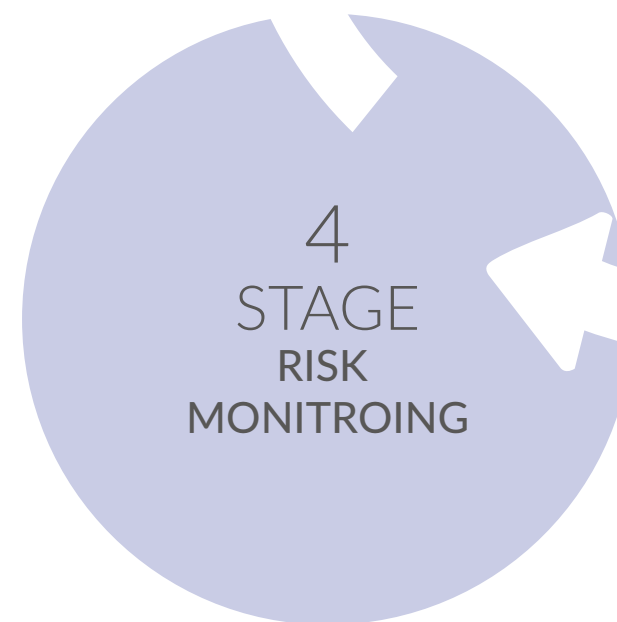
The main goals of the SEVKAZENERGO JSC Group of Companies in domain of risk management are the timely disclosure, evaluation and decrease in the negative impact of events (risks) posing a threat to the efficient operational activities and reputation of the Group of Companies, employee health, environment, property interests of the shareholders and investors, as well as implementation of favorable opportunities for stable continued functioning and development, reasonable assurance in the achievement of the strategical and operational goals set by SEVKAZENERGO JSC.

Process for risk detection and including into the Corporate Risk Registry for fruther assessment and management. Appointment of riks owners.

Process for determination of criticality of risk impact on proudction, financial and economic indicators of the group of enterprises.



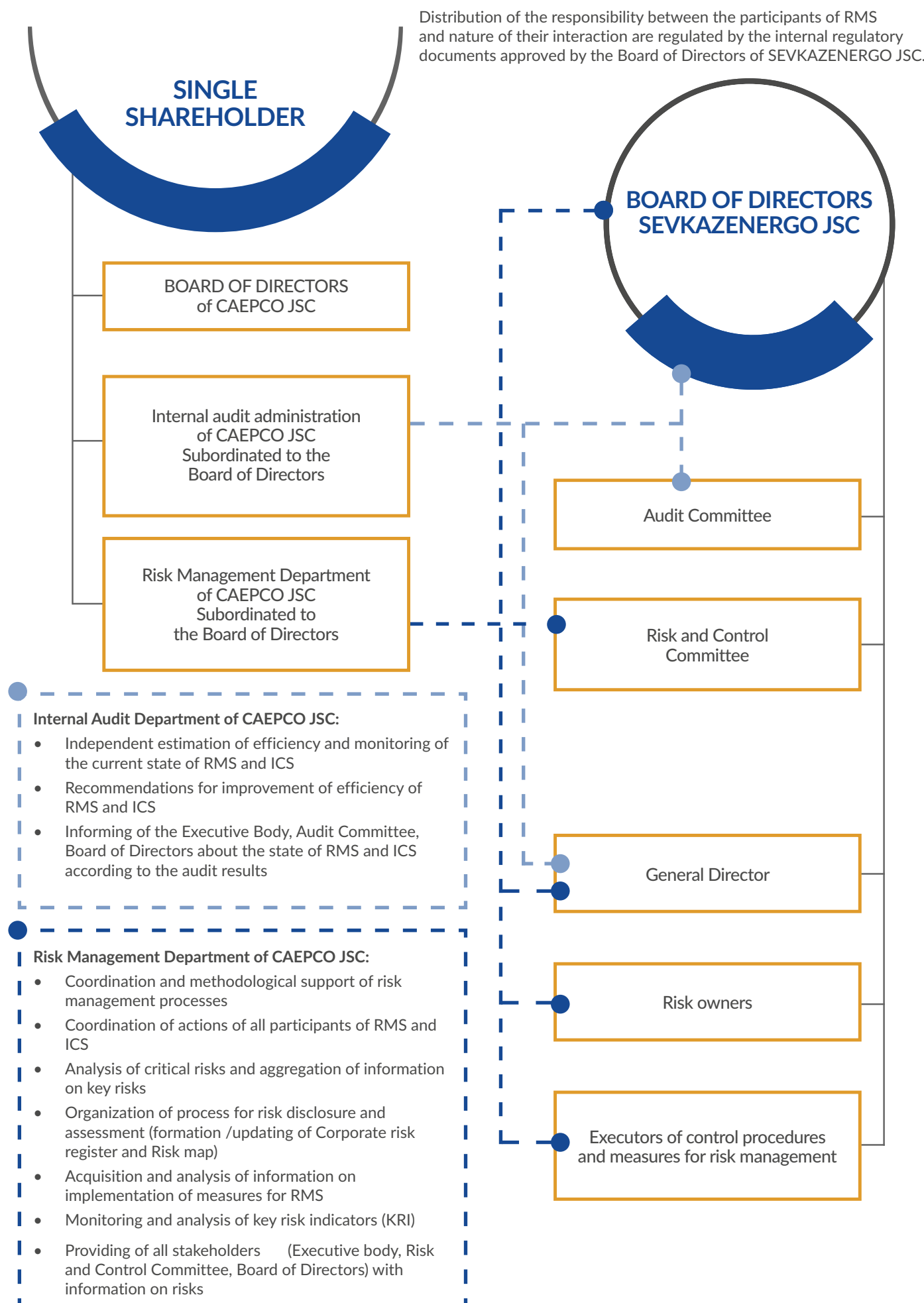
Main stages of risk management process



Process aimed at monitoring of the Risk Management Implementation Plan (regular, timely and quality basis of measure implementaton)

Process related to dicloure, assessment and selection of the most efficient method for acheivement of set goals through maximization of positive events and minimization of negative events affecting the activiteis of the group of enterprises





BOARD OF DIRECTORS

- Determination of the RMS development strategy
- Goal setting, approval of principles and approaches to organization of RMS
- Making the decisions on critical risk management
- Approval of the Risk Registry
- Assignment (appointment) of risk owners
- Consideration and approval of Reports on key risk management, Reports of internal audit on efficiency of RMS
- Approval of internal documents on RIMS

AUDIT COMMITTEE

- Preliminary consideration and agreeing of Report of internal audit on efficiency of RMS

RISK AND CONTROL COMMITTEE

- Preliminary consideration and agreeing of:
 - Key risk management reports
 - Risk owner list
 - Internal documents on RMS and ICS
- Timely informing of the Board of Directors on risks and preparation of proposals for improvement of RMS and ICS

EXECUTIVE BODY

- Ensuring of functioning of RMS and ICS, including:
 - Acceptance and approval of necessary decisions on working of RMS and ICS
 - Solving of cross-functional tasks of risk management (to be performed by several structural divisions)

RISK OWNERS

- Timely risk disclosure and assessment
- Preparation of proposals by methods and in ways of risk management
- Timely processing and organization of implementation of risk management measures
- Risk monitoring

MEASURE OWNERS

- Assistance to risk owner in development of risk management measures
- Control procedures for timely risk minimization
- Timely and complete fulfillment of risk management measures

FOR REFERENCE

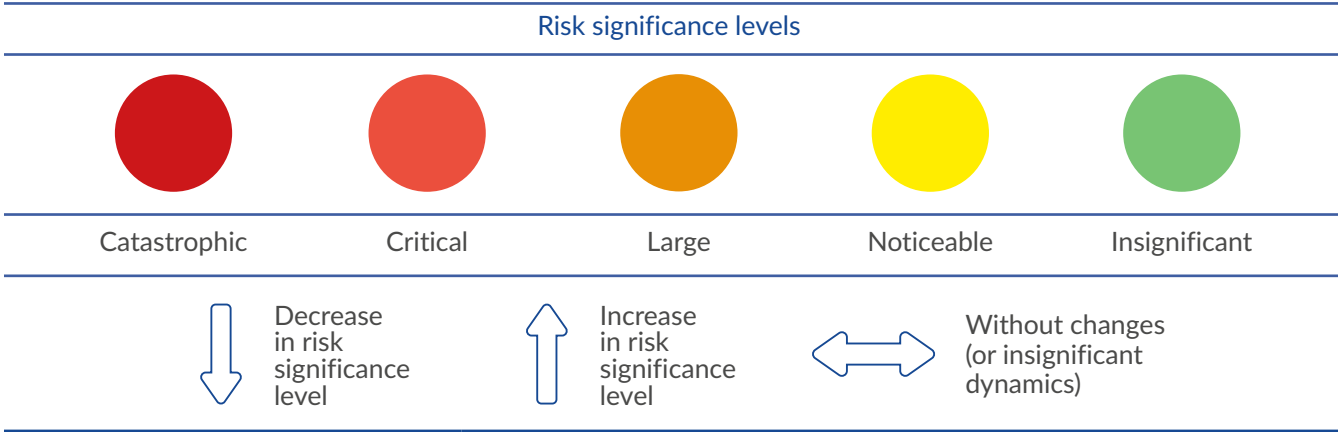


Organizational and methodological support functions, coordination of works for the risk management, internal control and internal audit processes of the CAEPCO JSC Group of Companies are centralized at the level of the corporate center of CAEPCO JSC (by the Resolution of the Board of directors of CAEPCO JSC (Minutes No 18 dated December 23, 2024) and are implemented by the Risk Management Department of CAEPCO JSC and Internal Audit Department of CAEPCO JSC, accordingly.

The SEVKAZENERGO JSC group of enterprises strives to comply with the standards and best risk management practices, increases the risk management culture and improves continuously the risk management processes.



ANALYSIS OF KEY RISKS HAVING THE GREAT IMPACT ON THE ACTIVITIES AND RESPONSE MEASURES



Name of key risk and dynamics of risk significance level according to the results of 2024

Risk description and key risk factors

Approach to risk management

Risk area: strategic risks

Untimely replacement of the equipment, buildings and structures retired because of the service life expiration



The risk criticality and significance are explained by high actual level of depreciation and obsolescence of the main and auxiliary equipment, buildings and structures of SEVKAZENERGO JSC PCHPP-2, as well as production assets of the electrical and heating networks of the Group of Companies (North Kazakhstan Regional Electric Distribution Company JSC and Petropavlovsk Heating Networks LLP, correspondingly). According to the 2024 results, the enterprises of the SEVKAZENERGO JSC group of companies have the negative tendency of the increase of the indicator of depreciation of the fixed assets.

High depreciation and untimely replacement of the equipment, buildings and structures retired because of the service life expiration may cause emergency shutdowns, therefore, – the decrease in volumes of electric energy generation (sale)/transmission, and/or impossibility to provide the consumers with heat energy with sufficient volume and proper quality.

KEY RISK FACTORS:

Unsatisfied (very low) long-time growth rates of reconstructions, modernisation and new construction of equipment, buildings and structures caused by the following:

- 1. When the authorised government agencies in domain of tariff formation (Energy Ministry, Ministry of National Economy) approve the adverse tariff solutions with regard to generation, transmission and distribution of electrical and heat energy due to the long-term unspoken policy of the artificial tariff growth containment.
- 2. Inefficient model of investment financing of the power supply enterprises in the Republic of Kazakhstan for the period of not less than 10 years (consequently – low investment attractiveness of the industry);
- 3. The restricted own financial assets (in particular, the enterprises engaged in the operation and maintenance of the electrical and heating networks) for opportunity to attract the investments in the infrastructure;
- 4. Impossibility to attract the great credit resources under the long-time existing industry structure and tariff regulation model, in particular, for generation, transmission and distribution of heat and electric energy.

The activities of the SEVKAZENERGO JSC Group of Companies are unavoidably related to the impact of the external and internal risk factors, which may have the influence on the implementation of the strategic and operational goals. The regular monitoring and efficient risk management allow to make the reasonable managerial decisions and to ensure the stable activities of the Group of Companies.

In 2024, the SEVKAZENERGO JSC Group of Companies used the Corporate Risk Registry and Risk Map, carried out the evaluation of the risk impacts on the achievement of the strategic and operational goals, updated regularly the significance level and took the measures for risk processing and minimization.

The risk significance level at the Group of Companies is determined through expert assessment of the risk probability and consequences, as well as through

quantitative assessment using the mathematical methods of calculation of the risk probability and consequences. The assessment results are used to determine (to rank) the risk significance level in accordance with the approved internal regulatory documents in domain of organization of the risk management system with significance levels (insignificant, minor, major, critical, catastrophic)

In 2024, the Corporate Risk Registry and Risk Map of the SEVKAZENERGO JSC Group of Companies contained 59 identified risks having / capable to have the negative impact on the activities of the whole Group of Companies.

A risk priority is determined based on the risk impact on the key financial, environmental and social aspects of the activities of the Group of Companies subject to the strategic directions and development priorities of the Company.

Risk area: strategic risks

For management of the mentioned risk, the SEVKAZENERGO JSC Group of Companies implements permanently the following measures:

- 1. The medium- and long-term investment programs are developed and implemented to reflect the measures/projects for the reconstruction, modernisation, new construction in order to ensure the timely replacement of the retired key (industrially) equipment, buildings and structures;
- 2. Determining the sequence and priority of the projects for the reconstruction, modernisation, new construction based on the evaluation of the technical condition and subject to the criticality of equipment for reliable supply of heat and electrical energy with sufficient volume and proper quality to consumers;
- 3. The works are performed for the periodical technical examination of the production assets in order to substantiate the possible prolongation of the service lives of equipment, buildings and structures;
- 4. The reserve fund (minimum permitted emergency stock) of equipment, materials and spare parts is established and kept for the replacement of the key infrastructure elements.

Starting from 2023, the government has taken the following measures for support of the energy and utilities sectors:

- 1) From July of 2023, under the implementation of the Message of the President of the Republic of Kazakhstan, the Energy Ministry of the Republic of Kazakhstan has started and implements the updated program "Tariff in exchange for investments", under which, for the period of 2023-2029, the tariffs of natural monopoly entities are gradually increased in order to ensure the accelerated modernisation of the fixed assets.
- 2) For 2024, the Energy Ministry of the Republic of Kazakhstan:

- corrected (increased) the limit tariffs for electricity for the power generation companies, including SEVKAZENERGO JSC;
- the limit tariff for the service to maintain the readiness of the electric power supply was increased from 590 thousand tenge to 1 065 thousand tenge per megawatt per month.

The increase in limit tariffs became a part of the transfer to more marketing and balanced pricing model promoting the sustainability of the energy sector of the Republic of Kazakhstan. In 2024, the taken measures caused the great increase in the repair and investment programs of SEVKAZENERGO JSC for the purposes of the positive impact on the equipment readiness level and power supply reliability.

- 3) In 2024, the Energy Ministry of the Republic of Kazakhstan increased greatly the annual limit of repayable investments at the electricity market – from 32 billion tenge to 428 billion tenge. This decision allowed to expend the pool of investment projects at the electricity sector of the Republic of Kazakhstan, including modernisation, reconstruction and expansion of the operating power generation facilities.

- 4) On December 25, 2024, the Decree of the Government of the Republic of Kazakhstan approved the Ministry Project "Modernisation of energy and utilities sectors". The Project is designed for the period from 2025 to 2029 and is aimed at the following effect:

- decrease in emergency level by 20%;
- decrease in the national average depreciation of energy utilities assets to 40%.

North Kazakhstan Regional Electric Distribution Company JSC and Petropavlovsk Heating Networks LLP take part in the Project.

As expected, the first visible results from the taken measures of the state support of the utilities sector – particularly, the electric and heating network enterprises, will be provided within 1–2 years (2025–2026); the maximum, but stable effect is expected only by the time of completion of the National Project – i.e. in 2029 (in case of its successful and full implementation).



