

INTEGRATED ANNUAL REPORT

2023



**SAMRUK-KAZYNA
ONDEU**

**DEVELOPING CHEMISTRY –
BUILDING THE FUTURE!**

Ort Viktor Vladimirovich,
Operator of the
Formulated Glyphosate Production Shop at CHEM-Plus LLP

GOAL AND BOUNDARIES OF THE REPORT

The goal of this integrated annual report is to provide the reader with complete information about all significant elements and directions of our activities.

Welcome to the pages of the annual report of Samruk-Kazyna Odeu, which includes a sustainability report.

This report provides answers to the questions about the Company's activities listed below:

- What is the business of the Company and its subsidiaries?
- What results has the SK Odeu group achieved in 2023?
- What is the Company's business model?
- What are the most important goals and objectives of the Company and how does it intend to achieve and implement them?
- What are the plans for the future in accordance with the Company's Development Strategy?

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ADDRESS OF THE CHAIRMAN OF THE SUPERVISORY BOARD

Dear participant, investors and partners!

Let us present to your attention the integrated Annual Report of Samruk-Kazyna Ondeu LLP, which contains information on the main results of operations, key events and financial results for 2023, as well as on strategic priorities and prospects for further development of the Company.

One of the main tasks of SK Ondeu LLP today is to attract investments in the development of the chemical industry in Kazakhstan, in this regard, we are actively searching for new partners, strategic investors and developing cooperation with key industry players. In accordance with the long-term Development Strategy of SK Ondeu LLP for 2023-2032, in 2023 the Company's activities were focused on upgrading the portfolio of projects in key areas of development: fertilizers for agriculture, petrochemicals and special chemicals.



Chairman
Supervisory Board
KOROTKOV IVAN FYEDOROVICH

In 2023, dividends in the amount of KZT2.9 billion were paid to the Sole Participant for the first time, which indicates the Company's ability to constantly improve, develop and adapt to changing market conditions.

The Company's revenue amounted to KZT33.7 billion, and EBITDA reached KZT5.2 billion.

At the same time, we pay attention not only to financial indicators. In our Development Strategy, we have set the task of adhering to the principles of ESG with a focus on occupational safety, industrial safety and environmental care. We pay special attention to the strategy in the field of HR development, improving the selection of projects considering the minimum impact on the environment, and the R&D development. In this direction, active work is underway to improve working conditions, introduce innovative safety systems, develop and implement personnel development programs, as well as implement R&D projects.

The Supervisory Board continues the practice of visiting subsidiaries; in 2023, we visited SSAP LLP, KUS LLP, Polymer Production LLP. On the territory of the NIPT SEZ, we inspected the progress of the Butadiene LLP project, and on the territory of SSAP LLP, we inspected the site intended for the expansion of the sulfuric acid plant.

A high-quality corporate governance system and an effective Supervisory Board are the most important conditions for the long-term sustainable development of a modern company. In 2023, the Supervisory Board has assessed the activities, which identified aspects for developing and improving.

We have set many ambitious plans and tasks for 2024, and I am sure that with the support and efforts of professionals who are working in the Company, we will do everything possible to take a worthy place in the chemical industry of the Republic of Kazakhstan.

On behalf of the Supervisory Board of the Partnership, I would like to express my gratitude to the Management Board, the staff, and the Sole Participant for their joint efforts to develop and establish SK Ondeu LLP.

Sincerely yours,
Chairman of the Supervisory Board
I. Korotkov



ADDRESS OF THE CHIEF EXECUTIVE OFFICER

Dear colleagues, partners, stakeholders and investors!

Let us present to your attention the Integrated Annual Report of SK Ondeu LLP for 2023, in which you can get acquainted with our achievements and important points of activity, taking into account economic, environmental, social and other aspects.

During 2023, SK Ondeu LLP continued its activities with an emphasis on the implementation of tasks defined by the Development Strategy for 2023-2032. So, in terms of creating new production facilities, we continued to work on projects for the production of sulfuric acid, butadiene, ammonium sulfate, as well as agricultural fertilizers, as part of the reorientation of production of our subsidiary, CHEM-Plus LLP.

Speaking about results of the year, I would like to note successful results of SSAP LLP - despite the delay in Q1, by the end of 2023 the plant exceeded the plan for the production and sale of sulfuric acid and reached a record net profit for KZT1.7 billion.

In order to meet the growing demand for sulfuric acid in Kazakhstan, our team is actively working on a project to expand the SSAP LLP plant twice and implement another project for the production of sulfuric acid in Turkestan region by 800 thousand tons for needs of the uranium industry.



Chief Executive Officer
MAULETOV DANIYAR NURLANOVICH

SK Ondeu LLP and Tatneft PJSC are working together on a project for the production of butadiene and its derivatives. In 2023, an important decision was taken on the project implementation strategy, and work is currently underway to select a supplier for the design and supply of equipment (EP).

In order to ensure synergy of petrochemical cluster projects as part of a single gas chemical complex in Atyrau region, the polymer production project of Polymer Production LLP was realized in December 2023 to JSC NC KazMunayGas.