Name of key risk and dynamics of risk significance level according to the results of 2024			Name of key risk and dynamics of risk significance level according to the results of 2024		
Risk description and key risk factors		Approach to risk management	Risk description and key risk factors		Approach to risk management
Risk area: strategic risks			Risk area: operational risks		
Approval of the adverse tariff solutions (tariff underfunding) made by the authorised agency	After the long period (2015-2022) of the artificial tariff growth containment, the Government has transferred to the gradual increase in tariffs for generation, transmission and sale of electrical and heat energy, caused by catastrophic depreciation of the power and network equipment in the industry, low rates of upgrading of the production facilities, sharp growth of the accident frequency rate and catastrophic staff situation in the industry.	For management of these risks, the measure complex is implemented: - Participation in the Market Council (KEPA); - Participation in the working commissions of DCRNM of the Ministry of National Economy of the Republic of Kazakhstan; - Timely and economically justified requests for changes in tariffs, including correction of the current tariffs in relation to the growth of the value of the strategical resources and wage level in the industry; - Working with the key stakeholders for formation of their loyalty to the fair tariffs to be justified by the Group of Companies in the public spotlight. In 2023, timely and subject to justifications of SEVKAZENERGO JSC, the Energy Ministry of the Republic of Kazakhstan considered and approved the limit tariffs for electric energy generation for the period from January 01, 2024.	Technological violations in operation of the equipment (accidents, I and II extent failures)	In 2024, the growth of number of technological violations in operation of the equipment of SEVKAZENERGO JSC, North Kazakhstan Regional Electric Distribution Company JSC, Petropavlovsk Heating Networks LLP was recorded.	In order to normalize the functioning of the equipment:
	KEY RISK FACTORS: - Legislation change risks in domain of limit tariffs; - Opportunity of tariff “freezing”; - Refusal from approval of tariffs (curbing of inflation owing to the tariffs for end consumers). - Political and/or social risks.	Pursuant to the Rules for tariff formation in the Republic of Kazakhstan and based on the approved program “Tariff in exchange for investments”, an authorised government agency shall review and increase the tariffs of the enterprises of the SEVKAZENERGO JSC group of companies being the natural monopoly entities (North Kazakhstan Regional Electric Distribution Company JSC and Petropavlovsk Heating Networks LLP).		KEY RISK FACTORS: Accumulated actual high depreciation of the main generating network equipment, buildings and structures of the enterprises of the SEVKAZENERGO JSC group of companies caused by the unsatisfied (very low) long-time (more than 10 years) physical scopes of repair, reconstruction, modernisation and new construction of equipment, buildings and structures.	- subject to the approved increased limit tariff for electricity and tariff for generation of heat energy, SEVKAZENERGO JSC formed and implemented the extended (in money and physical terms) Investment and Repair Program for 2024, including major and current repairs, reconstruction and modernisation of the main and auxiliary equipment, aimed at the increase in the reliability of the SEVKAZENERGO JSC equipment. - since 2023, the program “Tariff in exchange for investments”, participants of which are the natural monopoly entities (including North Kazakhstan Regional Electric Distribution Company JSC and Petropavlovsk Heating Networks LLP), includes the extended scope of the investment measures aimed also at the increase in the reliability of the electrical and heating network equipment and decrease in the accident frequency rate risk. - planned implementation of the measures for the period from 2025 to 2029 by North Kazakhstan Regional Electric Distribution Company JSC and Petropavlovsk Heating Networks LLP under the National Project “Modernisation of energy and utilities sectors” approved in December of 2024 will result, as expected in the medium term, in the decrease in emergency level by 20% and national average depreciation of energy and utilities assets to 40%, causing the positive effect for the reliability of the power supply to consumers.
Risk area: operational risks			Risk area: operational risks		
Deficit (shortage) of qualified personnel	The activities of the SEVKAZENERGO JSC Group of Companies depend mainly on the key qualified employees; and the insufficient number of qualified personnel, in particular, at the production and technical areas causes the risks related to the staff deficit. The staff competitiveness in Kazakhstan is increased due to restricted number and simultaneous growth of demand for qualified technical specialists at the labor market.	In 2024, the CAEPC JSC Group of Companies approved the HR-Strategy for 2025–2027, aimed at the increase in the staff potential stability and minimization of the key staff risks.	Excess losses of heat energy	According to the results of 2024, in comparison with 2023, Petropavlovsk Heating Networks LLP recorded the increase in excess losses of heat energy.	For the risk minimization, Petropavlovsk Heating Networks LLP takes the measure complex aimed at decrease in excess losses on a regular basis:
	KEY RISK FACTORS: - Insufficiently competitive wage level of the employees of the energy industry caused by the current tariff regulation, therefore – low attractiveness of this sphere; - High demand for qualified personnel in the region where the SEVKAZENERGO JSC Group of Companies operates, and more competitive proposals as to labor conditions; - Low level of training at educational institutions for qualified staff for the energy industry. According to the results of 2024, the SEVKAZENERGO Group keeps the high indicator of staff turnover ratio and undermanning indicator.	The main priorities of the HR-Strategy: - formation and development of the staff reserve; - improvement of the remuneration mechanisms; - involvement of young specialists; - digitation of HR-processes; - development of mentorship and systematic training. As expected, the implementation of the HR-Strategy projects at the SEVKAZENERGO JSC Group of Companies ensures the following: - stabilization of the staff situation will allow to reduce the staff turnover, to make good the staff deficit and to increase the employee engagement rate; - increase in production efficiency.		Excess (commercial) losses are the direct losses of the heating supply companies; therefore, the risk is critical for the whole Group of Companies.	- Restoration of the damaged / missing pipeline thermal insulation; - Annual major and current repairs of the heating networks within the expenditures prescribed by the Tariff estimates and Investment Program; - Priority taking of the investment measures aimed directly at the decrease in heat losses and obvious economic effect. - Reconstruction of the heating networks using the pre-insulated pipelines (foamed urethane technology); - Installation of metering throttle devices at heat distribution stations of consumers; - Disclosure and stopping of unauthorized consumption of heat energy; - Interaction with the authorised government agencies in order to increase the heat consumption rate of the housing stock up to the actual heat consumption level.
Loss of qualified / key personnel					
Undermanning					On December 25, 2024, the Decree of the Government of the Republic of Kazakhstan approved the National Project “Modernisation of energy and utilities sectors”. The Project is designed for the period from 2025 to 2029 and is aimed at the following effect: - decrease in emergency level by 20%; - decrease in national average depreciation of energy and utilities assets to 40%. Petropavlovsk Heating Networks LLP takes also part in the project. As expected in the longer term (by 2029), the project implementation will enable to increase the reliability of the heating supply to consumers of the city of Petropavlovsk, to minimize or to exclude the probability of excess losses of heat energy.



Name of key risk and dynamics of risk significance level according to the results of 2024	Risk description and key risk factors	Approach to risk management
Risk area: financial risks		
Creation of the overdue accounts receivable at the retail electricity and heat energy market	According to the results of 2024, the insignificant growth of the share of the overdue accounts receivable (above 3 months) is observed in the total amount of the accounts receivable; while herewith its value is within the limits of the risk appetite of the Group of Companies. The risk is actual and is under permanent control. KEY RISK FACTORS: - Non-compliance of the heat and electric energy consumers with the contractual conditions with regard to timely and complete payment for the power supply services caused by: - low payment discipline; - worsening of the main macro-economic indicators (inflation, unemployment). - Imperfect legal framework with regard to the opportunity to conclude the transactions for sale - purchase of a residential property without paying the indebtedness for the power supply services; - Untimely re-concluding of power supply contracts in case of change of a homeowner.	For management of this risk, Sevkazenergosbyt LLP takes the measure complex on a regular basis: - notifying the consumers about the existing indebtedness; - stopping the power supply in case of untimely payment for the power supply services; - indebtedness instalment payment schedules; - legal collection and penalties for untimely payment for the rendered services for non-paying consumers; - arrest of the debtors' property; - together with the law-enforcement officers, crackdowns of non-payers for property inventory and seizure; - sending the information on the overdue indebtedness of the employees for utilities to the address of the enterprises; - restricting the debtors leaving the Republic of Kazakhstan; - collection through the debtor's financing source (deductions from wages and pension contributions); - changing the method for collection, which is used as a basis for evaluation of the debtor's property (apartment or vehicle) for sale through bidding process. The bed debt reserves are established for the indebtedness with low probability of collection in the bookkeeping records of a power supply company.

RISK APPETITE

The risk appetite is a maximum allowable risk level, which the Group of Companies believes as acceptable and strives to maintain in the process of achievement of its goals.

The integration of the risk management with the strategical management of the Group of Companies is carried out in accordance with the Method for determination and monitoring of the risk appetite approved by the Board of Directors of CAEPC JSC.



RISK APPETITE

Is an additional tool for management at the Group of Companies, which defines the limits of the operational activities at the acceptable risk level, compliance with which provides the reasonable confidence in acheivement of the strategical purposes of the group of companies

PROCESS FOR DETERMINATION, MANAGEMENT AND MONITORING OF THE RISK APPETITE

The risk appetite statement was accepted by the decision of the Board of Directors of SEVKAZENERGO JSC. The approach to the risk appetite statement is based on close integration of the risk management with the strategical management.



Some extracts from the Risk Appetite Statement

Risk group	Target indicators of risk appetite
Staff risks	The Group strives to ensure the retention of the staff turnover level not higher the set limit.
	The Group strives to ensure the staffing up not less than the set limit.
	The Group finds unacceptable the downward deviations of the actual average wage of its employees of the average wage level with breakdown into economic activity types in the region where a subsidiary operates and strives to eliminate them through the increase in wages.
Commercial risks	The Group finds unacceptable the absence of candidates from the personnel reserve for the substitution of vacant positions of the managerial employees.
	The Group has the zero tolerance to the losses occurred as a result of excess losses during transportation of heat energy, and strives to ensure the comprehensive complex of organizational and technical measures aimed at their decrease (elimination).
Technological risks	The Group has the zero tolerance to the equipment accident frequency rate risks, strives to ensure the decrease in failures of the equipment due to improper and/or incompletely implementation of the repair and/or investment programs, inefficient use of resources (under the current tariff financing)..
	The Group finds unacceptable the violation of the terms (schedules) of measures for maintenance and repair of equipment /buildings/ structures and other measures aimed at preparation for trouble-free autumn-winter period.

Risk group		Target indicators of risk appetite
	Project risks	The Group finds unacceptable the violations of the terms (schedules) of measures of investment programs , aimed at timely replacement of the generation capacities, energy transmission and distribution facilities, main production buildings and structures retired because of the service life expiration.
		The Group has the zero tolerance to and finds unacceptable the implementation of investment projects without comprehensive risk assessment and agreeing of the projects in accordance with the corporate documents.
	Environmental risks	The Group has the zero tolerance to the risks, which may have the great negative influence on the environment and cause the exceeding of the limits and requirements set forth by the environment protection legislation of the Republic of Kazakhstan. In order to prevent the possible negative impact, the Group assumes the obligation and makes every possible efforts for environment protection, preservation and restoration of natural resources.
	Professional risks	The Group understands its responsibility for trouble-free production activities, safe labor conditions and has the zero tolerance to the risks, which may cause the occupational injuries of the employees of the Group, contractors, visitors and other third parties .
		The Group strives to ensure the financing of the measures for occupational health and safety (OHS) , labor condition improvement for the employees at the proper level (in the volume and in compliance with LSI of the Republic of Kazakhstan and internal regulatory documents of the Group). Budget sequestration, reducing of expenses for the OHS measures, spending of the funds of the OHS stock for the other purposes are not allowable.
	Credit risks and financial stability	The Group of Companies states readiness to take on a low risk with regard to achievement of its strategical goals expressed in decrease in incomes measured as deviations of the EBITDA indicator downwards from the business-plan .
		The Group assumes the risks related to its operational and investment activities, as well as to other activities, which will not cause the violation of covenants set forth by the credit agreements with the financial institutions .
	Reputation risks	The Group has the zero tolerance to the risks, which may cause the growth of the overdue accounts receivable at the retail electricity and heat energy market. The indicator of control over amounts and growth of the overdue accounts receivable is represented in the system for incentivization of the first heads of the subsidiaries of a power supply organisation and is cascaded to the level of the heads of the divisions.
		The Group acknowledges that the reputation is essential and, therefore, refuses in its activities from any risks, which pose a threat to its reputation and may cause the loss of confidence of the key stakeholders.
	Bookkeeping risks	The Group has the zero tolerance to the incorrect presentation (non-presentation) of the business operations in the bookkeeping records and(or) financial statements.
	Tax risks	The Group has the zero tolerance to the tax risks, does not allow the possible consequences , which may occur in the form of financial losses or other negative consequences.
	Informational safety risks and IT-risks	The Group has the low risk appetite (preference is given to the risk mitigation) with regard to the informational safety risks / cyber-risks, and strives to ensure the availability of the services, not to commit the violations of the integrity of the informational resources, software and equipment, as well as unauthorized disclosure of confidential information.
	Legal and compliance risks	The Group adheres to the principle of non-admittance of corruption in any forms and manifestations during its operational and investment activities, and other activities
		The Group adheres to high level of compliance with the legislative and regulatory legal acts, as well as high level of corporate management. The Group has the low risk appetite (preference is given to the risk mitigation) to any violations of the legislative and regulatory acts of the Republic of Kazakhstan.
	Legal and compliance risks	The Group finds unacceptable any manifestations of corporate fraud, unfair conduct, corruption in any forms and manifestations, irrespective of the amount of the damage made thereby, and takes the active measures for preventing the fraud in its activities.

INTERNAL CONTROL STANDARDS

The SEVKAZENERGO JSC Group of Companies has implemented the internal control system (ICS), which represents a combination of policies, processes, procedures, codes of conduct and actions combined into a single continuous process. ICS is a part of the management process of the Company to be carried out by the Board of Directors, Executive Body of SEVKAZENERGO JSC, all the executive bodies of the subsidiaries, controlling bodies and employees.

The top-management at all the management levels provides the efficient control environment through:

- forming the employees' understanding of necessity and implementing the internal control procedures;
- maintaining the high level of the corporate culture and demonstrating the honesty and competency principles;
- increasing the proficiency and competency of employees;
- ensuring the efficient interaction of the structural divisions and employees;

- distributing efficiently the powers and responsibility;
- forming the fraud prevention mechanisms;
- organizing the working of the internal control bodies.

ICS is aimed at the achievement of goals of the group of enterprises and risk minimization in its operational and investment activities, authenticity of all the reporting types, compliance with the legislative acts and in-house requirements. The Company strives for all its activities to be properly controlled for risk mitigation. The control procedures have been implemented at all the management levels.

REGULATORY CONTROL OF ICS AT THE GROUP OF COMPANIES

INTERNATIONAL COSO –Committee of Sponsoring Organizations of the Treadway Commission:

- COSO “Internal control. Integrated model”

CORPORATE

- Policy in domain of the internal control system of the Group of Companies;
- Regulations for interaction of divisions of the Group of Companies in domain of the internal control system;
- Method for organization of the internal control system at the Group of Companies.

The SEVKAZENERGO JSC Group of Companies distinguishes three levels of the internal control system:

Operational

It is applied to the main business objectives of the Group of Companies, including performance, profitability, preservation of resources.

Financial

It is related to the preparation of true published financial statements, including intermediate, abbreviated financial statements, as well as any data extracted from such statements (for example, income data), published in the public.

Compliance control

It is related to compliance with laws and standards regulating the company's activities.



IMPROVEMENT OF RMS AND ICS

In 2024, the SEVKAZENERGO JSC Group of Companies continued to improve the risk-oriented approach to the management of the activities. Since 2024, the functions of the organizational and methodological support, work coordination for the risk management and internal control processes at the of CAEPC JSC Group of Companies are centralized at the level of the Corporate Center of CAEPC JSC (by the decision of the Board of Directors of CAEPC JSC (Minutes No 18 dated 23.12.2024) and are fulfilled by the Risk Management Department of CAEPC JSC that solves the following objectives:

- Coordinating the risk management and internal control processes;
- developing the methodological and internal regulatory documents in domain of the internal control and risk management processes;
- organizing the training of employees in domain of internal control and risk management;
- analyzing the Corporate Risk Registry and Risk Map and developing the proposals for response and redistribution of resources with regard to management of the appropriate risks;
- forming the summary reporting on risk management;
- ensuring the operational control over the processes of internal control and risk management of the divisions in the prescribed manner.

Throughout 2024, the Risk Management Department performed the working in accordance with the work plan for improvement of RMS and ICS for the year approved by the Board of Directors of CAEPC JSC,

including, but not limited by:

- analysis of significance of pre-identified and newly identified risks and opportunities, development of recommendations for risk processing and minimization;
- updating of the Corporate Risk Registry and Risk Map;
- development of the culture of awareness about risks through the training measures (seminars) on the issues of organization and functioning of RMS and ICS for the key employees of the divisions and managerial employees;
- risk disclosure and assessment, analysis and testing of efficiency of the “design” for organization of the control procedures in the priority business-processes;
- review and approval of the single and unified internal regulatory documents regulating the activities in domain of the internal control system to be approved by the Board of Directors of SEVKAZENERGO JSC;
- review and approval of the risk appetite by the decision of the Board of Directors of SEVKAZENERGO JSC;
- permanent monitoring of compliance with the risk appetite;
- taking the control measures subject to the risk-oriented approach for consideration of all the materials submitted for agreeing /approval to the management bodies – Board of Directors of SEVKAZENERGO.

SUSTAINABILITY RISKS

The activities of the SEVKAZENERGO JSC Group of Companies are related to the risks in domain of sustainability. The SEVKAZENERGO JSC Group of Companies makes all possible efforts to ensure the compliance of its activities with the core principles of the Global Contract of the United Nations in domain of human rights, labor relations, environment protection and corruption combating. The Company endorses the UN objectives in domain of the sustainability and is making its contribution in their achievement, including owing to the timely risk disclosure, assessment and response.



RISKS RELATED TO THE CLIMATE CHANGE

The risk related to the climate change is one of the priority issues for formation and implementation of the SEVKAZENERGO JSC development plans and strategies. Being a part of the large energy holding - CAEPC JSC, SEVKAZENERGO JSC acknowledges the impact of the environmental and climatic risks (aspects). Thereat, currently, the international environmental and climatic codes, legislation of the Republic of Kazakshtan in domain of environment protection bind the Company to take the immediate measures for management of such risk group.

Kazakshtan ratified the Paris Climatic Agreement in 2016, thereby testifying its adherence to the world-wide combating against climate changes. Under the assumed commitments for the greenhouse gas emission reduction, the Republic implements the carbon quotas of the main industries, including power generation companies. SEVKAZENERGO JSC is highly responsible with regard to the greenhouse gas emission reduction, but herewith it states that the carbon quotas are associated with the following problems and risks for the whole Group such as:

- the quote deficit of the power generation enterprises (SEVKAZENERGO JSC PCHPP-2), whose own specific factors of CO2 emissions are higher than the approved benchmarks;
- withdrawal of a part of the limit of free allocated quotas from the enterprises committing the decrease in the production of the products with regard to the basic line;

- approval of the Updated National Contribution of the Republic of Kazakhstan in the global response to climate change in 2023, pursuant to which, from 2026, it is planned to increase the reducing of free allocated quotas by 2.25-5.1% annually, to start the tender for primary sale of carbon quotas to the quota-based plants with the fixed price, to stiffen the benchmarks for the quota-based industries;
- inability to cover the expenditures for purchase of quotas at the expense of the tariffs (expenditures are not included into tariffs of power generating enterprises);
- probable absence / deficit of free quotes at the sales market due to the reducing of free allocated quotas and absence of efficient, working mechanisms for the implementation of the projects aimed at emission reduction and greenhouse gas absorption.



The Environmental Code of the Republic of Kazakhstan (adopted in 2021) encourages and binds the enterprises which are the pollution sources (which include mainly the coal cogeneration) to reduce the impact on the natural environment using the economic (high-cost) stimulating mechanisms. They include:

- necessity to introduce the best available methods (BAT). Meanwhile, the expenditures for introduction of BAT are not covered by the tariffs for electric energy and by the tariffs for heat energy. Thus, the existing tariff formation system for energy generated by the power plants, does not allow to introduce the most promising and environmentally efficient technologies due to no payback;
- necessity that the first-category facilities (which include SEVKAZENERGO JSC) provide the financial security for their obligations on elimination of the operation consequences. Meanwhile, the sources and mechanisms for financing of the security for the obligations on elimination of the operation consequences for the power generation enterprises, tariffs of which are highly regulated, are not defined legislatively.

Thereat, it is planned to increase the administrative fines for non-compliance with the Environmental Code, strengthening of sanctions for recurrent offences, including period of prescription and recurrence period. In case if an enterprise fails to transfer to BAT, the payment rates for emissions to the environment from 2025 will be increased in 2 times, from 2028 – in 4 times, from 2031 – in 8 times.

Compliance with all the modern environmental and climatic codes (pursuant to the economy decarbonization in the Republic of Kazakhstan) at the power generation enterprises of SEVKAZENERGO JSC is a financial risk that may cause the serious financial expenditures for the Company. Fulfillment of the obligations on the extensive implementation of expensive projects for introduction of BAT and greenhouse gas emission reduction will require the great expenditures and, thus, is capable to have the great negative impact on the financial position and results of the Company's activities. However, SEVKAZENERGO JSC acknowledges that the Environmental Code poses to the energy industry not only the new challenges, but also the new opportunities aimed at the decrease in emissions to air and at the increase in the energy and ecology performance of the Company.

Taking this into account, SEVKAZENERGO JSC (as a member the CAEPC JSC holding), together with the major participants of the energy market of the Republic of Kazakhstan, keeps the communications with the authorised government agencies, relevant Ministries and other stakeholders as to the development of mechanisms for compliance with the Environmental Code.

Therefore, the meetings of the working teams consisting of representatives of the energy industry and government agencies throughout 2024, as well as at the beginning of 2025 helped to solve the following issues:

- The Ministry of Ecology and Natural Resources of the Republic of Kazakhstan has developed and approved the Conclusion on BAT "Fuel combustion at large units for the purposes of energy generation", which prescribes the "individual approach" with regard to the operating units, particularly: the achievement of the process indicators presented in the conclusion will be provided within 16 years;
- in relation to the reasonable difficulties of introduction of BAT at the power generation companies, the Government of the Republic of Kazakhstan has made the decision on postponement of the BAT introduction for the power generation companies which are the vital critical facilities, from 2025 to 2031;
- in February of 2025, SEVKAZENERGO JSC PCHPP-2 prepared and agreed with the Energy Ministry of the Republic of Kazakhstan the individual advanced plans of the BAT introduction, which, in their turn, are integrated into the common Complex Plan of the Energy Ministry for the transfer of the power generation companies which are the vital critical facilities, to BAT in 2031;
- The Energy Ministry considers the amendments to the legislation of the Republic of Kazakhstan with regard to opportunity for the financing of the BAT introduction through the electricity market.

RISKS IN DOMAIN OF OCCUPATIONAL HEALTH AND SAFETY

GRI 3-3, 205-2

One of the core principles of the Corporate Policy of the SEVKAZENERGO JSC Group of Companies is the principle that its main asset is employees. The risks of accidents caused by violations of the requirements for occupational health and safety, industrial safety, fire safety during the production activities are included into the substantial risks of the Group of Companies. In 2024, the SEVKAZENERGO JSC Group of Companies committed one accident, that was definitely the aggravating factor of the production activities

The SEVKAZENERGO JSC Group of Companies imposes the special requirements for safety of the activities and employee labor conditions: the priority training of employees with the occupational health and safety rules, methods for safe work performance at the power facilities is held.

The strategical priority of the SEVKAZENERGO JSC Group of Companies in domain of occupational health and safety is the permanent improvement of the processes in order to ensure the safe work performance inextricably linked to the adaptation of the best world practices in domain of occupational health and safety. The measures aimed at prevention of accidents and injuries are designed to achieve the strategical goal -

"ZERO ACCIDENTS".



ANTI-CORRUPTION

The SEVKAZENERGO JSC Group of Companies has the Anti-Corruption and Fraud Policy approved by the Board of Directors and being an ruling internal regulatory document of the Company and its subsidiaries in this domain. The Policy includes the fact that the top-management of the SEVKAZENERGO JSC Group of Companies forms the single ethic standard for zero tolerance to corruption in any forms and manifestations.

The main principles of the Policy are the maintaining of the high corporate management level, intolerance to corruption and fraud, proper risk assessment, minimization of conflict of interests based on efficient distribution of the powers and responsibility through formation of the transparent organizational structure.

The important elements in strengthening of this direction are the creation and introduction of efficient strategy, preventing the corruption and fraud, as well as prompt response to occurring events of similar nature. The SEVKAZENERGO JSC Group of Companies forms the relevant culture of conduct and negative attitude towards all the manifestations of corruption and fraud.

The policy describes the methods and procedures, in particular the disclosure and assessment of such facts, in-house investigations, bringing to responsibility for all the disclosed wrongful actions. The Group of Companies has the developed and functioning feedback channels ("hot line", telephone and post services), through which the legal entities and individuals (including employees of the Group of Companies) may inform about the impending or accomplished facts of corruption and fraud.

On a regular basis, the works are performed in order to increase the transparency of the activities. In order to bring the existing requirements and principles of the Anti-Corruption and Fraud Policy to attention of the business partners of the Group, the approved typical patterns of the contracts for purchase of goods, works and services to be concluded by the Company and its subsidiaries include the advising sections reflecting the communication channels in case of disclosure of corruption facts.

In accordance with the internal procedures, all the newly hired employees shall be acquainted with the Anti-Corruption and Fraud Policy and shall sign the written acknowledgement on compliance with these requirements.

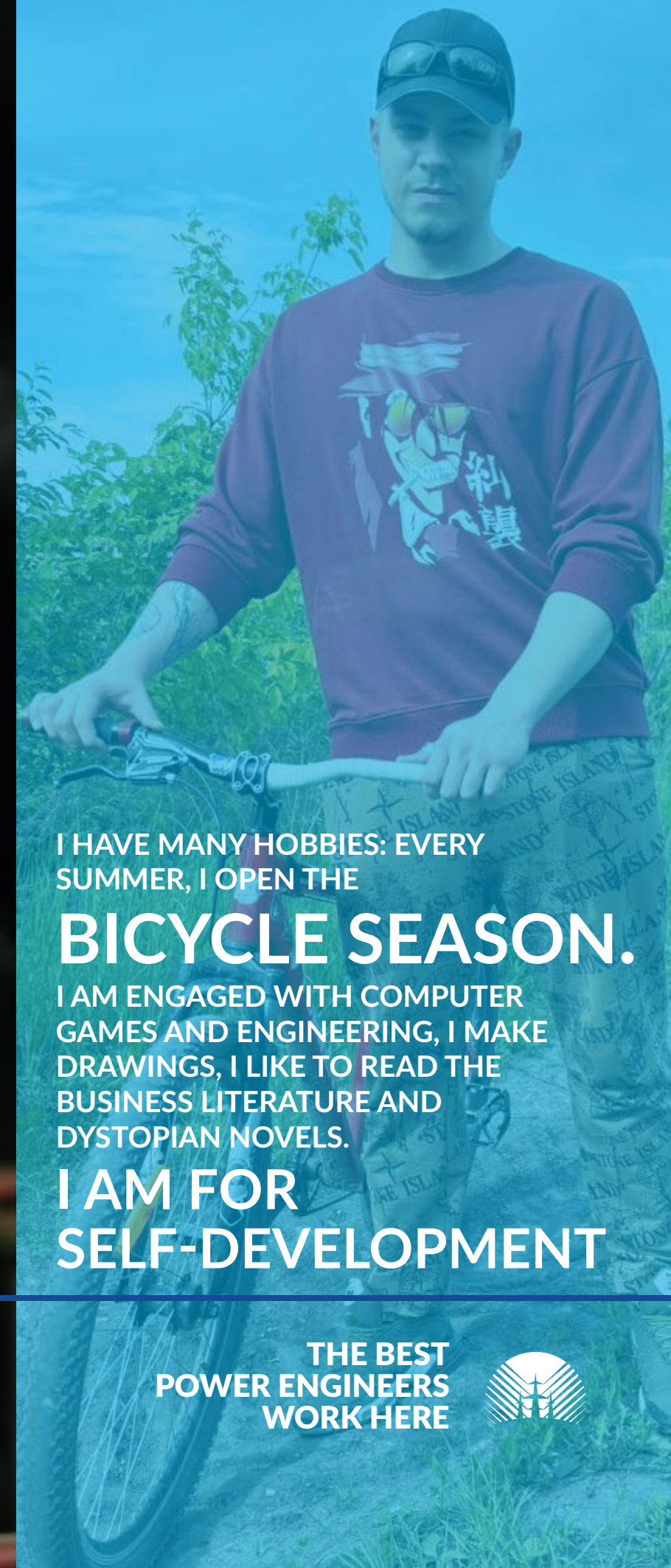
The corruption and fraud facts in 2024 were not disclosed.



MY WORK IS TO PERFORM THE VISUAL EXAMINATION OF BUILDINGS AND STRUCTURES OF CHPP-2, TO PREPARE THE DEFECT DETECTION REPORTS, PERIODICAL SPRING-AUTUMN VISUAL EXAMINATION REPORTS, TO PREPARE THE PUNCH LISTS FOR FURTHER PURCHASE AND REPAIR, TO ANALYZE AND TO DISCLOSE THE COMMENTS FOR FURTHER CORRECTION BY DESIGN COMPANIES

DANILA
BULANOV

ENGINEER FOR ORGANIZATION OF OPERATION
AND REPAIR OF BUILDINGS AND STRUCTURES



I HAVE MANY HOBBIES: EVERY SUMMER, I OPEN THE

BICYCLE SEASON.

I AM ENGAGED WITH COMPUTER GAMES AND ENGINEERING, I MAKE DRAWINGS, I LIKE TO READ THE BUSINESS LITERATURE AND DYSTOPIAN NOVELS.

I AM FOR
SELF-DEVELOPMENT

THE BEST
POWER ENGINEERS
WORK HERE





SUSTAINABLE DEVELOPMENT

ENVIRONMENTAL POLICY

GRI 3-3, 205-2, 307-1



The main commitments and principles ensuring the favorable environment are stated in the Environmental Policy of the Company. The document contains the purposes and objectives of the Company in domain of the environment in the regions where the Company operates and stresses the importance of the permanent environmental education of all its employees.

Core principles of the Environmental Policy of the Company are:

Recognition of the constitutional human right for favorable environment.

Priority of preventive measures over measures for elimination of environmental negative impacts.

Energy saving and efficient use of the natural and energy resources at the stages of generation, transmission, distribution and consumption of electrical and heat energy.

Decrease in impact on the environment owing to implementation of the best available technologies and increase in energy efficiency of the production.

ENVIRONMENT PROTECTION MEASURES

SEVKAZENERGO JSC strives for the permanent decrease in negative environmental impact which is typical for energy generation from fossil fuel.

Therefore, the Company assumes the complex of measures and carries out the systematic working for the modernisation of the own production assets, continuously increasing the environmental safety and sustainability level of its subsidiaries.

For the period of implementation of the program “Tariff in exchange for investments” (2009-2015), the Company attracted the great investments for the modernisation of the main generating equipment and environment protection funds. At all the CHPP-2 boiler units, the treatment plants for ash catching were upgraded; and the primary methods for decrease in nitrogen oxide emissions were introduced. The construction of new sections of the waste landfills is performed using the efficient world technologies and materials preventing the ecosystem components from contamination.

For the increase in efficiency of the actions in domain of the environment protection (hereinafter referred to as EP), SEVKAZENERGO JSC plans and implements the environment protection measures aimed at the decrease in the impact of its activities on the environment and increase in the environmental efficiency and safety of its enterprises. The total amount of expenses for implementation of such measures in 2024 was 1 633 042 thousand tenge inclusive of VAT.

The list of such measures includes the reconstruction and major repair of the main and auxiliary process equipment for energy generation, transmission and distribution, production waste management, production environmental control.

All the new projects for construction and reconstruction are accompanied with the project dedicated to the environment protection – “Environment Impact Assessment” (EIA), whose materials are communicated to the local communities and stakeholders in the form of public hearings. In order to confirm the compliance with the environmental standards of the Republic of Kazakhstan, all the projects shall pass the state environment impact assessment at the territorial supervising authorities in domain of environment protection.

Expenditures for environment protection measures*, million tenge

Name of expenditures	Amount of expenditures, million tenge		
	2022	2023	2024
SEVKAZENERGO JSC			
Investment expenses	1,311.038	1,881.478	150.129
Expenses for the major repair of the main environment protection stocks	869.242	216.203	1,413.884
Current expenses	100.115	130.260	69.029

*More details about the implemented environment protection measures are presented in the next sections.

In 2024, the public hearings on ecology were carried out within the frames of the state environment impact assessment pursuant to the “Environment protection” section of the Detailed Design “Construction of new reinforced concrete chimney No 1, H=180m, at SEVKAZENERGO JSC CHPP-2 in the city of Petropavlovsk».





USED MATERIALS

GRI 3-3,
201-2,
301-1, 302-1

SDG



The products produced by SEVKAZENERGO JSC are the heat and electric energy. This industry is regulated by the government agencies represented by the Energy Minister of the Republic of Kazakhstan and Committee for regulation of natural monopolies of the Ministry of National Economy of the Republic of Kazakhstan.

The requirements for eco-labeling and packing are not applicable to the produced product types.

Electric and heat energy were generated using the non-renewable fuel types (Ekibastuz coal and fuel oil of M100 mark).

CLIMATE CHANGE

GRI 305-1

SDG



The Company organized the works for preparation for the inventory of greenhouse gas emissions and consumption of ozone depleting substances.

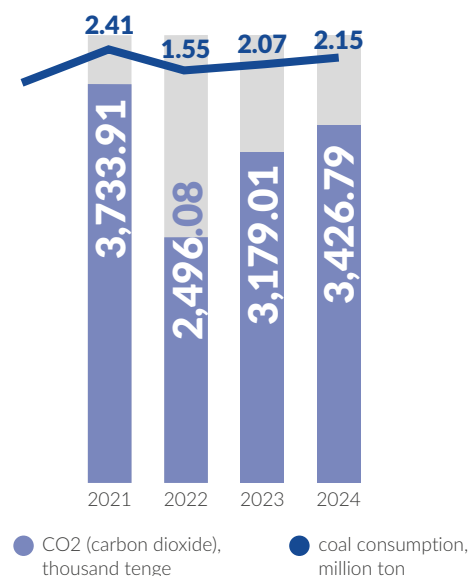
The monitoring of greenhouse gases is carried out by the calculation method pursuant to the guiding regulatory documents in order to ensure the accounting of emissions from the normal (regular) production activities, special practices (commissioning, process stopping, repair and maintenance) and emergencies.

An additional organizational tool for the greenhouse gas emission reduction is the Energy Saving Program and increase in the total efficiency of the fuel use related to the increase in the generation share with new power blocks, whose goal, in addition to the increase in energy efficiency of the production processes, is also the greenhouse gas emission reduction. In 2024, the greenhouse gas emission reduction was 292.22 thousand tons CO₂.

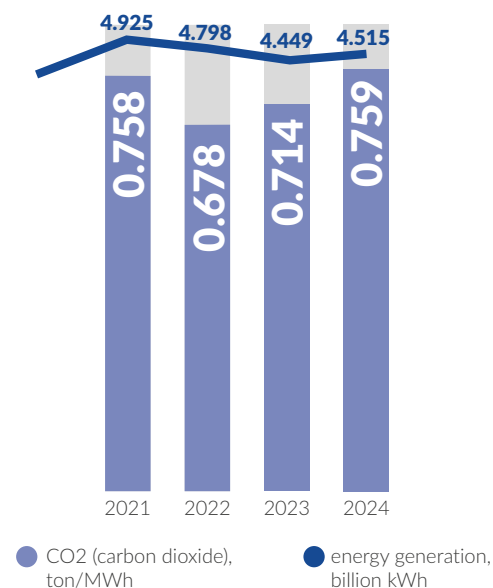
The gross volume of greenhouse gas emissions (coverage 1 (direct emissions)) from fuel combustion in 2024 in comparison with 2023 was decreased by

7.8%

Gross emissions of CO₂ in 2021-2024, thousand tons.



Specific emissions of CO₂ per generated energy unit in 2021-2024, ton/MWh.



EMISSIONS TO AIR

GRI 305-1, 305-4

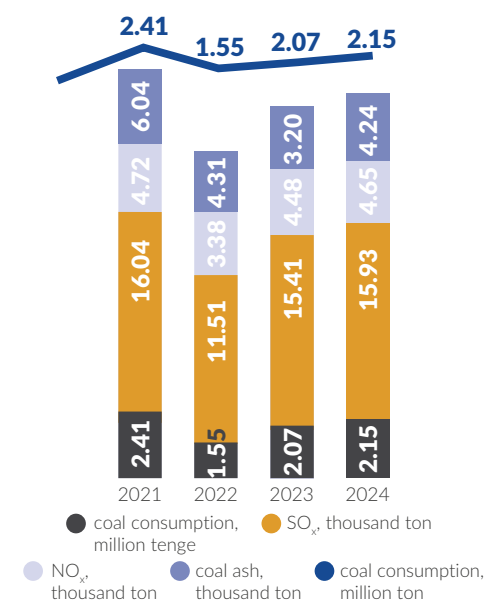
SDG



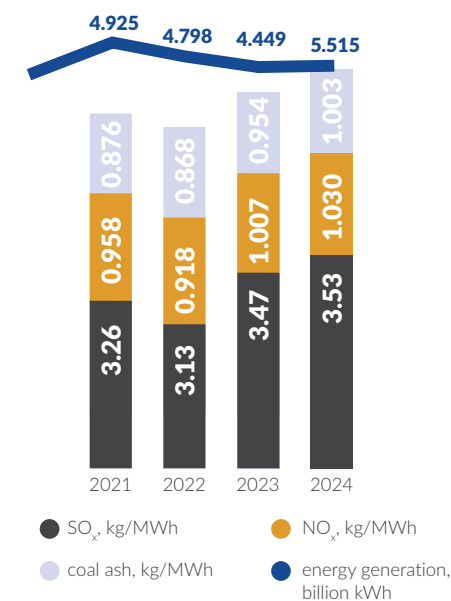
In 2024, the Company generated 2,329.5 million kWh electric energy and 1,879.2 thousand Gcal heat energy. 2,151.9 thousand tons of Ekibastuz coal and 3.93 thousand tons of fuel oil were used for the energy generation. The raw material sources were classified as non-renewable.

Comparing 2024 with the previous year of 2023, we should note that the cumulative volume of pollutant emissions to air at SEVKAZENERGO JSC was increased by 3.9 % (from 24.60 thousand tons to 25.57 thousand tons, including other emissions). The main reason was the increase in the electric energy generation by 0.9 % (in 2023 – 2,308.5 million kWh, and in 2024 – 2,329.4 million kWh), increase in the generation of heat energy by 2.1 % (in 2023 – 1,840.1 million Gcal, and in 2024 – 1,879.1 million Gcal).