Innovation and investment in R&D play a key role in the sustainable development of the chemical industry. Therefore, we actively cooperate with the scientific community to conduct joint research in the chemical field. In 2023, the implementation of three R&D projects approved by the Scientific and Technical Council of Samruk-Kazyna JSC began. These projects offer innovative solutions to environmental and agricultural problems.

The priority for SK Ondeu LLP remains the health and safety of the staff. We are doing intensive work in relation to the occupational safety and for the last three years, the injury rate with loss of working time (LTIF) has been maintained at 0.

The perimeter of our special attention also includes issues of sustainable development - ecology, gender equality, and social well-being of employees. So, we joined the Gender Equality program aimed at increasing the proportion of women in management bodies, the Green Office concept was introduced in the corporate center and subsidiaries, the "Young Chemist" competition was held, industrial relations (IR) standards are being introduced.

On behalf of the SK Ondeu top management team, I express confidence that with the support of the Sole Participant, investors and partners, our Company will continue to develop the country's chemical industry, achieving planned performance results and increasing the investment attractiveness of the Company for all stakeholders.

Sincerely yours,
Chief Executive Officer
D. Mauletov



15 YEARS OF ACTIVITY



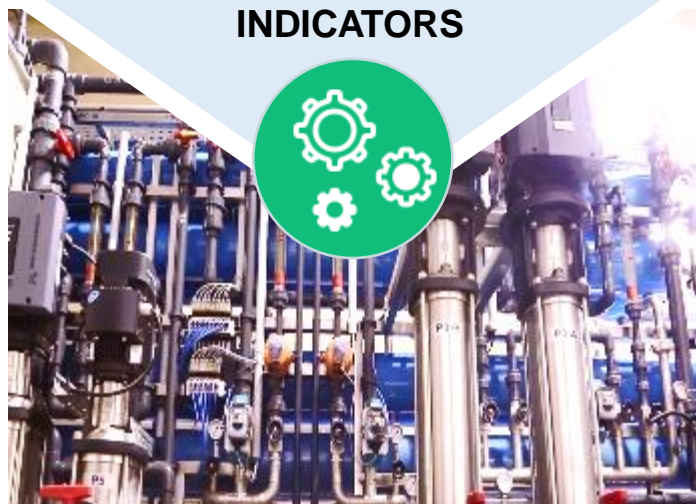
- 2008** • United Chemical Company LLP (Partnership) was established
- 2009** • The Partnership became a shareholder (51%) of the shares of SSAP (sulfuric acid plant)
- 2011** • The offtake contract was signed for the sale of 180 thousand tons of sulfuric acid of SSAP
The EDB loan for the reconstruction of SSAP was received
- 2012** • The Partnership became a member of KLPE LLP (25%), KPI Inc LLP (51%)
Subsidiaries - Polymer Production LLP and CHEM-Plus LLP - were established
- 2013** • Equipment was purchased for Polymer Production LLP through a loan from Sberbank
JSC MC SEZ Chempark Taraz was created
- 2014** • Subsidiary - KUS LLP - was established
The share in KLPE LLP was increased to 50%
KUS LLP was allocated financing from the Republican Budget for the project "Construction of production and general plant infrastructure facilities of NIPT SEZ"

- 2015** • Polymer Production LLP has launched the production of polypropylene bags and films
The SSAP sulfuric acid plant was put into operation
- 2016** • Polymer Production LLP launched a line of BOPP films
A loan from the Development Bank of China was received for the construction of the KPI project
50% stake of LG Chem in KLPE LLP was redeemed. The share amounted to 75%
- 2017** • KPI Inc. LLP received the conclusion of the State Expertise on the DED of the "Construction of the first integrated gas chemical complex" project
- 2018** • The Partnership's share in KPI Inc LLP was increased to 99%
CHEM-plus LLP received a license for the production and sale of pesticides
Subsidiary - Silleno LLP - was established
- 2019** • 90% of the shares of Chempark Taraz SEZ were transferred to state ownership
CHEM-plus LLP launched a formulation complex
KUS LLP launched a gas turbine power plant (GTPP) and a high-voltage line

- 2020** • Polymer Production LLP launched a line of rotogravure printing on polypropylene bags
- 2021** • Rebranding was carried out - Samruk-Kazyna Ondeu (SK Ondeu)
SSAP LLP provided access to the design capacity for the production of sulfuric acid
At the end of the year, the LTIF indicator = 0
- 2022** • Work has begun on a new R&D direction, the project "Production of hydrophilic colloidal sulfur"
The Development Strategy for 2023-2032 was approved.
The share in KLPE LLP was realized to JSC NC KMG
- 2023** • SK Ondeu was identified as the Trustee of TQZ LLP
SSAP LLP celebrated its 15th anniversary and provided a record net profit from the date of creation
The share of SK Ondeu in Polymer Production LLP was realized to KMG

COMPANY IN FIGURES

PRODUCTION INDICATORS



was produced

- 193.4 thousand tons of sulfuric acid
- 1 995 625 tons kWh of electricity
- 1 640 223 m3 of water
- 17.7 tons of BOP film
- 4.7 million of PP bags

FINANCIAL INDICATORS



- KZT33.7 billion - revenue
- KZT5.2 billion - EBITDA
- For the first time in the Company's history, dividends for KZT2.9 billion were paid

SUSTAINABLE DEVELOPMENT



1. The Green Office concept was introduced
2. 430 behavioral safety audits were held
3. The implementation of the Lean Manufacturing project was begun on the basis of SSAP LLP, developed by the 7 Kadam participants
4. The share of women in the Supervisory Boards of subsidiaries was 25% and 33.3%
5. The LTIF for the SK Odeu LLP group of companies was 0
6. The integrated sustainability report became the winner in the nomination "Best Annual Report of a Non-Public Company for 2022" according to KASE. It ranked 2nd in terms of ESG information disclosure among companies from other industries according to PwC Kazakhstan



KEY EVENTS OF 2023



February

SK Ondeu organized a conference on the topic: "Chemical industry: trends, prospects and opportunities"

The Annual Report of SK Ondeu became the winner of the KASE competition in the nomination "Best Annual Report of a Non-Public Company for 2021"

March

A number of management communication meetings were held with production employees of subsidiaries

April

CHEM-plus LLP has shipped herbicides for the sowing season and took part in the Agro Kyzylzhar 2023 exhibition, timed to coincide with the sowing campaign

May

Daniyar Nurlanovich Mauletov, the Chief Executive Officer of SK Ondeu, was appointed

CHEM-plus LLP took part in the Zhambyl Economic and Investment Forum international economic and investment forum

May

SK Ondeu has launched an R&D project to obtain sulfur-containing materials from production waste

SK Ondeu took part in the Chemical Industry of Kazakhstan conference

SK Ondeu has launched the implementation of the first stage of the strategy on creating the "green office" for the development of ESG culture

For the first time, dividends were paid to the Sole Participant in the amount of KZT2.9 billion

June - July

A qualifying Spartakiad was held among the employees of the Group of companies

CHEM-plus LLP presented its products at the Kazakhstan Field Day "Jana Dala" / "Green Day" exhibition

SK Ondeu has launched an R&D project to produce vermicompost

August

SSAP LLP celebrated the 15th anniversary of its activity

Specialists of the SKO subsidiary took part in the final of the Zheti Kadam project

September

Subsidiaries of SKO took part in the international exhibition INNOPROM

October

SK Ondeu held a Young Chemist competition

The Term sheet was signed on the main terms of cooperation and investment for the methanol production project

SKO took part in the ENERGY TRENDS: Gas & Petrochemicals conference

R&D project to obtain insecticides approved at the STC of the Fund

November

SK Ondeu took part in the international congress "Azot Sintezgaz. Uzbekistan and the CIS 2023"

SK Ondeu became a member of Butadiene LLP

December

SK Ondeu took part in the Forum of Samruk-Kazyna JSC on social and labor communications

SK Ondeu and SSAP took part in the XVIII International Conference "Sulfur and Sulfuric Acid 2023"

Polymer Production LLP was sold to KMG

December

SK Ondeu has been appointed Trustee of the sulfuric acid production project with a capacity of 800 thousand tons per year

SK Ondeu ranked second among companies from other industries in terms of ESG information disclosure (according to KASE)

SK Ondeu and KazAzot JSC signed a memorandum of cooperation within the framework of implementing an investment project for the production of ammonium sulfate

SSAP LLP has reached a record net profit

MISSION AND VALUES

MISSION



Development of the chemical industry in the Republic of Kazakhstan through rational and effective investments in chemical projects, as well as the formation of advanced competencies

VISION



The leading manufacturing holding in the Central Asian market for the production of chemical products with high added value