Gross pollutant emissions to air in 2021-2024, thousand tons



Specific pollutant emissions to air in 2021-2024, kg/MWh.



The gaseous pollutant emissions (NO_x and SO_x) were increased by 3.7% and 3.3% correspondingly; the emissions of solid particles (coal ash) were increased by 6.6%. The specific emissions of NO_x were increased by 2.3%, SO_x - by 1.8%, and coal ash - by 5.1% correspondingly. The reason of the emission increase is the increase in gaseous pollutant concentrations.

The following may be distinguished among the most significant environment protection measures aimed at the air protection taken in 2024:

- restoration of heating surfaces of the boilers for the efficient cleaning, utilization, neutralization, suppression and decontamination of pollutants in gases;
- major and current repairs of the dust and gas cleaning units (repair of worn elements of the ash collection systems (ACS) and flue gas ducts;
- arrangement of new chimney No 1 of SEVKAZENERGO JSC PCHPP-2;
- raising of dams of ash dump No 2 section No 3 of SEVKAZENERGO JSC PCHPP-2;
- reclamation of the "Roschinka" clay loam open pit of SEVKAZENERGO JSC.



ENERGY SAVING

GRI 3-3, 302-4

SDG



The actions of the Company’s subsidiaries in domain of energy saving and increase in energy efficiency are based on the Energy Saving Program and increase in energy efficiency.

The objective of this Program is to develop the measures for the increase in the use of the fuel and energy resources, including to organize the control and accounting.

The works performed for energy saving and increase in energy efficiency in the reporting year included the measures aimed at the decrease in consumption of the fuel and energy resources. **The following may be distinguished as the most significant:**

- cleaning of the turbine condensers by the hydraulic pumping unit (HPU) for the period of repairs of SEVKAZENERGO JSC PCHPP-2;
- replacement of the air heater cubes at plant boiler units No 1 of SEVKAZENERGO JSC PCHPP-2;
- replacement of the electrical light fixtures with the modern energy-saving ones at the galleries of the 3AБ, 4AБ belt conveyors.

The implementation of the measures under this program in 2024 ensured the greenhouse gas emission reduction by 247.7 thousand tons CO2, due to the increase in energy efficiency; thus, the decrease in volumes of main fuel consumption by

7 321
tons

STATE ENVIRONMENTAL CONTROL

GRI 302-4

SDG



In 2024, SEVKAZENERGO JSC was subject to the preventive control carried out by the “Ecology Department of NKR of the Committee for Environmental Regulation and Control of the Ministry of Ecology and Natural Resources of the Republic of Kazakhstan” Republic State Institution with visiting of the enterprise, for compliance with the environment protection legislation, results of which allowed to disclose 4 violations and to issue the orders for elimination of the disclosed violations.

All the orders were implemented completely and within the established period.

The punitive sanctions were not charged in 2024.

WATER RESOURCES

GRI 303-3, 303-4, 303-5

SDG



The use of water resources is an integral part of the production processes of the enterprises and plays the key role in the equipment cooling process. The plant uses the closed-loop water consumption system, i.e. closed-loop recirculation technical water supply system with a cooling pond (in the city of Petropavlovsk).

Also the Company’s enterprises have the potable water supply system, storm system and municipal household sewerage system. The water supply for the domestic, household and practical needs, potable water needs, fire safety needs and removal of wastewaters is provided on a centralized basis, from the city water supply and sewerage networks under the contract.

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

In 2024, 229 859.8 thousand m3 water were used for the purposes of the water supply, main share of which was water of the closed-loop recirculation water supply systems. For the reporting period, the volume of water removal (discharge) was 297.5 thousand m³.

Total quantity of used water with breakdown into sources, thousand m³

Indicator	2022	2023	2024
Total consumed water, including:	184,692.6	232,797.9	229,859.8
from surface water bodies (Ishim river)	5,299.1	10,215.1	6,027.0
from outside suppliers	100.4	96.5	107.500
in the closed-loop water consumption systems (B. Beloe lake)	179,393.5	222,486.3	223,725.3

Volumes of wastewater removal, thousand m³

Indicator	2022	2023	2024
Total generated waste waters	1,034.8	767.9	405.1
Removed to outside companies	100.4	96.5	107.5
Removed to surface water bodies	934.4	671.4	297.5

The following may be disniguated among the most significant environment protection measusres in domain of water use and removal taken in 2024:

- modernisation of the closed-loop recirculation production water supply system, reused water systems to exclude the pollution and depletion of water resources at SEVKAZENERGO JSC;
- repair of the Ø1420 mm pumping pipeline of the Beloe lake;
- repair of the first and second strings of the circulating water pipeline;
- cleaning of the TA-1, TA-2, TA-4 condensers from depositions;
- cleaning of the 1A, 1Б, 1B, 2A, 2Б, 2B, 5A, 5B, 5Б, 5Г oil coolers;



WASTE MANAGEMENT

GRI 306-1, 306-3

The ash and slag wastes amounting to 99 % of the total volume of wastes are stored at the specially equipped plain-type hydraulic engineering structures – ash dumps. Compliance with the environmental legislation of the Republic of Kazakhstan upon creation of new capacity for ash and slag waste storing allows to prevent the environment contamination with production ash and slag wastes and to ensure the sustainable working of CHPP.

In 2024, the total volume of waste generation at Petropavlovsk CHPP-2 of SEVKAZENERGO JSC was 902.424 thousand tons, including ash and slag wastes – 899.572 thousand tons, industrial and domestic wastes – 2.7 thousand tons.

Total weight of generated wastes, thousand tons

Indicator	2022	2023	2024
Ash and slag wastes	651.3	864.82	899.5
Other waste types	11.8	1.73	2.7

Wastes with breakdown into hazard levels, thousand tons

Indicator	2022	2023	2024
Generated wastes:	663.1	866.42	902.4
non-hazardous wastes	11.7	1.66	902.1
hazardous wastes (wastes of compressor oil, oily rags, wastes of wasted turbine and transformer oil after separation, empty chemical containers, etc.)	0.035	0.066	0.281

Wastes with breakdown into waste management methods, thousand tons

Indicator	2022	2023	2024
Generated wastes	663.1	866.57	902.4
including ash and slag wastes	651.3	864.82	899.5
Wastes transferred to outside companies *	7.9	1.63	2.28
Wastes placed at the own facilities of the enterprise	655.8	864.94	899.72
including ash and slag wastes	651.3	864.8	899.5

The most significant measures for the waste management taken in 2024 were aimed at the increase in the industrial and environmental safety of ash and slag waste dumps and other waste disposal facilities:

- organization of places for storing of the wastes generated during the reconstruction and construction of power facilities (equipment, container sites);
- sale of ash and slag wastes (microspheres) in order to reduce the volumes of their formation;
- implementation of the mechanism for separate collection of wastes not to be placed at the SDW landfill: waste paper and paperboard, plastic and glass wastes;
- raising of dams of section No 3 of ash dump No 2 of SEVKAZENERGO JSC.

ECOLOGICAL IMPLEMENTATION PLANS FOR 2025

1.

Installation of the automated system for monitoring of emissions to the water discharge to the Ishim river, new chimney No 1, maintaining and ensuring of the functioning of the existing automated stations for real-time ecological monitoring;
2.

Reconstruction of the plant boiler units;
3.

Restoration of heating surfaces of the boiler units for the efficient cleaning, utilization, neutralization, suppression and decontamination of pollutants in waste gases from the emission sources;
4.

Repair of the worn elements of the ash collection systems, air ducts, flue gas ducts;
5.

Organization of the works for decrease in dusting at the operating ash dump under the windy weather conditions;
6.

Performance of the works for monitoring of qualitative and quantitative indicators of the enterprise activities: control over compliance with the maximum permissible exposures implemented based on the primary sources in accordance with the periodic and casual inspection program by the instrumental method by an accredited laboratory;
7.

Putting of the new chimney into operation;
8.

Modernisation of the water supply systems: wet ashing system, closed-loop recirculation production water supply systems, reused water systems, to exclude the pollution and depletion of water resources;
9.

Gardening of the administrative and territorial unit areas, increase in areas of green spaces, planting in the territory of and around the enterprise, children institution, dormitory and released territories, desert-prone lands and other unfavorable environmental factors;
10.

Green planting maintaining and tending;
11.

Implementation of the measures for organization of places for storing of the wastes generated during the activities of the enterprise, organization of timely removal and transfer to the specialized companies for disposal;
12.

Introduction of technologies for collection, transportation, decontamination, use and processing of ash and slag wastes – microspheres;
13.

Development of environmental projects;
14.

Public awareness about the impacts of the enterprise's activities on the environment.





STAFF AND SOCIAL POLICY

GRI 2-7, 2-8, 3-3, 401-1, 404-1, 405-1



HUMAN RESOURCE MANAGEMENT

The staff management system of the SEVKAZENERGO Group of Enterprises complies with the strategical goals of the Company's development with regard to establishment of an energy company with the efficient corporate management system, which enables permanently the maximum use of the staff potential of the enterprises.

The labor resources at the Company is formed in the following directions:

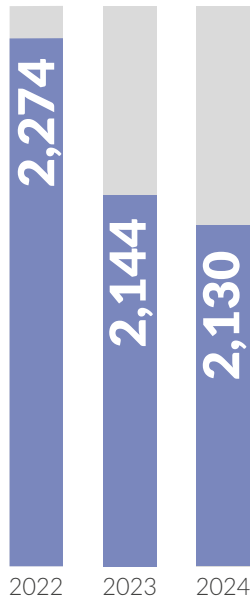
- involvement of the professional employees of different levels;
- creation of conditions for retention of the professional employees;
- continuous professional training and development of the personnel;
- providing the opportunities for the professional growth of go-ahead young employees;
- creating the staff reserve and talent management.

STAFF STRUCTURE AND HEADCOUNT

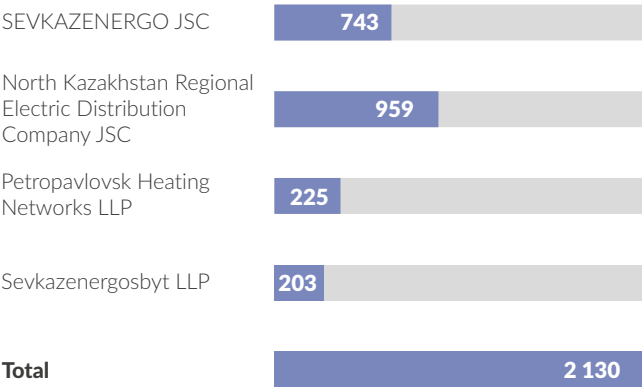
The headcount of the Company as of December 31, 2024, was

2 130
persons

Dynamics of headcount changes, persons



Distribution of headcount at the SEVKAZENERGO Group of enterprises at the end of 2024



STAFF STRUCTURE WITH BREAKDOWN INTO CATEGORIES AND GENDERS

Subject to the peculiarities of the activities, the Company's staff structure with breakdown into genders is characterized with high share of men– 57.4%. The production personnel consists mainly of the “worker” category, where the men are 66.8 %.

Personnel category	Totally		including:			
			men		women	
	persons	%	persons	%	persons	%
Headcount	2,130	100.0	1,223	57.4	907	42.6
Managers	357	16.8	245	68.6	112	31.4
Specialists / officers	719	33.8	274	38.1	445	61.9
Workers	1,054	49.4	704	66.8	350	33.2

STAFF STRUCTURE WITH BREAKDOWN INTO GENDERS AND AGES

At the end of 2024, the main share of the personnel consisted of the most experienced employees in the age of **30-50 years (60.2%)**, i.e. by **0.9%** more than that of 2023. The share of employees in the age of up to **30 years (12.6%)** is lower than that of 2023 by **0.4%**. The share of employees in the age of **above 50 years (27.2%)** was reduced by **0.5%** in comparison with 2023. Subject to these indicators, in order to maintain the optimal balance of young and high-professional employees, the Company implements the measures aimed at involvement of young specialists and development of the mentorship system in order to ensure the succession and transfer of the professional knowledge and skills, as well as gradual rejuvenation of the personnel to achieve the optimal combination of young go-ahead employees and experienced, high-professional employees.

Indicator		Top – managers	Heads	Specialists	Workers
Total	person	13	344	719	1054
With breakdown into gender groups					
Men	person	8	237	274	704
	%	61.5	68.9	38.1	66.8
Women	person	5	107	445	350
	%	38.5	31.1	61.9	33.2
With breakdown into age groups					
under 30 years old	person	0	14	130	125
	%	0.0	4.1	18.1	11.9
30-50 years old	person	11	250	444	577
	%	84.6	72.7	61.8	54.7
above 50 years old	person	2	80	145	352
	%	15.4	23.3	20.2	33.4

The average age at the SEVKAZENERGO Group of Enterprises is

43
years



STAFF STRUCTURE WITH BREAKDOWN INTO EDUCATIONS

Generally, for the Company, the dynamics of **2022-2024** includes the increase in the share of employees with the higher education and decrease in the share of employees with the general secondary education owing to the employment of the qualified personnel. The share of the employees with the vocational and technical education is **48.3%**.

38 employees of the Company are studying at the higher education institutions and colleges, including **28 persons** for industry-specific specialties. The Company renders the comprehensive support to employees for increasing the educational level. In 2024, the diplomas were issued **to 3 employees**; all these diplomas are in the enterprise specificity.

TOTAL STAFF NUMBER WITH BREAKDOWN INTO EMPLOYMENT TYPES AND GENDERS

At the end of 2024, the share of employees engaged under the employment agreements was 99.7%. In order to perform some work types or seasonal works, the enterprises engage the non-regular employees, whose share was 0.3% of the total staff number. The part-time employees amounted to 0.5% of the staff number of the enterprises of the SEVKAZENERGO JSC group.

Indicator	Value (person)	including	
		men	women
Headcount at the end of the reporting period (regular employees)			
with breakdown into agreement periods:	2,130	1,223	907
employed under employment agreement for unlimited period	1,592	961	631
employed under temporary agreement (fixed-term)	538	262	276
with breakdown into employment patterns:	2,130	1,223	907
full-time employment	2,119	1,219	900
part-time employment	11	4	7
Supervised employees (non-regular employees)	7	0	7
Total staff number	2,137		

NUMBER OF EMPLOYEES EMPLOYED IN 2024

For the reporting period, 390 employees were hired, i.e. 18.3% of the headcount of the SEVKAZENERGO Group of Enterprises.

Indicator	Total		including:			
	persons	%	men		women	
			persons	%	persons	%
Hired, including:	390	100.0	206	52.8	184	47.2
before 30 years	111	28.4	71	64.0	40	36.0
30-50 years	212	54.4	97	45.8	115	54.2
above 50 years	67	17.2	38	56.7	29	43.3

In 2024, the Group had the recruitment turnover factor remained at the level of 2023 (18.3%) due to the staff loss, open vacancies caused by the difficulty of recruiting in the region.



STAFF TURNOVER

At the end of 2024, at the SEVKAZENERGO Group of Enterprises, the staff turnover rate was reduced by 4.7 % in comparison with 2023. The main reasons of the staff loss were still the following: dissatisfaction with wages, moving inside and out of Kazakhstan, family circumstances.

Category	Employed, persons	Employment agreement terminated, persons	Turnover, %	Staff number at the end of the year, persons
Total	390	552	12.9	2,130
In age groups				
up to 30 years	111	89	24.9	269
30-50	212	282	13.4	1,282
above 50	67	181	6.2	579
In gender groups				
Men	206	233	12.6	1,223
Women	184	319	13.4	907

Number of dismissed persons due to staff turnover in 2024 with breakdown into ages and into men and women.

In 2024, 404 employment agreements with employees were terminated; the indicator was reduced by 24.9% in comparison with 2023. Due to the staff turnover, 275 persons were dismissed, including the main share consisting of employees in the age, which was the most productive for the professional career: 30-50 years (62.5%), on-fire.

For the purposes of the “Staff turnover” risk, in 2024, the implementation of the following measures was continued:

- Disclosure of the remuneration fund reserves and allocation of the release funds for the increase in wages;
- Improvement of the mentorship processes and young specialist support system;
- Financial and non-financial incentives for qualified employees;
- Improvement of conditions for social guarantees in accordance with the collective employment agreement.



TRAINING AND DEVELOPMENT OF THE PERSONNEL

The training and development system of the Company provides for the following directions:

- mandatory, regulatory training of the safety rules, industrial and fire safety, operational regulations;
- training for allied professions;
- advanced training for development of the professional and managerial competences.

In order to increase the efficiency of the activities and to create the safe labor conditions at the SEVKAZENERGO enterprises, the training is conducted in the corporate format and as per individual development plans; the remote training format is introduced.

In 2024, **2 262 persons (106 %** of the headcount) passed the training taking into account that some employees passed the training for several topics.

The main direction is: primary and periodical training for safety rules, operational regulations, industrial and fire safety rules. Thus, for the reporting year, **1 687 persons (74.6 %** of all the persons having passed the training) passed the training on these directions. In order to extend the professional specificity of the Company's employees and their readiness to work for the doubled (allied) professions, **502 employees (22.2 %** of the total number of the persons having passed the training) passed the training. The advanced training was arranged in 2024 for **73 employees**.

The Company has implemented the corporate training practice. In August of 2024, PAVLODARENERGO JSC held the strategical session of the HR-block employees, where the topical questions were discussed; and the directions for the implementation of the HR-initiatives were determined.

The average number of training hours per employee in 2024 was 13.5 hours, в том числе

14.8 **16.8**
hours per man hours per woman

The Company has mainly the training for employees of the production divisions in accordance with the positions held and professions, regulatory requirements and corporate components in the training programs, peculiarities of the training programs.

STAFF RESERVE

In order to ensure the necessary reserve for the managerial positions at the various levels, in 2024, the SEVKAZENERGO Group of Enterprises established the staff reserve for 182 managers of the top, medium and junior levels.

For development of the reserve candidates, the following is applied:

- individual programs of the professional and organizational-managerial training;
- advanced training, probation;
- mentorship, fulfillment of managerial functions, temporary transfer of an employee.

For 2024, among the employees being members of the staff reserve, 12 persons were transferred to the managerial positions.

Annually the external staff reserve is formed, including graduates of the educational institutions.