VALUES



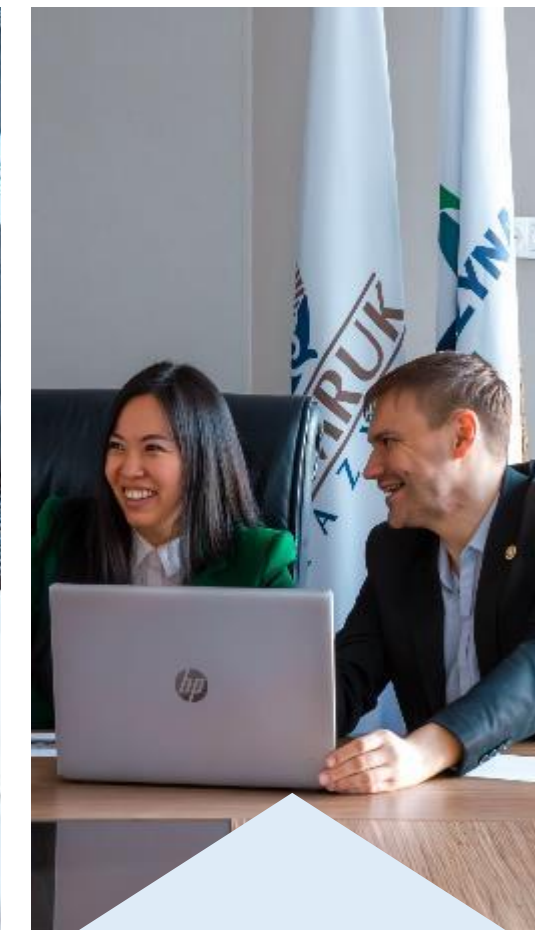
DEVELOPMENT



RESPONSIBILITY



COURAGE



TRANSPARENCY

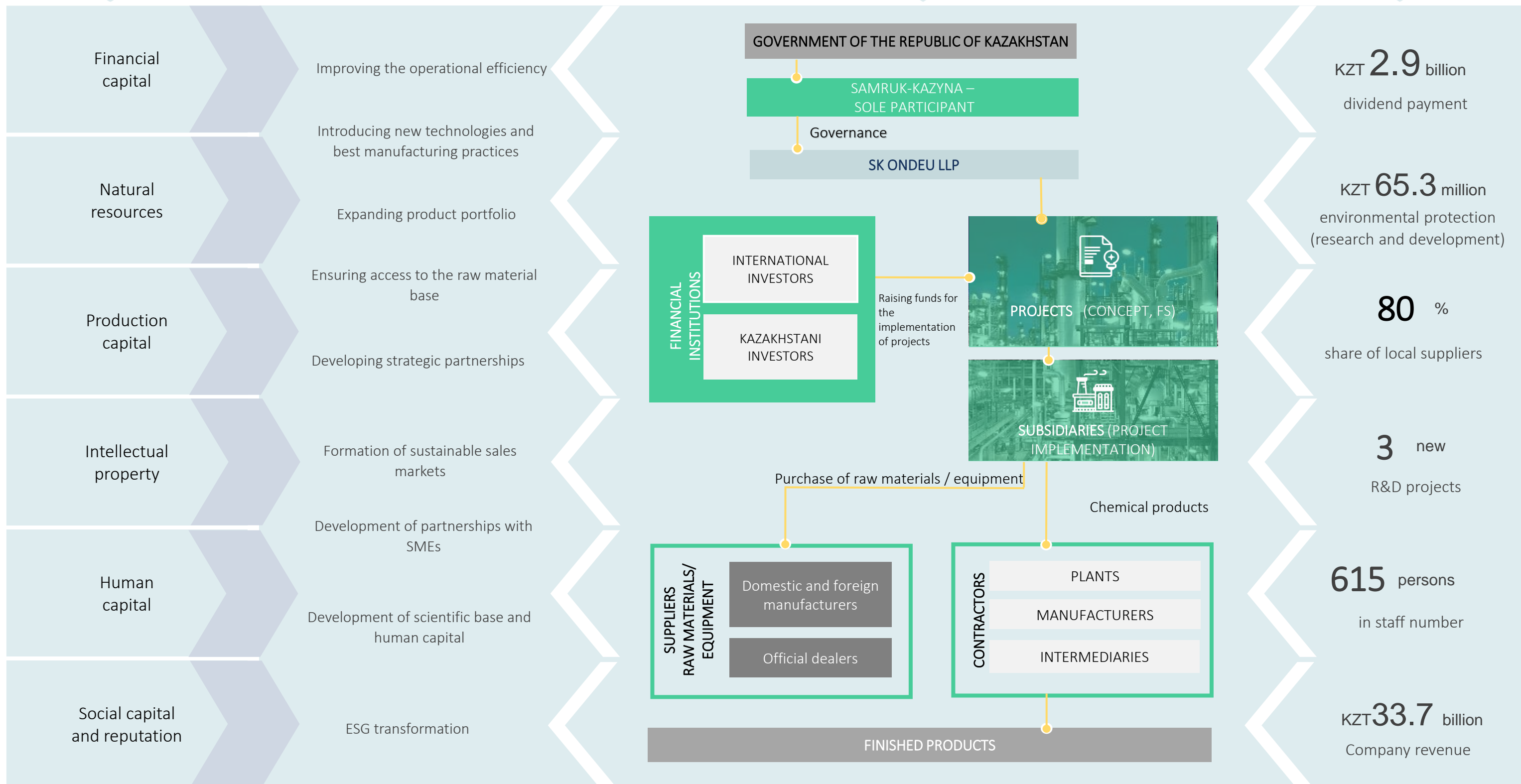
BUSINESS MODEL

CAPITALS

STRATEGIC GOALS

CYCLE

CREATING VALUE



GROWTH AND DEVELOPMENT

ABOUT THE COMPANY



NAME

Samruk-Kazyna Ondeu Limited Liability Partnership



IT WAS CREATED

by the decision of the Board of Directors of Samruk-Kazyna JSC of November 28, 2008 (Minutes No. 4) in pursuance of the Instruction of the President of the Republic of Kazakhstan given at the expanded meeting of the Government of the Republic of Kazakhstan of October 13, 2008 on "creation of a special company that will deal with chemical industry projects"

[More information about the Company at: www.o-sk.kz](http://www.o-sk.kz)



SOLE PARTICIPANT

Joint Stock Company "Sovereign Wealth Fund "Samruk-Kazyna"

TYPES OF ACTIVITIES



Organization and conduct of research, expertise and other work for the implementation of investment projects in the chemical industry



Organization and implementation of projects in the field of subsoil use necessary for the organization of investment projects in the chemical industry



Participation of the Partnership in the establishment and/or acquisition of shares of other legal entities for the implementation of investment projects in the chemical industry



Implementation of the best global corporate governance practices of legal entities, more than fifty percent of voting shares of which are owned by the Partnership

ASSET STRUCTURE

SKO has 5 organizations in its portfolio, including one project in agrochemistry, inorganic chemistry, petrochemistry and two infrastructure projects.



INORGANIC CHEMISTRY



SSAP LLP



AGROCHEMISTRY



CHEM-plus LLP



PETROCHEMICAL INDUSTRY



KPI Inc. LLP*



INFRASTRUCTURE PROJECTS



KUS LLP*



JSC MC SEZ
Chemical Park Taraz



* Projects transferred to trust management
 ** The project was transferred to KMG in December 2023.



DEVELOPMENT STRATEGY

The Supervisory Board of Samruk-Kazyna Ondeu LLP (SKO) has approved the Development Strategy of SKO for 2023-2032 by the decision of October 28, 2022, in accordance with the Development Strategy of the Sole Participant of SKO - Samruk-Kazyna JSC.

MISSION

Development of the chemical industry in the Republic of Kazakhstan through rational and effective investments in chemical projects, as well as the formation of advanced competencies.

VISION

The leading manufacturing holding in the Central Asian market for the production of chemical products with high added value.

The strategy will focus on **three priorities** affecting the entire SKO business:

- 1. OPERATIONAL EFFICIENCY
- 2. PRODUCTION DIVERSIFICATION
- 3. SUSTAINABLE DEVELOPMENT

The Development Strategy of SKO is aimed at implementing projects for the development of low-tonnage and medium-tonnage chemical products in the following **main areas of development**:

- 1. **AGROCHEMISTRY** will reduce import dependence on nitrogen and phosphate fertilizers, strengthen the country's food security, and create additional jobs.
- 2. **PETROCHEMISTRY** will provide the country with the necessary basic chemical products to stimulate the development of the chemical industry and further processing, reduce import dependence, and create additional jobs.
- 3. **SPECIAL CHEMICALS** will ensure the development of the production of high-grade chemical products, reduce import dependence, and create additional jobs.

We will focus on the following in order to implement these areas:

- **Partnership development.** We encourage and promote honesty and openness in building trusting relationships with business partners and declare our readiness to build an open dialogue with all key stakeholders, including, but not limited to representatives of SMEs, trade unions, associations and public associations, ministries, committees, business representatives, processing enterprises, suppliers of raw materials and technologies, etc.
- **Human capital development.** The main value in the SKO Group of Companies is people, so we will continue to invest in the development of new competencies, introduce various mechanisms for the effective transfer of knowledge and experience, to attract and retain talented personnel in order to ensure the further sustainable development of the group.

• **ESG-transformation.** SCO will make a voluntary contribution to the development of society, including the social, economic and environmental spheres, as well as adhere to high corporate management standards and implement ESG principles in the SKO Group of Companies.

• **R&D development.** Innovation and investment in R&D are among the main factors of sustainable growth of the industry. For these purposes, we will build effective relations with the research community, Kazakh universities for joint research in the field of chemistry.

DEVELOPMENT STRATEGY

Report on implementing strategic goals in 2023

Strategic goals	Key results
<p>Profitability and financial stability of SKO subsidiaries</p>	<p><u>SSAP LLP.</u> The main sulfur agreement with TCO is valid until 2029. Contracts for the supply of sulfuric acid in 2024 have been concluded with several third-party consumers.</p> <p><u>CHEM-plus LLP.</u> Work is underway to transfer infrastructure facilities that are not related to the operation of the production of CHEM-plus herbicides. Negotiations are underway with a potential investor who is interested in establishing the production of mineral fertilizers by modernizing the existing production of CHEM-plus. As a result, the product portfolio will be expanded.</p> <p>SK Ondeu LLP has terminated its participation in the activities of <u>Polymer Production LLP</u> by selling its share in the authorized capital in favor of KMG.</p> <p><u>KUS LLP</u> was transferred to the trust management of KMG.</p>
<p>Improvement and automation of Business processes</p>	<p>Automated processes have been developed and implemented, including cybersecurity training, conflict of interest declaration and HSE application processing. The service automation platform is being finalized using CRM robots for automatic responses. An automatic backup system for information assets has also been implemented.</p>
<p>Implementation of new projects</p>	<p>Active work is underway to implement new projects, including a project to expand the capacity of the sulfuric acid plant of SSAP LLP by 180 thousand tons, a project for the production of sulfuric acid in Turkestan region by 800 thousand tons, as well as projects for the production of ammonium sulfate, butadiene, agricultural fertilizers, as part of the reorientation of production of the subsidiary - CHEM-plus LLP.</p>