The Company employed 60 young specialists, i.e. 2.8% of the total number. In 2024, 13 young employees were employed, including 61.5% with the technical /vocational education, 38.5% - with the higher education.

INVOLVEMENT OF YOUNG SPECIALISTS

Since 2016, the enterprises of the SEVKAZENERGO Group have implemented the “PROFENERGY” Project aimed at the young specialist support and increase in the personnel educational level. The Program is aimed at the involvement of graduates of the educational institutions for the key/critical professions of the enterprises and popularization of the powerman profession, personnel development and retention of the key employees. The Company interacts with 3 educational institutions of the city of Petropavlovsk. Regularly the working is performed to inform about the content and conditions of the Programs, to organize the meetings with students and excursions at the production facilities; the enterprises' employees take part in the examination commissions and state certification commissions for administering the leaving examinations and defense of graduation works.

1010 students took part in the measures for the period of 2016-2024:

- 60 students were employed for the summer vacation period;
- 50 students passed the salaried placement;
- 883 students passed the non-salaried industrial and pre-graduation internship;
- 17 students were awarded with the scholarship.

For the increase in interest of graduates of the educational institutions in employment with the SEVKAZENERGO enterprises, the Program is permanently improved;

INCENTIVIZATION AND REMUNERATION FOR THE PERSONNEL

The SEVKAZENERGO Group of Enterprises uses the unified wage and incentive system. The wage level is defined in accordance with the single tariff scale that is a grade-based remuneration system for all the employee categories, irrespective of their gender. The incentivization and remuneration at the Company are aimed at the increase in efficiency and effectiveness of each employee. Annually, the enterprises of the SEVKAZENERGO Group carry out the differentiated increase in wages within the approved budgets and tariff estimates, subject to the significance and criticality of the personnel and contribution in the working results. In January of 2024, the wage indexation was implemented for the employees of SEVKAZENERGO JSC by 30.0%, Sevkazenergosbyt LLP – by 9.0%; in February of 2024 - Petropavlovsk Heating Networks LLP – by 6.5%. Also in September of 2024, the wages of the employees of North Kazakhstan Regional Electric Distribution Company JSC and Petropavlovsk Heating Networks LLP were indexed by 15.0% and 7.5% correspondingly.

the conditions are corrected subject to the needs of students, opportunities of the enterprises and peculiarities of the employment market in the region where the group operates.

The program prescribes also the measures stimulating the employees to get the industry-specific education. For the period from 2016 to 2024, about 921 employees used the available opportunity:

- 580 employees were provided with the paid educational leaves;
- 182 employees were paid with the bonuses for successful graduation from the educational institutions;
- 129 employees were provided with the interest-free education loans;
- 30 employees received the compensation for the expenses to travel to an educational institution for the sessions.

The “PROFENERGY” Project includes the mentorship (mentoring) project, purpose of which is the transfer of the professional knowledge and skills to the students, quick and efficient adaptation of the young specialists. The group enterprises have formed the mentor pool among the high-qualified employees of the enterprises.

Annually, more than 100 employees are appointed as mentors.



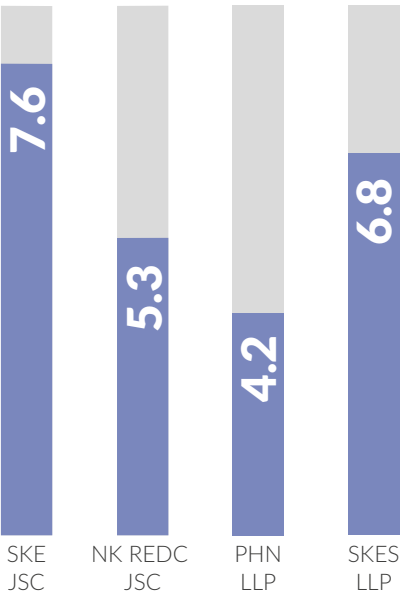


GROWTH RATES OF AVERAGE INCOME WITH BREAKDOWN INTO ENTERPRISES OF THE SEVKAZENERGO GROUP

Ratio of women's average income and men's average income with breakdown into categories of employees of the SEVKAZENERGO JSC Group of Companies in 2024

	Heads	Specialists / officers	Workers	TOTAL
	Coefficient			
SKE JSC	1.0	0.8	0.8	0.8
NK REDC JSC	0.9	0.9	0.9	0.9
PHN LLP	0.8	0.9	0.8	0.7
SKES LLP	0.6	0.9	0.9	0.7

Ratio of remuneration of the highest paid employee and average remuneration of all the Company's employees in 2024



NON-FINANCIAL INCENTIVES

For the increase in incentivization for efficient labor, moral incentives for employees to achieve the high performance results, the Company holds annually the events with awarding, certificates of honor, ranking with the placement of the information in the corporate sources. According to the results of 2024, 80 employees and veterans of the SEVKAZENERGO JSC group of enterprises were awarded for the efficient work life, including with the corporate awards of the enterprises and CAEPC JSC - 43 employees, with the governmental, departmental and industry awards - 32 employees and 5 veterans of the enterprises.

EMPLOYEE RELATIONS AND TOP-MANAGEMENT

In the relations with the employees, the Company adheres to the labor legislation and Code of Business Conduct, respects the personal liberty and human rights, provides everybody with the equal opportunities and does not allow the discrimination in the labor domain, as well as does not use the child labor.

The minimum period for notifying the employees about the significant changes in the activities of the Company is in accordance with the legislation of the Republic of Kazakhstan and internal regulatory documents.

The minimum period for notifying the employees in case of employment termination in relation to the decrease in the staff number is one month, in accordance with the Labor Code of the Republic of Kazakhstan.

In order to settle the individual labor disputes arising between an employee and employer, the enterprises of the SEVKAZENERGO Group have the conciliation commissions established from the equal number of the representatives of the employer and employee. The working of the conciliation commissions at the Company is regulated by the Labor Code of the Republic of Kazakhstan and Regulations for labor dispute settlement. The composition of the conciliation commission is approved by an Order of the enterprise. Upon occurring of a labor dispute, before recourse to the conciliation commission, the employees have the right to contact:

- 1. with the Chairman of the Trade Union Committee;
- 2. with the Head of the Staff Department;
- 3. with the general director of the enterprise.

In 2024, 2 cases of recourse of the employees to the conciliation commission for labor dispute settlement were recorded. In the both cases, the employees accepted the decision of the conciliation commission. **Discrimination of employees on any grounds of infringement of the employees' rights has not been disclosed.**

INTERACTION WITH TRADE UNION ORGANISATIONS

At the SEVKAZENERGO Group of Enterprises, the Single Collective Employment Agreement has been concluded for 2024-2027. The main purposes of the Collective Employment Agreement are: increase in operational efficiency of the enterprises, strengthening of the parties' social responsibility for the results of the productive-economic activities, ensuring the growth of incentivization and performance of employees owing to the social guarantees, compensations and privileges prescribed by the Agreement.

The Collective Employment Agreement covers all the employees, their family members and pensioners of the Company irrespective of the membership in a trade union organisation.

The trade union organisations of the SEVKAZENERGO Group, together with the employer, implement the measures to increase the efficiency of the enterprises, to strengthen the labor and production discipline, to maintain the prestige of the performed works and feeling of the professional pride among the employees.

A trade union organisation assists to the employer in the moral support and summer resting of the employees' children, in curative events; provides the social welfare assistance for the employees, their family members and retirees; conducts the control over the designated use of the funds allocated for occupational health and safety, health improvement of the employees and their family members; takes part in the investigations of occupational accidents and making of decisions on determination of victims' guilt degree; etc.

Name	2022	2023	2024
Number of employees in the Trade Union, persons	1,203	1,087	1,092
Share of the total number, %	52.9	50.7	51.3

The Trade Union Committee performs permanently the works for team-building and increase in the number of the employees being the members of a trade union organisation. In comparison with 2023, the insignificant growth of members of the Trade Union was observed in spite of the decrease of the Company's staff number due to the intense working of the trade union organisations.

SOCIAL PARTNERSHIP

GRI 413-1



In order to ensure the alignment of interests of the employees and employers on the issues of regulation of the labor and other directly related relations, in 2024:

1. The technical managers and heads of the Human Resource Departments of the Company's enterprises have been included into:
 - the Industry Commission on social partnership and regulation of social and labor relations in the power supply and heating supply industries of the Ministry of Energy of the Republic of Kazakhstan;
 - the Industry Council of the Ministry of Energy of the Republic of Kazakhstan;
 - the working team for development of the Industry frame of qualifications of the Republic of Kazakhstan in domain of electricity and heat power industry is also included into the working team for updating and development of the professional standards.
2. The Chairman of the Management Board of CAEPC JSC is included into the Industrial Council in domain of power industry established at the industry-specific higher education institution – Almaty University of Energy and Communication named after Gumarbek Daukeev Non-Profit JSC, in the context of cooperation, the Company's employees pass the advanced training courses at the industry-specific higher education institution.
3. The Head of the Staff Department of SEVKAZENERGO JSC is a member of the Commission for state-commissioned education for the staff with the technical and vocational post-secondary education, in the North Kazakhstan region.

Within the frames of the social partnership aimed at the involvement of graduates of the educational institutions and popularization of the powerman profession, in 2024, the enterprises of the SEVKAZENERGO Group continued the cooperation with 3 educational institutions in the regions where it operates (Petropavlovsk College of Machine Engineering and Transport, North Kazakhstan Senior Professional Teaching College, North Kazakhstan University named after M. Kozybaev).



For the reporting period, the meetings between the top-management of subsidiaries, staff and students of the industry-specific educational institutions were held:

- the meeting of the General Director of SEVKAZENERGO JSC A.A. Kazanovsky with the students of Petropavlovsk College of Machine Engineering and Transport named after Bayken Ashimov MSOPE in the Questions and Answers format;
- the meeting with the top-management of North Kazakhstan University as to opening of dual education form for the “Electric Power Industry” specialty in 2025;
- the meeting of the General Director of CAEPCO JSC A.I. Chekulaev with the graduates of North Kazakhstan Senior Professional Teaching College for the “Power Supply” specialty;
- the meeting of the head and specialsits of the Staff Department, technical specialsits of SEVKAZENERGO JSC and CAEPCO JSC with the top-management and stundents of VSKPPK, SKU, MKMiT;
- participation in the final certification commissions, selection commissions of employer-sponsored education applicants;
- 16 excursions for pupils and students to the Company’s facilities.

In order to fill the vacancies, the cooperation with the Employment Center, Carrier Center was continued. 3 meetings were held; the applications for training programs of unemployed persons at the short-term retraining courses were submitted.

SOCIAL SUPPORT, GUARANTEES AND COMPENSATION PAYMENTS

SEVKAZENERGO JSC is a company aimed at the social-oriented business. The current Single Collective Employment Agreement is a foundation for the implementation of the social policy.

PRIVILEGES, GUARANTEES AND COMPENSATIONS APPLIED BY THE COMPANY:

Purposes	Social package
Employee engagement for long-term employment	Bonus for professional competitions; Remuneration for employees and pensioners for anniversary and holiday dates.
Efficient compensation and privilege system	Compensation of expenditures of the residential and utilities services organisations, dormitory privileges, residential lease; Transport services for transportation of employees to workplace and back; Sale of coal at the cost price to the employees living at the stove heated houses; Compensation for camp vouchers for the children in the age of under 15 years; New Year’s presents for the children; Corporate mobile communication for some employee categories.
Support of staff working capacity and health	Insurance of employees against occupational accidents and diseases; Mandatory social medical insurance; Periodical medical examinations; Welfare assistance for treatment of severe diseases.
Social support for employees, their family members and pensioners of the Company	Welfare assistance for child birth; Welfare assistance for funeral services; Welfare assistance for families with many children and low-income families; Social paid leave; Allocation of the funds to the Veteran Council; Remuneration on retirement; Program of support for pensioners and Great Patriotic War veterans, labor veterans and enterprise veterans.
Recreative sports	Reimbursement of expenditures for food of the sports competition participants Allocation of funds for health improvement and collective resting.

SOCIAL SUPPORT IN RELATION TO MATERNITY OR PATERNITY

Name of company	Number of employees having filed the maternity leave /child care leave throughout the year			Number of employees in the maternity leave / child care leave as of the end of the year	Number of employees having get back from the maternity leave / child care leave throughout the year
	women	men	total		
SEVKAZENERGO JSC	14	0	14	18	2
CAEPCO JSC	4	0	4	17	10
PETROPAVLOVSK HEATING NETWORKS LLP	4	0	4	7	1
SEVKAZENERGOSBYT LLP	7	0	7	15	2
Total:	29	0	29	57	15

Indicator	Men	Women	Total
Number of the employees entitling to the maternity leave or child care leave (pursuant to the Labor Code of the Republic of Kazakhstan)	1,223	907	2,130
Number of the employees having filed the maternity leave and child care leave	0	57	57
Number of the employees returning to work upon completion of the maternity / paternity leave in 2024	0	15	15
Number of the employees returning to work upon completion of the maternity / paternity leave in 2023 (for calculations)	0	22	22
Number of the employees returning to work in the previous year upon completion of the maternity / paternity leave and continuing to work after 12 months	0	12	12
Number of the employees expected to return to work upon completion of the maternity / paternity leave for the reporting period	0	8	8
Return ratio	0	26.3%	26.3%
Retention ratio	0	54.5%	54.5%



The Company gives permanently the social support to veterans and ex-employees reaching the pensionable age. Under the Collective Employment Agreement, the funds are allocated to the Veteran Council at all the group enterprises. Annually, the celebration in honor of Great Patriotic War veterans and labor veterans was conducted with the welfare assistance for retirees in the form of the food gift baskets, money remuneration, coal supply. The home-based patronage of the veterans is provided; the concert programs and festival dinners in honor of 9 May and International Day of Older Persons were conducted.

For the employees who need the housing improvement, two dormitories are functioning: the first dormitory is for 29 beds, the second is a small-family dormitory for 90 apartments, put into operation in 2016.

Within the frames of the government-private partnership, the “ALAKAY” day care center is established for 320 persons, which is visited by the children of the employees and residents of the city of Petropavlovsk. The cozy rooms are equipment with all the necessary things for children training, playing and resting. The children have lessons with the speech therapist, developing games, pictorial and decorative art lessons, dancing lessons, vocal lessons, Kazakh and English lessons, karate classes. The studio of children development and preparation for school is functioning.

RECREATIVE SPORTS

In 2024, the competitions for swimming, chess, mini-football, ping pong, volleyball, skating were conducted among the employees of the enterprises of the SEVKAZENERGO Group. Totally 109 employees took part in such disciplines. The first teaming place was kept by the winners of 2022 and 2023 – employees of North Kazakhstan REDC JSC. Traditionally, the participants of the winning teams were awarded with valuable prizes. Besides, in August of 2024, the Company's employees took part in the Olympics held in the city of Pavlodar among the subsidiaries of CAEPC JSC in the sports such as: mini-football, ping pong, billiards. According to the Olympics results, the representatives of the Company occupied the first teaming place.



MAIN PLANS FOR 2025

In 2025, it is planned to implement the staff management policy aimed at the involvement, retention and development of the Company's professional staff. Under this direction, it is planned:

1. To implement the HR-strategy measures;
2. To develop further the “PROFENERGY” Project for the following directions:
 - young specialist support system and increase in the personnel educational level,
 - restoration of the working of the Youth Affairs Committee at the Company, improvement of the career guidance for pupils and students;
 - development of the mentorship project;
 - program for development of the key personnel, holding of the corporate training courses for all the manager levels;
 - critical profession program.
3. Improvement of the key performance indicators for achieving the Company's strategic and operational purposes.
4. Implementation of programs for improvement of the living conditions of employees of the key and critical professions.
5. Further automation of HR-processes related to the personnel development: adaptation, evaluation, training, etc.
6. Improvement of the corporate training system, training and retraining of the staff subject to the labor market deficit, improvement of the qualitative training indicators, introduction of the efficiency monitoring system according to the results of the training.



OCCUPATIONAL HEALTH AND SAFETY

GRI 403-1, 403-2, 403-4, 403-5, 403-7

SDG



The Social Policy of SEVKAZENERGO JSC prescribes the program of measures for employee health protection, occupational health and safety at the enterprises, advanced training of the personnel and upbringing of the corporate culture. The actual expenditures for the measures for occupational health and safety and labor condition improvement in 2022 were

423,374,673.78

tenge

STRATEGICAL PURPOSES IN DOMAIN OF OCCUPATIONAL HEALTH AND SAFETY AND TAKEN MEASURES

The issues of the occupational health and safety are one of the most important priority objectives stipulated in the Program for strategical development of the enterprises of the SEVKAZENERGO Group of Companies. The prevention of occupational injuries and diseases is the key aspect for decision making on the operational issues for the electric and heat energy generation.

1. In 2024, the SEVKAZENERGO Group of Companies implemented the following measures:

- 1.1. The video clip about the SEVKAZENERGO Group of Companies is displayed during the induction briefing;
- 1.2. The electrical personnel was transferred to the special clothes made of heat protective fabrics with protection against thermal risks and electric arc;
- 1.3. The OHS propaganda is spread; the refreshers for visitors and guests of an enterprise, fall prevention and electric safety rules were developed; the corporate posters in domain of OHS were placed;
- 1.4. The enterprises have carried out the mutual audit aimed at prevention of injuries, incidents and accidents during the operation of the power and process equipment; the use of the best practices disclosed during the mutual audit enables to improve the general situation and occupational health and safety indicators;
- 1.5. The hot line is functioning where each employee may submit the photo and video of a detected violation /non-conformity, etc. (all the received notices are processed by the Occupational Health and Safety Department; the measures are developed based thereon);
- 1.6. The video cameras are installed along the perimeter and at the rooms in order to control the vehicle compliance with the speed limits, employee compliance with the occupational health and safety rules, fire safety rules;

1.8. The events in honor of the World Safety Day were held:

- informing the personnel through the agitation posters;
- rewarding of the employees with letters of gratitude and cash bonuses for safe labor;
- the children creativity competition “Occupational health and safety as viewed by a child” was conducted with rewarding of the participants;
- holding of the OHS meetings.

1.9. The partial purchase of the ЛИС-У type devices for determination of the strength of reinforced concrete supports and attachments was carried out;

1.10. The presentation and leaflets about electric current hazard were developed; the letter was sent to the head of the Education Department of the Akimat of the North Kazakhstan region Municipal Public Institution, for mailout, at the beginning of an academic year, to schools of the North Kazakhstan region.