Strategic goals	Key results
<p>Raw materials supply agreement</p>	<p>Negotiations are underway with sulfur producers on the terms of sulfur supply.</p>
<p>Attracting a partner to existing enterprises and projects</p>	<p>Information about promising SKO projects is presented at the forums -Azot Sintezgaz and Energy Trends: Gas&Petrochemicals. A register of potential partners has also been compiled, which is regularly updated. The search for partners is ongoing, meetings have been held with BASF, CNCEC, CDIF, AMK Global, CEF, Shell and others.</p>
<p>Trade integration with the Fund's subsidiaries</p>	<p>SKO is implementing a project for the production of sulfuric acid with a capacity of 800 thousand tons. The FS development was completed, and a positive conclusion of the state expertise on the FS has been received. Basic design has been started.</p>
<p>Creation of an information and analytical support center for SMEs</p>	<p>Information about activities, information and analytical data are published on the corporate website www.o-sk.kz and on SKO social networks (LinkedIn, Telegram, Facebook), as well as in the media. The main PR events in 2023 include conferences, analytical work, communication meetings, interviews in magazines, reports on the results achieved, celebrating the anniversary of SSAP LLP, holding competitions, participating in exhibition events and forums, as well as signing memoranda and cooperation agreements</p>
<p>Professional and efficient team. R&D development</p>	<p>31 employees have completed training activities to improve their professional skills. Team-building activities were also carried out to improve the internal climate. The size of official salaries of production personnel was revised.</p> <p>The methodology for the search and evaluation of R&D projects was introduced. 12 scientists were involved in the SKO STC, cooperation with research institutes and universities continues. 3 R&D projects are being implemented, financing is planned at the expense of the CSTI</p>
<p>ESG Culture</p>	<p>The Supervisory Board approved the "Action Plan for the Implementation of ESG Indicators of SKO for 2023-2024". By the end of 2023, the performance was 100%.</p> <p>The implementation of the Green Office project has begun, including separate waste collection and energy saving.</p> <p>The Annual Report for 2022 was approved and posted on the Company's website.</p>

SWOT-ANALYSIS

S

STRENGTHS



- The state status of the Company and support from Samruk-Kazyna JSC and the state
- The possibility of placing operating assets in a Special Economic Zone (SEZ)
- Intra-holding cooperation within the framework of the Fund's activities, both as part of the provision of raw materials and as part of the sale of finished products
- Access to domestic sales markets

W

WEAKNESSES



- Lack of own raw material base
- Lack of own financial resources
- Remoteness of export markets
- Dependence on access to technology due to a lack of scientific and technical base
- High costs for the sale of products, including the cost of logistics

O

OPPORTUNITIES



- The possibility of concluding long-term contracts for the supply of raw materials
- The possibility of obtaining state support measures
- The possibility of creating joint ventures with the involvement of strategic partners
- A growing and capacious domestic market for chemical consumption
- The possibility of obtaining a high share in the production and supply of valuable chemical products such as sulfuric acid, fertilizers, catalysts, etc.

T

THREATS



- High competition in the chemistry market
- Duties/non-tariff barriers in importing countries
- Insufficient protection of the domestic market through tariff and non-tariff barriers
- Threat of disruption of the project deadlines and their cost increase
- Regulated construction procedures (SNIPs, permits, approvals)
- Errors in the design and planning of work, supplies of materials and equipment

PEST-ANALYSIS

P

POLITICAL FACTORS



- Changes in the political situation in the country
- Changes in the policy of Samruk-Kazyna JSC in the PC management
- Changes in legislation in the field of ecology, health and access to raw materials
- Unstable political situation in the region
- Introduction of sanctions against strategic partners
- Changes in economic rates in neighboring countries
- Changing the global political course towards "Greening"

E

ECONOMIC FACTORS



- Rising oil prices
- High level of inflation, negatively affecting the economic situation
- High interest rate on loans, putting pressure on economic activity
- Changes in tax legislation in importing countries, such as the introduction of a carbon tax, etc.
- A potential global economic or financial crisis that could negatively affect the economy of Kazakhstan

S

SOCIAL FACTORS



- Population growth in Kazakhstan
- Changes in the level of education and qualifications of personnel
- Insufficient level of qualification of personnel in the chemical industry and lack of appropriate education programs
- Availability of inexpensive labor
- Attracting qualified foreign labor force with experience in innovative technological processes

T

TECHNOLOGICAL FACTORS



- Lack of necessary technologies for the production of target products
- Introduction or popularization of new/"green" chemical products
- Lack of scientific and technical base for the development of chemical technologies
- Lack of necessary raw materials for production, e.g. lack of water at the production site
- Lack of coordination between key stakeholders at the level of the country on the development of the chemical industry

MARKET OVERVIEW

Chemistry is essential in modern life. From household and personal care products to clothing and sports equipment, cars and electronics, chemistry helps create thousands of products that we use every day. Thanks to innovations in chemistry, cars can be made

lighter and more economical, building materials are more durable and stable, and cell phones, computers and televisions, and other electronics can have improved functionality to meet the technological needs of modern consumers.