2. The following has been introduced and is functioning:

- Regulation on signal sheet (all the signal sheets received are considered by the shop heads; the measures are developed based thereon);
- Regulation on additional safety signs (all the doors of switchboard rooms, doors of electrical cabinets, electrical equipment are provided with the safety signs; the additional safety signs are used such as combined, prohibitory, warning safety signs, fire safety signs, guiding, mandatory, evacuation signs and medical and sanitary signs);
- Safety regulations for interaction of vehicles and pedestrians in the territory of SEVKAZENERGO JSC PCHPP-2 (adapted by PHN, NK REDC);
- Regulations for organization of working teams for certification of workplaces of the production divisions of the SEVKAZENERGO Group of Companies;
- Regulations for execution of annual work plan with the personnel in domain of occupational health and safety at the SEVKAZENERGO Group of Companies;
- Safety regulations for works at height of SEVKAZENERGO (also the contractors are regulated thereby);
- Regulations for use and testing of protection equipment, tools, accessories and instruments used for operation and repair of electrical installations;
- Regulations for technical description of used personal protection equipment and for procedure for providing of the employees of SEVKAZENERGO JSC PCHPP-2 with personal protection equipment;
- Regulations for safety procedure for confined space entries in the territory of the SEVKAZENERGO Group of Companies;
- Regulations for consumption of tobacco products in the territory of the enterprises of the SEVKAZENERGO Group;
- Regulations for interaction of the SEVKAZENERGO Group of Companies with contractors in domain of occupational health, safety and environment;
- Regulations for notification, investigation and recording of accidents related to the work life at the enterprises of the SEVKAZENERGO Group;
- Regulations for organization and conducting of the mandatory certification of production facilities for labor conditions at the SEVKAZENERGO Group of Companies;
- Regulations for monitoring of OHS situation at the SEVKAZENERGO Group of Companies;
- Regulations for qualification assessments of knowledge in domain of health and safety, operational regulations, first aid to victims, fire safety in the volume of the Fire Safety Basics, special rules at SEVKAZENERGO JSC;
- Regulations for pre-shift and post-shift medical examinations of the employees of the SEVKAZENERGO Group of Companies and contractors performing the works in the territory of the SEVKAZENERGO Group of Companies;
- Regulations for first aiders without medical education, including those who have passed the appropriate training at the enterprises of the SEVKAZENERGO Group;
- Regulation on occupational health and safety management system at SEVKAZENERGO JSC;
- Regulations for periodicity and procedure for walks and visual examinations of workplaces;
- Regulations for compliance with the main requirements of occupational health and safety, industrial safety, fire safety, sanitary code and environmental legislation in the NKREDC JSC territory.
- Health and safety standard “Requirements for sanitary and amenity facilities of subsidiary enterprises”;
- Guidelines on personnel actions in case of fire detection at the NKREDC JSC facilities;
- Guidelines on procedure for use of mobile video recorders at NKREDC JSC.
- Regulation on events in honor of the World Safety Day and World Environment Day;
- Method for emergency response and fire drills with the personnel of power plants and networks.



3. At the SEVKAZENERGO Group of Companies:

3.1. The news-bulletins, "Retrospective review of accidents and Analysis of technological violations occurring at the energy enterprises in 2022 in comparison with 2021", analysis of occupational injuries for 2022 in comparison with 2021 were considered with the personnel;

3.2. Throughout the year, the production testing of personal protection equipment samples (special clothes and special footwear) was carried out; as well as the appropriate documents (records, reports) were prepared based on the results of such testing;

3.3. The structural divisions performed the works aimed at improving the labor conditions at the workplaces, ensuring the safe labor conditions, bringing the equipment in compliance with the health and safety standards and sanitary requirements;

3.4. The automated three-step control system in domain of occupational health and safety – 1C Safety Walk - is functioning.

3.5. The first insight of the Company and its working organization is provided to new employees, business travelers, probationers at the induction briefing to be held at the management office /occupation health and safety department using the teaching aids. An induction briefing is recorded in the appropriate log.

Also, the employees pass the primary site briefing to be held by the head of a structural division or deputy head, with demonstration of safe labor approaches and methods. An initial workplace briefing is recorded in the appropriate log.

3.6. Not less than once per quarter, in order to maintain the required level of and to extend the staff's knowledge of the regulatory legal acts, as well as to improve the methods for operation and repair of equipment, organization of safe labor, the immediate superior conducts the re-briefing. A re-briefing is recorded in the appropriate occupational health and safety log.

4. At SEVKAZENERGO JSC PCHPP-2:

- the design for replacement of the plant perimeter fence was developed;
- the comprehensive survey of chimneys was carried out using the special non-destructive and thermal imaging devices;
- the PPE, special fats, soap, medicines were purchased;
- the repair of the man shower room and woman shower room at the old PAO was performed;
- the repair of the laboratories of the chemical shop was performed;

According to the results of a briefing (induction, initial, refresher briefing), the knowledge assessment is conducted using the check lists.

3.7. Monthly, the Safety Day is conducted for disclosure of violations of the applicable rules, codes, guidelines. After the Safety Day, the discussion of the disclosed violations is held with execution of the records, where the measures for elimination of the disclosed violations are presented. The Safety Days allow to check in more details the compliance with the regulatory safety requirements.

3.8. The qualification testing of the knowledge in domain of occupational health and safety, operational regulations of the power plants and networks, first aid to victims, fire safety in the volume of the Fire Safety Basics, special rules is held in two stages – testing and oral interview. Such method allows to check in details the knowledge of the regulatory requirements in domain of occupational health and safety, operational regulations of the electrical plants and networks, first aid to victims, fire safety, special rules.

3.8. The permanent and periodical control is provided: visual examinations, technical examinations of the technical condition of equipment, buildings and structures; the persons responsible for the state and safe operation of equipment, buildings and structures and for technical and process supervision are appointed. The job descriptions for all the categories of specialists and workers, occupational health and safety guidelines for worker specialties and work types, operation guidelines and other regulating documentation for the personnel of the Group of Companies are developed.

3.9. The list of hazards and risks is developed for each workplace at a division, which presents the dangerous and hazardous production factors affecting each workplace, conditions of occurrence, target areas, unwanted events, risk assessment and control measures and list of significant hazards and risks of the enterprise.

- the repair of the precursor warehouse rooms was performed;
- the repair of the health post rooms was performed;
- the touchless and elbow faucets were installed;
- the room for temporary storage of medical wastes was arranged and equipped with the refrigeration equipment;
- the room for blowing of the special clothes from coal dust was mounted and put into operation at the boiler shop.

5. At Petropavlovsk Heating Networks LLP:

- the fire safety audit was passed;
- the computer equipment was upgraded;
- the PPE, soap, napkins, milk, medicines were completely purchased;
- the meetings are held with the personnel in order to display the video clip on accidents at other industrial enterprises;
- all the technical engineering personnel is involved in the working with the 1C Safety Walk software.

6. At North Kazakhstan REDC JSC:

- the electrical personnel was transferred to the special clothes made of heat protective fabrics with protection against thermal risks and electric arc;

- the transfer to the personal protection equipment for protection against falling from height – safety harness with five fixation points, was implemented;
- the PPE, special fats, soap, medicines were purchased;
- the mobile video recorders were purchased for the increase in the labor discipline and responsibility of the production personnel for operational switching, preparation of workplaces, installation / removal of earthings at the workplaces and at the overhead lines, etc.

7. At Sevkazenergosbyt LLP:

- the milk was purchased;
- the soap was purchased.





OCCUPATIONAL HEALTH AND SAFETY COUNCILS

1. The SEVKAZENERGO Group of Companies established the production council of occupational health and safety. The council is headed by the Chairman elected among the employees of the enterprise. The council consists of the representatives of the employer, representatives of a trade union organisation, including technical labor inspectors.

1.1. The production council of occupational health and safety performs the following functions:

- considering the proposals on elimination of disclosed violations in domain of occupational health and safety, safe labor conditions at an enterprise, developing the programs, recommendations, decisions, etc. Which meet the requirements for preservation of the employees' life and health during the work life;
- considering the results of survey of the occupational health and safety. Conditions at workplaces, production sites, shops and enterprise as a whole, participating in survey of employee recourses and issue of orders for elimination of disclosed violations;
- studying the occupational injury and disease reasons, analyzing the efficiency of implemented measures for occupational health and safety, preparing the information analysis content about the actual state of the occupational health and safety at an enterprise;
- analyzing the progress and results of the workplace certification for labor conditions, participating in preparation of structural divisions and enterprise as a whole to bring the permanent workplaces at the production facilities in compliance with the occupational health and safety requirements;
- controlling the condition and use of the sanitary and amenity facilities and sanitary-hygienic devices, providing the employees with special clothes, special footwear and other personal protection equipment, using them correctly, providing the restorative and preventive nutrition;
- controlling the timely conducting of the briefings, qualification assessments of knowledge in domain of occupational health and safety;
- preparing and submitting to the employer the proposals on improvement of the occupational health and safety works, creating the employee moral and material encouragement system complying with the

occupational health and safety requirements and ensuring the health preservation and improvement;

- considering the disputes arising from the inspections of labor conditions, decisions made thereon;
- participating in the occupational health and safety propaganda at an enterprise, increase in the employee responsibility for compliance with the occupational health and safety requirements.

1.2. Each subsidiary employs the technical inspectors of occupational health and safety. In their working, the technical inspectors of occupational health and safety interact with the heads of divisions, occupation helath and safety department, operation inspection, inspection for supervision over industrial safety facilities, as well as with the governmental labor inspectors, government supervision and control departments.

1.3. The main functions of the technical inspectors of occupational health and safety are:

- participating in the inspections of the occupational health and safety conditions at workplaces, considering their results, developing the proposals for the Production Council on bringing the occupational health and safety conditions in compliance with the governmental regulatory requirements for occupational health and safety;
- controlling the condition and designated use of the sanitary and amenity facilities and collective and personal protection equipment;
- controlling the timely conducting of briefings, qualification assessments of the health and safety knowledge..

TYPES AND LEVEL OF OCCUPATIONAL INJURIES

The SEVKAZENERGO Group of Companies in 2024 committed 1 accident (North Kazakhstan Regional Electric Distribution Company JSC).

Classification of the accident with breakdown into accident types in 2024 – electrical shock.

The accident reasons were - violation of the occupational health and safety rules.

Level of occupational injuries

	2022	2023	2024
Headcount	2,365	2,245	1,931
Number of injury accidents	3	1	1
Number of victims / including women	1/1	1/0	1/0
Number of lethal cases	1	1	0

The frequency rate of all occupational injury accidents (TIFR) per 1000 employees was calculated by the formula:

$$K_4 = \frac{n \times 1\,000}{N}, \text{ where}$$

n – total number of victims of occupational accidents for the reporting period;

N – average headcount.

The frequency rate of occupational injury accidents for 2024 at the SEVKAZENERGO Group of Companies (TIFR) per 1,000 employees was 0.5.

The frequency rate of occupational lethal accidents for 2024 (FIFR) per 1,000 employees was 0.

The system for recording, reporting and notification on accidents applicable by the SEVKAZENERGO Group of Companies complies with the legislation of the Republic of Kazakhstan and International Labor Organisation.

The actions of the contractors engaged at the enterprise's production facilities are controlled:

- the scheduled and unannounced inspections of the OHS situation at contractors and briefings for the contractors' staff are conducted;
- the informing in accident bulletins is provided in order to inform about the reasons and to prevent the re-occurrence of similar situations in the future;
- the occupational health and safety corporate standards are introduced;
- the OHS Days are conducted;
- the OHS meetings are held.

The actual expenditures for the measures for occupational health and safety and labor condition improvement in 2022 were 423,374,673.78 tenge.

Frequency rate of occupational lethal accidents (FIFR) per 1000 employees was calculated by the formula:

$$K_{4_1} = \frac{n_1 \times 1\,000}{N}, \text{ where}$$

n1 – total number of lethal victims for the reporting period;

N – average headcount.

The financial assets were invested in providing of employees with the necessary personal protection equipment, including electrical safety devices, special food, medicines, staff training, purchase of firefighting equipment, as well as taking of the measures for additional lighting of the workplaces, for repair of the ventilation and air conditioning system, repair of buildings and structures, etc.

In accordance with the Law of the Republic of Kazakhstan “On mandatory insurance of employee against occupational accidents”, all the employees of the Company's enterprises are insured against accidents.



THE COMPANY'S EMPLOYEES, WHOSE WORKING IS RELATED TO THE HIGH RISK OF INJURY

The work performance for maintenance and repair of the power equipment is related with high risks. For the safety of the works at the electrical installations, the staff training, organizational and technical measures, control over their implementation are provided. The personnel is provided with the necessary personal protection equipment, electrical safety devices, etc.

PLANS FOR IMPLEMENTATION OF OCCUPATIONAL HEALTH AND SAFETY PRACTICES FOR 2025

In 2025, the working will be continued for introduction of the best OHS practices such as:

1. Conducting the World Safety Day;
2. Training the enterprise staff in domain of occupational health and safety, first aid, fire safety;
3. Conducting the mutual audits;
4. Providing the employees with personal protection equipment maximally;
5. Keeping the interaction / information exchange with the personnel on the issues of occupational health and safety;
6. Conducting the survey of buildings and structures, load-bearing steel frameworks at the production facilities of the Group of Companies;
7. Catching the pariah dogs, with involvement of a specialized company;
8. Purchasing the PPE, special fats, medicines pursuant to the 2025 budget;
9. Conducting the professional competitions among the divisions;
10. Training the employees for occupational health and safety during working at height;
11. Installing the analyzer for ethanol vapors in exhaled air "ALKOZAMOK П-02" at the gatekeeper's office of PCHPP-2;
12. Training at the IOSH course - International Certificate of Safe Working Practice for the top executive officers of the enterprises of the SEVKAZENERGO Group of Companies and heads of the Occupational Health and Safety Departments;
13. 5 «smart helmets» are to be purchased and introduced for one team at the 0-0.4 kV overhead line service in the city for NKREDC JSC. The purchase will be carried out in 2025 subject to the saving.

CONSUMER SAFETY

The top-management of each Company's power supply network district together with the specialists of the Occupational Health and Safety Department makes the public awareness efforts among the population for compliance with the safety rules near the operating electrical installations and power transmission lines.

At the beginning and at the end of an academic year, the events for prevention of children electric injuries are conducted; therefore, the Occupation Health and Safety Department sends to the schools the lectures how to avoid the electrical shock and, thus, to keep the health.

In order to warn the population and personnel about a hazard, all the electrical installations operated by the subsidiaries are provided with the safety signs and inscriptions; all the equipment is protected against unauthorized entry; there are appropriate fences, locks and blocking.

The regional and district mass media publishes the articles aimed at the injury prevention, including the children injuries, and population health protection.

HEALTH AND SAFETY FOR CONSUMERS AT MARKETING ENTERPRISES

In order to ensure the health and safety for consumers, the marketing enterprise has taken the following measures:

- in order to prevent the injuries, the entrance lobbies of the service center buildings are equipped with anti-skid rubber rugs;
- for handicapped people, the service center buildings are equipped with ramps or call-buttons;
- the service center buildings are equipped with the video surveillance systems;
- all the service centers are provided with first aid kits and necessary medicines;
- the air conditioning systems are installed at the service center rooms;
- for the purposes of the fire safety, the service centers are equipped with the fire and security alarm; there are primary firefighting means;
- the fire evacuation plans are placed in prominent locations at the service centers; free opening of the evacuation doors is provided in the direction of the room exit.

SOCIAL PARTNERSHIP

GRI 3-3,
413-1

SDG



SEVKAZENERGO JSC pays the special attention to the interaction with students and pupils. Since 2016, the Group has implemented the "PROFENERGY" Program for young specialist support. During the period for implementation of the project "PROFENERGY", 1010 persons took part in the events; according to the results of the scientific work competition, 17 students were awarded with the corporate scholarship.

CORPORATE EVENTS



SPORTS

The employees of the SEVKAZENERGO JSC group of enterprises take actively part in the sports and cultural events. They compete in volleyball, swimming, ping pong, chess and mini-football both with the representatives of the other enterprises of the city and at the in-house level. In 2024, the Olympics of CAEPC JSC was held in the city of Pavlodar. 9 teams took part therein:

- united team of CAEPC - Green Energy;
- combined team of PAVLODARENERGO JSC;
- combined team of SEVKAZENERGO JSC;
- combined team of AREDC JSC;
- Astanaenergoby LLP;

- Ekibastuzteploenergo LLP;
- EurasianTech LLP;
- Kazahtransservic JSC;
- special guests of the Olympics - Minskenergo Republican Unitary Enterprise.

The employees of the enterprises competed for the title of leaders in mini-football, ping pong, billiards. According to the results of two spectacular days in the overall standing, the winners of the Olympics and holders of the challenge cup became the team of SEVKAZENERGO JSC; in 2025, the Company will carry out the Olympics in the city of Petropavlovsk.



CHILDREN

For the children of the Company's employees, as supported by the trade union organisation, SEVKAZENERGO JSC conducted the family festival "Energy of generations". Similar events have become a good tradition. The employees show by example the enthusiasm for sport and healthy life to their children. Therefore, the informal socializing of the employees and their families allows the staff of the enterprises feels as a single team and promotes the achievement of high production indicators.



PUBLIC HOLIDAYS

On the threshold of the Day of the Republic of Kazakhstan, the SEVKAZENERGO JSC Group of Companies held the "Under common shanyrak" Festival joining the employees of various ethnicities. The Festival participants cooked the authentic food of the nations living in Kazakhstan. The employees sang the songs in different languages, shared their knowledge about the traditions and customs of their nations. The SEVKAZENERGO JSC Group of Companies has employed the representatives of 22 ethnicities. That creates the unique atmosphere of mutual respect and tolerance.



POWER ENGINEERS' DAY

In December, there is traditional professional holiday – Power Engineers' Day. 63 employees of the SEVKAZENERGO JSC group of enterprises were deservedly awarded. For the contribution in the stable power supply and development of the energy sector of the region, the General Director of SEVKAZENERGO JSC Anatoly Kazanovsky was awarded with the "Kurmet" Order pursuant to the Decree of the President of the Republic of Kazakhstan.