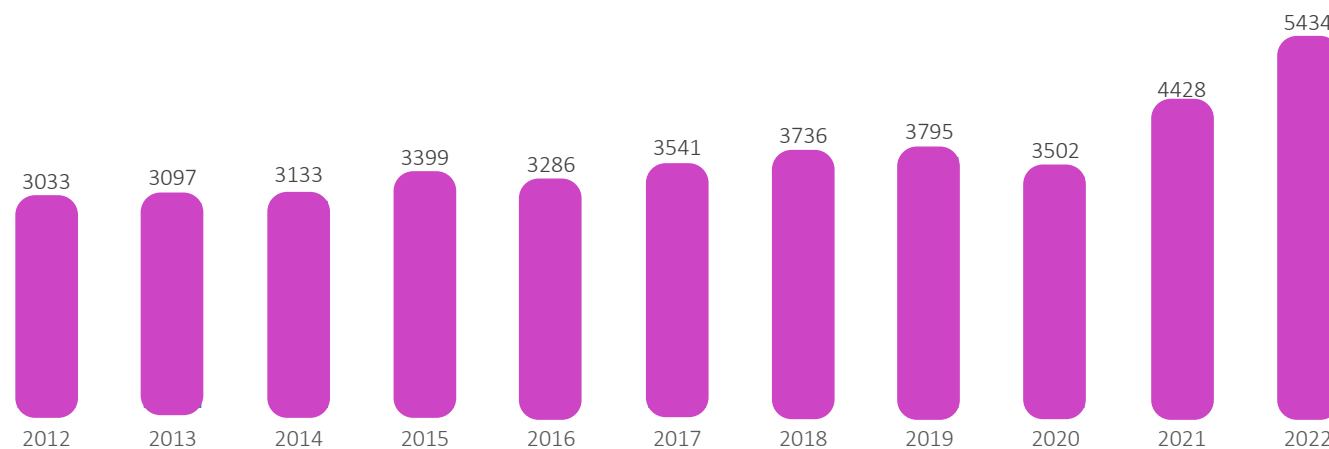
If before the 90s the chemical industry was mainly concentrated in developed countries, then in the 90s the developing countries of Asia and Latin America, attracting foreign investment, primarily from

developed countries, became new centers of the chemical industry. By the 2000s, the Middle East was rapidly becoming a major player in the global petrochemical markets.

ANALYSIS OF GLOBAL TRENDS AND PROSPECTS IN THE CHEMICAL INDUSTRY

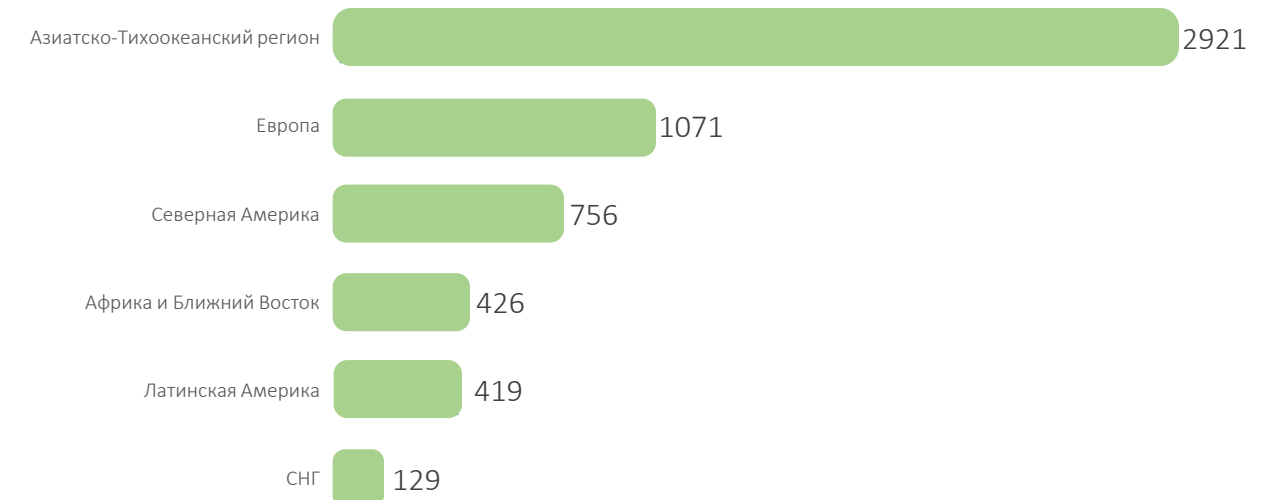
The COVID-19 pandemic had a significant impact on the industry - the total income of the chemical industry decreased by 35% in 2020, in 2021 the industry showed signs of recovery, reaching a record high income for 4.4 trillion euros (USD4.7 trillion). In 2022, revenue increased even more, reaching 5.43

trillion euros (USD5.72 trillion). Despite this volatility, the chemical industry continues to make a significant contribution to the global economy and is expected to continue to grow as innovations become available.