INTELLECTUAL COMBAT

On the threshold of the Independence Day, the employees of the SEVKAZENERGO JSC Group of Companies closed up for the intellectual game "Mozgoboynya" (quiz). The powermen demonstrated not only high level of knowledge and erudition, but also teamwork capabilities. Such events promote the strengthening of the team spirit and development of the corporate culture and encourage for the new achievements.



EXCURSIONS FOR FUTURE SPECIALISTS

The Company holds regularly the excursions for pupils and students, enabling to the future powermen to see firsthand all the working processes, to enter into the spirit of the professional environment and to understand better the profession essence.



CAREER FAIR

SEVKAZENERGO JSC takes regularly part in the career fairs. The Group of Companies has more than 500 vacancies. A career fair is the excellent opportunity to be acquainted with the Company, to get to know the labor conditions and wages. The candidates are informed about the advantages of working for the group of companies – social guarantees, strict compliance with the labor code, opportunity for qualification improvement. The enterprises of SEVKAZENERGO JSC have need of heads of various levels, officers, financial sphere representatives, dispatchers and workers.



ASSISTANCE TO EMPLOYEES

SEVKAZENERGO JSC rendered the assistance to its employees affected by the 2024 flood. In addition to the lump-sum payment from the government at the rate of 100 MCI (369 200 tenge), 57 victims, whose houses had been flooded, received the same amount from SEVKAZENERGO JSC. The employees, who had been evacuated, but whose houses had remained intact, were provided with the assistance at the rate of 30 MCI (110 760 tenge). Also, the top-management of the Company



OCCUPATIONAL HEALTH AND SAFETY

The Company pays the great attention to the occupational health and safety at the production area. Petropavlovsk CHPP-2 has rewarded the best employees in this domain. The creativity competition was organized for the children of the enterprise's employees on the World Safety Day. The winners were awarded with the letters of recognition and certificates of the "Children's World" store.



ENVIRONMENTAL EVENTS

The SEVKAZENERGO JSC Group of Enterprises supports also the environmental initiatives. Thus, the employees have acceded to the "Taza Kazakhstan" Republican Event; they take actively part in the adjacent and allocated land amelioration: they are mowing down the lawns, collecting the garbage and dry grass, whitewashing the trees and curbs. Participation in the voluntary Saturday work has become a good weekly corporate tradition of the powermen and one more joint group event joining the employees.

provided the powermen with the legal support for all the directions. The enterprise helped its employees in clearing of the adjacent areas. The affected employees of SEVKAZENERGO JSC, who needed in the essential supplies, received the clothes and bedding items, food products. Those wishing were settled at the Company's dormitories. Besides, the employees were provided with the two-week social paid leave as additional support.



SEVKAZENERGO JSC has proved that not only production, but also the people is important for the Company; in difficult situations, the people may count on the Company.

INTERACTION WITH STAKEHOLDERS

GRI 2-29

S SEVKAZENERGO JSC keeps the permanent dialogue with consumers through the multi-level feedback system. The main communication channels are the official inquiries through the PR Department and social networks, "Blog of Manager" in the corporate web-site, as well as through a personal meeting with the General Director.

In case of a consumer's inquiry, complaint, claim, comment, proposal, question or application, the consumer is entitled to send the complaint, claim, comment, proposal or application by several methods:

- electronically, through the "Feedback" service located in the web-site of the Company, www.sevkazenergo.kz
- in the "Ask from Manager" section. The "Blog of Manager" is an open platform in the web-site of the Company, where the consumers and employees may ask directly the questions to the top-management. All the inquiries are submitted without preliminary moderation in order to ensure the communication transparency. The answers are published in the public domain, except for the cases requiring the confidentiality.
- In the UPC web-site: www.sk-energo.kz through the "My Profile" service
- UPC mobile application
- with North-Kazakhstan REDC JSC through voice mail to the number: +7 715 2 500 666.
- through the Secretary Office of the Company / Dispatch Office, Consumer Service Center,
- through recording in the "Book of comments and suggestions";
- electronically, in the web-site of the Company in the section "Electronic Office of North Kazakhstan Regional Electric Distribution Company JSC" and «Electronic Office of Petropavlovsk Heating Networks LLP»;
- through the Contact Center of Sevkazenergosbyt LLP.
- Also, an inquiry may be sent to the official Instagram account of the Company.

In an inquiry with compliant, claim, comment, proposal to the blog of the General Director of the Company, a I-category consumer shall specify the surname,

first name and middle name if wanted, post address, contact telephone; a II-group consumer – name, reference number and date, contact telephones. An inquiry shall be signed by the applicant.

A consumer sending through the Direct of the official Instagram account shall specify the inquiry subject, actual residence address, current banking account, if required.

The comments to the publications in the official Instagram account of SEVKAZENERGO JSC are monitored. Also, the news resources are monitored for collective complaints and inquiries. In case of a mass request, the Public Relation Department prepares the information to be placed in the Instagram official account of the Company.

In case of a consumer's compliant, claim submitted to the mentioned resources, the head /employee of the Public Relation Department accepts the compliant, claim and sends it to a target division. After receiving of the answer from the division, the head or employee of the Public Relation Department forms the answer to the consumer and sends it through the channel used when the inquiry has been received.

The information required for answer in the Manager's blog shall be provided to the General Director of the Company within three business days.

The inquiries received through the official Instagram account are considered within two hours.

The remote servicing system includes three communication channels: telephone (Contact Center, information and reference service. "Hot line for combating against corruption"), post (postal and Internet correspondence) and consumer contact with the dispatch points.

The Contact Center is an unified centralized reference service providing the consumers with the information about services by telephone or by e-mail and transferring the necessary information for service providers.

The postal correspondence is used to send the documentation related to servicing, when a consumer sends an inquiry /complaint by post, including electronically, using the "Feedback" section in the web-site of the Company.

The consumer contact with the dispatch points is the direct contact of a consumer through telephone with a dispatcher of the enterprise in order to receive the prompt responses in case of non-standard situations.



SEVKAZENERGO JSC
APPRECIATES AND SUPPORTS
ITS EMPLOYEES NOT ONLY AT
THE PRODUCTION, BUT AT THE
PRIVATE LIFE AND
THEIR HOBBIES

ANNEXES

THE BEST
POWER ENGINEERS
WORK HERE





ANNEX 1

GRI 2-3, 2-5, 3-1, 3-2

SIGNIFICANT ASPECTS AND REPORTING BOUNDARIES

Annually, SEVKAZENERGO JSC has issued the annual report, starting since 2013. The previous annual report for 2023 was published in August of 2024.

That report of the Company presented the information on the activities of SEVKAZENERGO JSC and its subsidiaries. The document contained the report on sustainability prepared in accordance with the recommendations of the GRI standard. The preparation was carried out based on the main variant of information disclosure and GRI application for the power supply industry.

The material changes in the report content were not introduced; therewith, the Company was transferred to the use of the requirements for disclosure of the information under the 2021 GRI Standards. The table with locations of the standard elements of reporting and indicators was presented in the “Index of GRI elements” section. That report was not subject to the external certification.

The report included only the most significant topics of the sustainability. The report content was determined subject to the results of the interaction with stakeholders, the principle of completeness and wider context of the stability. The report quality was provided

by compliance with the principles of accuracy, balance, clarity, reliability, comparability, promptness.

The significant topics for the report were selected based on the substantivity principle allowing to define the aspects having the great influence on the stakeholders and environment. The substantivity process includes the identification of stakeholders, analysis of their interests and expectations, as well as assessment of the impact on the aspects such as environment, social aspects, economical aspects and management. The priority of the substantive aspects was determined based on the following criteria: “regularity of actual impacts”, “probability of potential impacts”, “force of positive and negative impacts” and “scope and coverage of impacts”, “significance”. The significance evaluation was carried out using the 5-point scale; the probability was evaluated using the scale from 0 to 1.

Thereat, the topic “Emissions” is mainly related to the indirect influence of the Company on the stakeholders out of the company.

- Impact of services on health and safety
 - Economic indicators (direct economic value)
 - Indirect economic impacts (contribution into development of the presence regions).
 - Occupational health and safety
 - Environmental safety of production (regulatory compliance)
 - Involvement of local staff
 - Energy efficiency (impact management)
 - Governmental policy (legislative compliance)
- Ensuring the employment and worthy labor conditions
 - Professional training and education
 - Taxation
 - Emissions (impact management)
 - Waste management (impact management)
 - Negative impact on environment in chain.
 - Practice of procurement from local suppliers
 - Competitive barriers





ANNEX 2

Indicator	Disclosure	Section of Report /Comments	Page
SDG, GRI 1: Basics (2021, 2016)			
GRI 2: Company and its reporting practice (2021)			
2-1	Information of the company	Key information Company overview Profile History Mission, vision	8, 12, 24, 27, 34
2-2	Entities included in the company's reporting on sustainability	Key information. Key resources. Subsidiaries	8, 24
2-3	Reporting period, periodicity and contacts	Annex No 1 Significant aspects and reporting boundaries	24, 152
2-4	Information review	Review of data and information has not been carried out	
2-5	External certification	External certification has not been implemented	152
GRI 2: Activities of the company and its employees (2021)			
2-6 SDG 2, 8, 9, 11, 17	Activities of the Company, value chain and other business relations	Key information Business model	8, 24, 40
2-6 SDG 2, 8, 9, 11, 17	Industry, where the company conducts its activities.	Analysis of market environment. Economy overview. Industry overview.	40
2-7 SDG 8	Employees	Staff and social policy	128
2-8 SDG 8	Non-staff employees	Staff and social policy	128
Corporate management			
GRI 2: Corporate management (2021)			
2-9 SDG 5	Structure and composition of the management bodies	Corporate management Organizational structure	76, 77
2-10 SDG 16	Appointment and selection of the top-management body	Board of Directors. Selection and appointment.	79
2-11 SDG 16	Chairman of the top-management body	Board of Directors Composition of the Board of Directors	79, 81
2-12 SDG 16	Role of the top-management body in supervision over impact management	Results of the working of the Committees at the Board of Directors	79, 84
2-13 SDG 16	Delegation of responsibility for the impact management	Results of the working of the Committees at the Board of Directors	79, 84
2-14 SDG 16	Role of the top-management body in the sustainability reporting	Results of the working of the Committees at the Board of Directors	84

Indicator	Disclosure	Section of Report /Comments	Page
GRI 2: Corporate management (2021)			
2-15 SDG 16	Conflicts of interests	Conflict of interests	93
2-16 SDG 17	Informing the top-management about the most important problems	Information policy	94
2-17	Collective knowledge of the top-management body	Compliance with the main principles of the Corporate Management Code	86
2-18	Evaluation of the working of the top-management body	The working of the Board of Directors for 2022 is estimated as positive	80
2-19 SDG 4	Remuneration policy	Remuneration policy	86
2-20 SDG 4	Process for determination of remuneration	Board of Directors Remuneration policy	86
GRI 2: Strategy, policy, practices			
2-22 SDG 3, 4, 8, 11, 17	Sustainability strategy statement	Speech of the Chairman of the Management Board Development strategy Purposes and objectives for 2023 Reasonable forecasts on development for three years Objectives for 2023	5, 7, 37, 70, 93
2-23 SDG 17	Policy adherence	Corporate Ethics	93
2-24	Fulfillment of assumed obligations	Key indicators Overview of working results	12
2-25	Elimination of negative impact	Internal control and audit Risk management Anti-corruption	96, 100
2-26	Mechanisms for consultations and concerns	Internal control and audit External audit	96
2-27	Compliance with the legislation	State environmental control In 2024, according to the results of the inspection for compliance with the environment protection legislation, the orders were issued	
2-28 SDG 17	Membership in associations	The Company is a member of the Kazakhstan Electric Power Association (KEPA)	96, 100
2-29	Approach to interaction with stakeholders	Sustainability. Interaction with stakeholders.	149
2-30 SDG 2, 4, 7, 8, 9, 11, 12, 17	Collective Employment Agreements	At the SEVKAZENERGO Group of Enterprises, the Single Collective Employment Agreement is concluded for 2021-2024.	



Indicator	Disclosure	Section of Report /Comments	Page
GRI 3: Significant topics (2016)			
3-1	Process for determination of significant topics	Annex 1. Significant aspects and reporting boundaries	152
3-2	List of significant topics	Annex 1. Significant aspects and reporting boundaries	152
Economy			
GRI 201: Economic indicators (2016)			
3-3	Significant topic management	2 Company overview 4.6 Financial and economic indicators	24, 62
201-1 SDG 4, 13	Created and distributional direct economic value	2 Company overview 4.6 Financial and economic indicators	24, 62
201-2 SDG 13	Financial impact and other risks and opportunities related to the climate change	8.7 Climate change	122
201-3 SDG 2, 3	Commitments as per defined benefits pension schemes and pension schemes	All the Company's employees are covered by the governmental pension system and pay the mandatory pension contributions.	56
GRI 202: Market presence (2016)			
3-3	Significant topic management	6 Corporate management 6.6 Board of Directors	76, 79
202-2	Percentage of the top-management at the important locations of the activities, employed from the local community	6 Corporate management 6.6 Board of Directors	76, 79
GRI 203: Indirect economic impacts (2016)			
3-3	Significant topic management	4.1 Results of the investment program Plans for reconstruction and modernisation	47, 70
203-1	Supported investments in infrastructure and services	4.1 Results of the investment program Plans for reconstruction and modernisation	47
203-2 SDG 3, 4, 8, 11, 17	Substantial indirect economic impact	Speech of the Chairman of the Board of Directors	5, 7
GRI 205: Combating against corruption (2016)			
3-3 SDG 16	Significant topic management	8 Sustainability 8.2 Anti-corruption	117, 120
205-2 SDG 16	Informing and training on the issues of anti-corruption policy and procedures	8 Sustainability 8.2 Anti-corruption	117, 120
205-3	Confirmed cases of corruption and taken measures	In 2024, the corruption offences of the Company employees were not recorded	

Indicator	Disclosure	Section of Report /Comments	Page
Environmental aspects			
GRI 301: Materials (2016)			
3-3 SDG 11, 12	Significant topic management	Sustainability Used materials	117, 122
301-1 SDG 11, 12	Materials used by weight or volume	Sustainability Materials used SEVKAZENERGO JSC has no substantial impact on the use of recycled materials.	122
GRI 302: Energy (2016)			
3-3	Significant topic management	Sustainability Energy saving	117, 124
302-1	Energy consumption inside the company	Sustainability Energy saving The actions of the Company in domain of energy saving and increase in energy efficiency are performed based on the ISO 50001 international standard "Energy Management System".	117, 124
302-4	Decrease in energy consumption.	Sustainability. Energy saving. State environmental control	117, 124
GRI 303: Water and wastewaters (2016)			
303-3, 303-4 SDG 6, 11, 12	Significant topic management	Sustainability Water resources	117, 125
303-5	Water consumption	Sustainability Water resources Petropavlovsk CHPP-2 uses the closed-loop water consumption system, i.e. the reused technical water supply system with cooling ponds.	117, 125
GRI 304: Biodiversity (2016)			
304-2	Great impact of products and services on biodiversity	SEVKAZENERGO JSC has no great impacts on the flora and fauna	
GRI 305: Emissions (2016)			
3-3	Significant topic management	Sustainability 8.8 Emissions to air	
305-1 SDG 3, 11, 12, 13	Direct greenhouse gas emissions	Sustainability Emissions to air	122, 123
305-4	Intensity of greenhouse gas emissions.	Sustainability. Emissions into the atmosphere.	122, 123
305-7	NO _x , SO _x and other significant emissions into the atmosphere.	Sustainability. Emissions into the atmosphere.	
GRI 306: Wastes (2016)			
3-3	Significant topic management	Sustainability Waste management	



Indicator	Disclosure	Section of Report /Comments	Page
GRI 306: Wastes (2016)			
306-1	Waste generation and great impact related to wastes	Sustainability Waste management	117, 126
306-3	Generated wastes	Sustainability Waste management	117, 126
GRI 307: Compliance with the environment protection legislation (2016)			
307-1 SDG 3, 6, 11, 12, 14, 15	Approach to management	Sustainability Environmental management system Environmental policy “Green office” principles	120
GRI 414: Environment impact assessment of suppliers (2016)			
414-1 SDG 8, 11, 12, 16	New suppliers passing the selection based on the criteria of social and environmental impacts	Procurement activities . In 2022, there were no suppliers not having passed the selection based on the criteria of social and environmental impacts.	58
Social responsibility			
GRI 401: Employment (2016)			
3-3 SDG 8	Significant topic management	Sustainability Staff and social policy	117, 128
401-1 SDG 8	Hiring of new employees and staff turnover	Sustainability Staff and social policy	117, 128
GRI 402: Labor /managerial relations 2016			
3-3 SDG 8	Significant topic management	Social partnership	147
402-1 SDG 8	Minimum periods of notification on changes in labor conditions	Notifying about the labor condition changes is in accordance with the Kazakhstan labor legislation	140
GRI 404: Training and education (2016)			
3-3 SDG 4, 8	Significant topic management	Sustainability Staff policy	117, 128
404-1 SDG 4, 8	Average number of training hours per year per employee	Sustainability Staff and social policy	117, 128
404-2	Programs for advanced training of employees and aid programs for transition period	Sustainability Staff and social policy	117, 128
GRI 405: Diversity and equal opportunities (2016)			
405-1	Diversity of top-management bodies and employees	Board of Directors Staff and social policy	128

Indicator	Disclosure	Section of Report /Comments	Page
GRI 406: Non-discrimination (2016)			
406-1 SDG 5, 8, 10	Cases of discrimination and implemented measures for situation correction	In 2024, cases of discrimination were not recorded	
GRI 403: Safety practice			
403-1 403-2 403-4 403-7 SDG 4	Occupational health and safety management system. Prevention and mitigation of negative impacts related directly to the business relations of the company. Participation of employees in occupational health and safety, consultations with employees and submission of the information on the issues of occupational health and safety. Occupational health and safety training for employees.	Sustainability Occupational health and safety	140
GRI 413: Local communities (2016)			
3-3 SDG 1, 2, 3, 4, 8, 10, 11	Significant topic management	Sustainability Social partnership	117, 147
413-1 SDG 1, 2, 3, 4, 8, 10, 11	Operations with involvement of local communities, impact assessment and development programs	Sustainability Social partnership	56, 135, 147
GRI 418: Personal privacy of consumers			
418-1 SDG 16	Confidentiality of clients. Reasonable complaints concerning the confidentiality breach.	In 2024, there were no claims for confidentiality violations.	



ANNEX 3

АКЦИОНЕРНОЕ ОБЩЕСТВО «СЕВКАЗЭНЕРГО» И ЕГО ДОЧЕРНИЕ ПРЕДПРИЯТИЯ

КОНСОЛИДИРОВАННЫЙ ОТЧЕТ О ФИНАНСОВОМ ПОЛОЖЕНИИ
ПО СОСТОЯНИЮ НА 31 ДЕКАБРЯ 2024 г.
(в тыс. тенге)

	Приме- чания	31 декабря 2024 г.	31 декабря 2023 г.
АКТИВЫ			
ДОЛГОСРОЧНЫЕ АКТИВЫ:			
Основные средства	6	101,199,288	108,846,000
Авансы выданные	9	3,968,604	4,028,177
Отложенный налоговый актив	31	410,995	676,284
Нематериальные активы		219,170	228,311
Прочие долгосрочные активы	10	3,266	3,266
Займы выданные	11	2,362,805	-
Итого долгосрочные активы		108,164,128	113,782,038
ТЕКУЩИЕ АКТИВЫ:			
Товарно-материальные запасы	7	3,015,216	2,573,295
Торговая дебиторская задолженность	8	6,914,195	4,341,407
Авансы выданные	9	553,078	547,947
Прочие текущие активы	10	1,229,145	776,143
Краткосрочная часть долгосрочных займов выданных	11	-	4,702,749
Предоплата по текущему налогу на прибыль		76,078	272,062
Прочие финансовые активы		38,719	31,494
Денежные средства и их эквиваленты	12	2,184,556	340,578
Итого текущие активы		14,010,987	13,585,675
ВСЕГО АКТИВЫ		122,175,115	127,367,713
КАПИТАЛ И ОБЯЗАТЕЛЬСТВА			
КАПИТАЛ:			
Акционерный капитал	13	16,291,512	16,291,512
Дополнительно оплаченный капитал		277,168	277,168
Резерв переоценки основных средств		17,258,752	31,770,748
Нераспределенная прибыль		21,448,695	11,557,422
Итого капитал		55,276,127	59,896,850
ДОЛГОСРОЧНЫЕ ОБЯЗАТЕЛЬСТВА:			
Выпущенные облигации	15	2,500,000	3,000,000
Займы полученные	16	6,133,903	8,051,260
Доходы будущих периодов	17	335,854	442,779
Отложенные налоговые обязательства	31	14,977,115	16,967,952
Обязательства по рекультивации и ликвидации объектов	18	1,559,918	1,355,492
Обязательства по вознаграждениям работникам		81,187	73,332
Итого долгосрочные обязательства		25,587,977	29,890,815

АКЦИОНЕРНОЕ ОБЩЕСТВО «СЕВКАЗЭНЕРГО» И ЕГО ДОЧЕРНИЕ ПРЕДПРИЯТИЯ

КОНСОЛИДИРОВАННЫЙ ОТЧЕТ О ФИНАНСОВОМ ПОЛОЖЕНИИ (ПРОДОЛЖЕНИЕ)
ПО СОСТОЯНИЮ НА 31 ДЕКАБРЯ 2024 г.
(в тыс. тенге)

	Приме- чания	31 декабря 2024 г.	31 декабря 2023 г.
ТЕКУЩИЕ ОБЯЗАТЕЛЬСТВА:			
Текущая часть выпущенных облигаций	15	682,188	712,552
Займы полученные	16	18,256,099	18,606,004
Торговая кредиторская задолженность	19	16,398,318	11,262,062
Авансы полученные	20	1,455,274	1,697,378
Обязательства по договорам финансовых гарантий	21	1,038,254	1,536,770
Текущая часть обязательств по вознаграждениям работникам		11,575	9,114
Прочие обязательства и начисленные расходы	22	3,371,227	3,756,168
Обязательства по текущему налогу на прибыль		98,076	-
Итого текущие обязательства		41,311,011	37,580,048
Итого обязательства		66,898,988	67,470,863
ВСЕГО КАПИТАЛ И ОБЯЗАТЕЛЬСТВА		122,175,115	127,367,713

От имени руководства Группы:

Казановский А.А.
Генеральный директор

Александров Т.В.
Главный бухгалтер

8 мая 2025 г.

г. Петропавловск, Республика Казахстан

Примечания на стр. 13-74 составляют неотъемлемую часть данной консолидированной финансовой отчетности.



АКЦИОНЕРНОЕ ОБЩЕСТВО «СЕВКАЗЭНЕРГО» И ЕГО ДОЧЕРНИЕ ПРЕДПРИЯТИЯ

КОНСОЛИДИРОВАННЫЙ ОТЧЕТ О ПРИБЫЛИ ИЛИ УБЫТКЕ И ПРОЧЕМ СОВОКУПНОМ ДОХОДЕ
ЗА ГОД, ЗАКОНЧИВШИЙСЯ 31 ДЕКАБРЯ 2024 г.
(в тыс. тенге)

	Примечания	2024 г.	2023 г.
Выручка	23	81,838,922	53,039,047
Себестоимость	24	(66,267,672)	(45,600,642)
ВАЛОВАЯ ПРИБЫЛЬ		15,571,250	7,438,405
Расходы по реализации	25	(479,724)	(481,669)
Общие и административные расходы	26	(2,961,644)	(2,922,235)
Финансовые расходы	27	(4,546,086)	(4,565,194)
Финансовые доходы	28	1,695,838	1,753,229
Восстановление резерва под ожидаемые кредитные убытки, нетто	4	(284,985)	47,613
Восстановление убытка от обесценения основных средств, нетто	6	474,857	744,845
(убыток)/прибыль от курсовой разницы, нетто	30	(85,848)	463,510
Прочие доходы	29	1,724,019	606,228
Прочие расходы	29	(853,349)	(322,904)
Прибыль до налогообложения		10,254,328	2,761,828
Расход по налогу на прибыль	31	(2,268,001)	(613,376)
ПРИБЫЛЬ ЗА ГОД		7,986,327	2,148,452
Статьи, которые не будут реклассифицированы в состав прибыли или убытка в последующих периодах: (Начисление)/восстановление убытка от обесценения основных средств, за вычетом отложенного налога	6	(11,854,214)	23,510
ПРОЧИЙ СОВОКУПНЫЙ (УБЫТОК)/ДОХОД ЗА ГОД, ЗА ВЫЧЕТОМ НАЛОГА НА ПРИБЫЛЬ		(11,854,214)	23,510
ИТОГО СОВОКУПНЫЙ (УБЫТОК)/ДОХОД ЗА ГОД		(3,867,887)	2,171,962
ПРИБЫЛЬ НА АКЦИЮ			
Прибыль за год на акцию, базовая и разведенная, в тенге	14	55.51	14.93

От имени руководства Группы:

Казановский А.А.
Генеральный директор

8 мая 2025 г.

г. Петропавловск, Республика Казахстан

Примечания на стр. 13-74 составляют неотъемлемую часть данной консолидированной финансовой отчетности.

Александрова Т.В.
Главный бухгалтер

АКЦИОНЕРНОЕ ОБЩЕСТВО «СЕВКАЗЭНЕРГО» И ЕГО ДОЧЕРНИЕ ПРЕДПРИЯТИЯ

КОНСОЛИДИРОВАННЫЙ ОТЧЕТ ОБ ИЗМЕНЕНИЯХ В КАПИТАЛЕ
ЗА ГОД, ЗАКОНЧИВШИЙСЯ 31 ДЕКАБРЯ 2024 г.
(в тыс. тенге)

	Акционерный капитал	Дополнительно оплаченный капитал	Резерв по переоценке основных средств	Нераспределенная прибыль	Итого капитал
На 1 января 2023 г.	16,291,512	277,168	34,391,277	6,290,880	57,250,837
Прибыль за год	-	-	-	2,148,452	2,148,452
Прочий совокупный доход	-	-	23,510	-	23,510
Итого совокупный доход за год	-	-	23,510	2,148,452	2,171,962
Амортизация резерва по переоценке основных средств	-	-	(2,644,039)	2,644,039	-
Нетто эффект от признания и прекращения признания выданных займов (Примечание 11)	-	-	-	(47,739)	(47,739)
Нетто эффект от признания и прекращения признания финансовых гарантий (Примечание 21)	-	-	-	521,790	521,790
На 31 декабря 2023 г.	16,291,512	277,168	31,770,748	11,557,422	59,896,850
Прибыль за год	-	-	-	7,986,327	7,986,327
Прочий совокупный убыток	-	-	(11,854,214)	-	(11,854,214)
Итого совокупный (убыток)/прибыль за год	-	-	(11,854,214)	7,986,327	(3,867,887)
Амортизация резерва по переоценке основных средств	-	-	(2,657,782)	2,657,782	-
Нетто эффект от признания и прекращения признания выданных займов (Примечание 11)	-	-	-	(849,804)	(849,804)
Нетто эффект от признания и прекращения признания финансовых гарантий (Примечание 21)	-	-	-	96,968	96,968
На 31 декабря 2024 г.	16,291,512	277,168	17,258,752	21,448,695	55,276,127

От имени руководства Группы:

Казановский А.А.
Генеральный директор

8 мая 2025 г.

г. Петропавловск, Республика Казахстан

Примечания на стр. 13-74 составляют неотъемлемую часть данной консолидированной финансовой отчетности.

Александрова Т.В.
Главный бухгалтер

АКЦИОНЕРНОЕ ОБЩЕСТВО «СЕВКАЗЭНЕРГО» И ЕГО ДОЧЕРНИЕ ПРЕДПРИЯТИЯ

КОНСОЛИДИРОВАННЫЙ ОТЧЕТ О ДВИЖЕНИИ ДЕНЕЖНЫХ СРЕДСТВ ЗА ГОД, ЗАКОНЧИВШИЙСЯ 31 ДЕКАБРЯ 2024 г. (в тыс. тенге)

	Примечания	2024 г.	2023 г.
Прибыль до налогообложения		10,254,328	2,761,828
Корректировки на:			
Износ и амортизацию	24,25,26,29	8,718,988	7,728,791
Финансовые расходы	27	4,546,086	4,565,194
Начисление/(восстановление) резерва под ожидаемые кредитные убытки, нетто	4	284,985	(47,613)
Начисление резерва по неликвидным и устаревшим товарно-материальным запасам	29	11,729	49,850
Убыток от выбытия активов	29	273,818	66,094
Начисление/(восстановление) резерва под обесценение авансов выданных	9	190,438	(17,086)
Восстановление убытка от обесценения основных средств, нетто	5	(474,857)	(744,845)
Убыток/(прибыль) от курсовой разницы, нетто	30	85,848	(463,510)
Амортизация доходов будущих периодов – доход от государственной субсидии	29	(106,925)	(106,925)
Финансовые доходы	28	(1,695,838)	(1,753,229)
Прочие		(62,037)	(28,868)
Движение денежных средств от операционной деятельности до изменений в оборотном капитале		22,026,563	12,009,681
Изменение товарно-материальных запасов		73,689	(71,779)
Изменение торговой дебиторской задолженности		(2,568,293)	(809,084)
Изменение авансов, выданных на приобретение краткосрочных активов		(12,631)	(130,259)
Изменение прочих текущих активов		42,345	155,867
Изменение торговой кредиторской задолженности		928,214	3,553,446
Изменение авансов полученных		(242,104)	(728,789)
Изменение прочих обязательств и начисленных расходов		(833,459)	871,962
Денежные средства, полученные от операционной деятельности		19,414,324	14,851,045
Налог на прибыль уплаченный		(569,606)	(423,451)
Проценты уплаченные	15,16	(4,427,302)	(4,258,835)
Чистые денежные средства, полученные от операционной деятельности		14,417,416	10,168,759

АКЦИОНЕРНОЕ ОБЩЕСТВО «СЕВКАЗЭНЕРГО» И ЕГО ДОЧЕРНИЕ ПРЕДПРИЯТИЯ

КОНСОЛИДИРОВАННЫЙ ОТЧЕТ О ДВИЖЕНИИ ДЕНЕЖНЫХ СРЕДСТВ (ПРОДОЛЖЕНИЕ) ЗА ГОД, ЗАКОНЧИВШИЙСЯ 31 ДЕКАБРЯ 2024 г. (в тыс. тенге)

	Примечания	2024 г.	2023 г.
Инвестиционная деятельность			
Приобретение основных средств		(12,362,815)	(13,021,888)
Приобретение нематериальных активов		(31,205)	(36,537)
Поступление процентов, начисленных на размещенные депозитные счета		270,674	105,268
Погашение займов, выданных связанным сторонам	11	2,353,000	1,900,000
Чистые денежные средства, использованные в инвестиционной деятельности		(9,770,346)	(11,053,157)
Финансовая деятельность			
Поступление займов	16	28,485,029	16,490,205
Погашение займов	16	(30,785,686)	(15,430,968)
Выкуп облигаций	15	(500,000)	(500,000)
Чистые денежные средства, (использованные в) /полученные от финансовой деятельности		(2,800,657)	559,237
Чистое увеличение/(уменьшение) денежных средств и их эквивалентов		1,846,413	(325,161)
Денежные средства и их эквиваленты на начало года	12	340,578	665,563
Изменение резерва под ожидаемые кредитные убытки	4	(1,008)	490
Влияние изменения обменного курса валют на денежные средства и их эквиваленты	30	(1,427)	(314)
Денежные средства и их эквиваленты на конец года	12	2,184,556	340,578

Неденежные операции:

В течение 2024 г. Группа заключила договор цессии, по которому ранее выданные авансы за основные средства на сумму 371,088 тыс. тенге подлежат возврату. Соответственно реклассифицировала данную задолженность в состав прочей дебиторской задолженности.

От имени руководства Группы:

Казановский А.А.
Генеральный директор

8 мая 2025 г.
г. Петропавловск, Республика Казахстан



Александрова Г.В.
Главный бухгалтер

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GLOSSARY

Overhead power transmission lines	one of the components of the electrical network, power equipment system, designed for transmission of electric energy using the electric current
Gigacalorie	unit of measure of quantity of heat energy used for evaluation at the heat power industry, heating systems, utilities
Gigacalorie per hour	derived unit characterizing the quantity of heat produced or used by any equipment per unit of time
Ash	non-combustible residual (in the form of dust) generated from mineral admixtures of fuel upon full combustion
Ash dump	place for collection and utilization of ash and slag wastes formed during solid-fuel combustion at the combined heat and power plants.
Calorie (cal)	special unit of heat quantity
Boiler unit	a device to produce the steam under pressure or hot water as a result of fuel combustion, electric energy use, heat of exhaust gases or technological process
Power transmission line (PTL)	a structure made of wires (cables) and auxiliaries for electric energy transmission from a power plant to consumers
Megawatt	unit of measure of the power in the electric power generation
Substation	an electrical installation designed for electric energy conversation and distribution and consisting of transformers or other energy convertors, switchgears, control devices and auxiliary structures
Available capacity of unit (plant)	the installed capacity of a generation unit (plant) excluding its capacity restrictions
Combined heat and power plant (CHPP, heat-electric generating plant)	a thermal power plant generating not only the electric power, but also heating supplied to consumers in the form of steam or hot water
Transformer	a device for transformation of any significant properties of energy (for example, electrical transformer, hydraulic transformer) or objects (for example, phototransformer)
Turbo unit	a combination of steam turbine, electric generator and exciter connected by one shaft line; it ensures the conversion of the potential steam energy into the electric energy
Installed capacity	applicable value of rated capacity of turbo units
Installed heating capacity of plant	sum of rated heat capacities of all the equipment accepted for operation under the statement and designed for heating supply to external consumers and for own needs with steam and hot water
Installed electric capacity of energy system	total rated active capacity of all the turbo and hydraulic units of power plants of the energy system in accordance with their passports or technical specifications
Emulsifier	a wet ash- and dust-cleaning unit functioning in the phase inversion mode

CTF (abbreviated Clean Technology Fund)	Clean Technology Fund
EBITDA	analytical indicator equal to the profit volume before deduction of expenses for payment of taxes, interests and accrued depreciation
ESAP	Environmental and social action plan
ISO	International Standardization Organisation
KEGOC	Kazakhstan Electricity Grid Operating Company JSC
OHSAS	International system for management of occupational health and safety
JSC	Joint-Stock Company
NKREDC JSC, North Kazakhstan REDC JSC	North Kazakhstan Regional Electric Distribution Company JSC
PHN LLP	Petropavlovsk Heating Networks LLP
ASCAHE	automatic system of commercial accounting of heat energy
ASCAE	automatic system of commercial accounting of electricity
GDP	gross domestic product
OL	overhead lines
OPTL	overhead power transmission lines
WPP	wind power plant
Gcal	gigacalorie
Gcal/h	gigacalories per hour
SDPP	state district power plant
GTPP	gas turbine power plant
HEPP	hydroelectric power plant
EBRD	European Bank for Reconstruction and Development
ACS	ash collection system
kWh	kilowatt-hour
MW	megawatt
MNE of the Republic of Kazakhstan	the Ministry of National Economy of the Republic of Kazakhstan
NGO	a non-governmental organisation
EP	environment protection
PCHPP-2	Petropavlovsk Combined Heat and Power Plant No 2
RoK	Republic of Kazakhstan
DEN	district electrical networks
ICS	internal control system
BD	Board of Directors



SSIW	self-supporting insulated wire
SKE JSC	SEVKAZENERGO JSC
SKES LLP	Sevkazenergosbyt LLP
Mass media	mass media
RMS	risk management system
SPP	solar power plant
Inventories	commodity and material valuables
LLP	limited liability partnership
TPP	thermal power plant
CHPP	combined heat and power plant
CAPEC JSC	Central Asian Power Energy Corporation JSC
CAEPCO JSC	Central Asian Electric Power Corporation JSC
PP	power plant
FUC	foamed urethane covering
Switchgear	outdoor switchgear
AT	auto-transformer
BS	boiler shop
TS	turbine shop
RES	renewable energy sources
BC	belt conveyor
WEM	wholesale electricity market
REM	retail electricity market
OUTS	outdoor unitized transformer substation
ACS PTC	automated control system for the process of technological connection to electrical networks
EE	electric energy
HE	heat energy
UPC	Unified Payment Center
SDW	solid domestic wastes
Safety	safety rules
OHS	occupational health and safety

CONTACTS

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