Dynamics of the global chemical products market 2012-2022, billion euro

Source: The European Chemical Industry Council



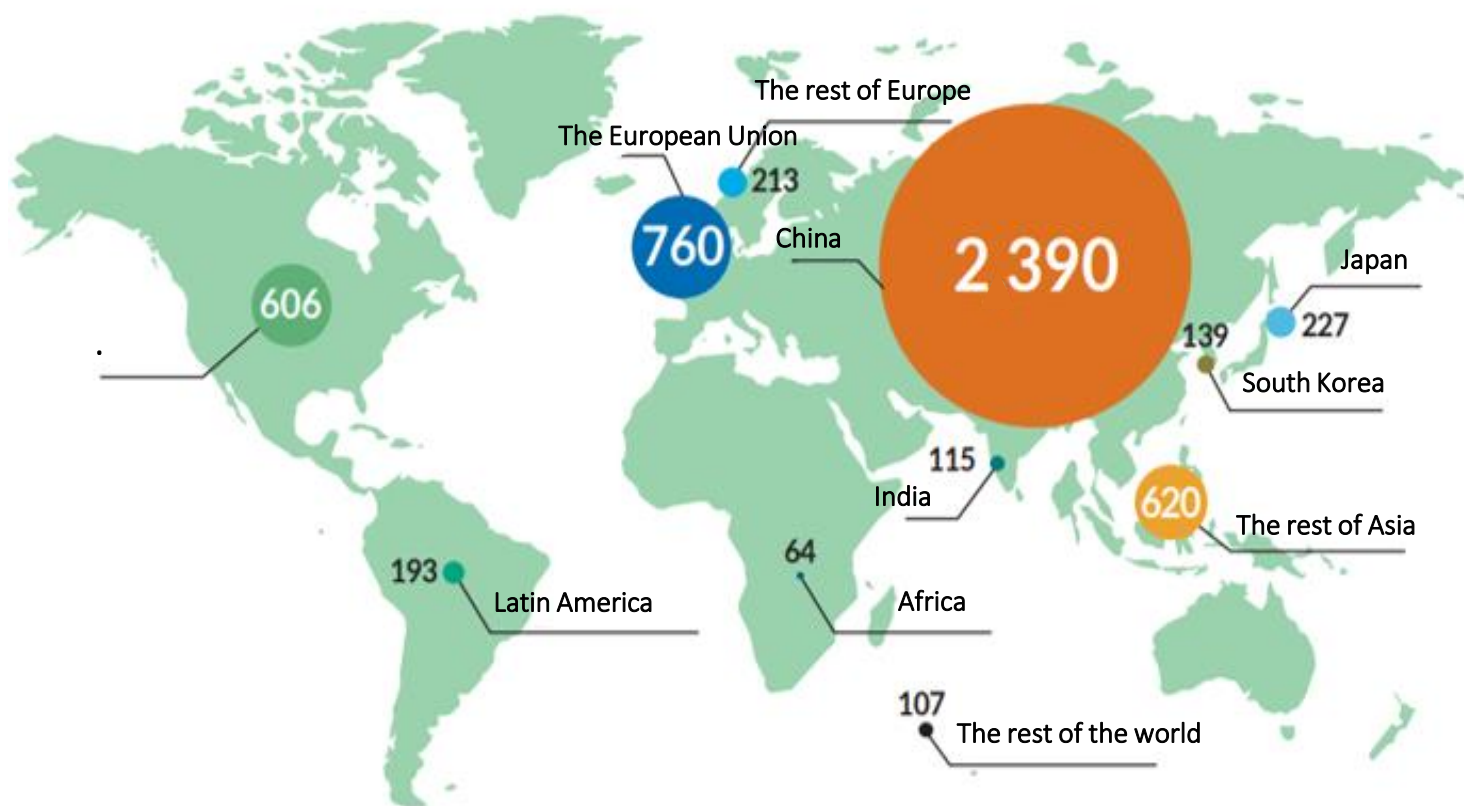
The volume of sales of chemical products in 2022 by region, USD billion .

Asia currently plays a significant role in the global chemicals market and regional consumption of chemicals continues to grow at the fastest pace in Asia. So, if in 2009 Asia accounted for about 41% of the

global chemical market, then in 2022 Asia accounted for almost 65% of global chemical consumption, of which China accounted for the largest contribution – 2390 billion euro (4 times higher than the consumption of chemicals in the USA).

Source: <https://www.statista.com>

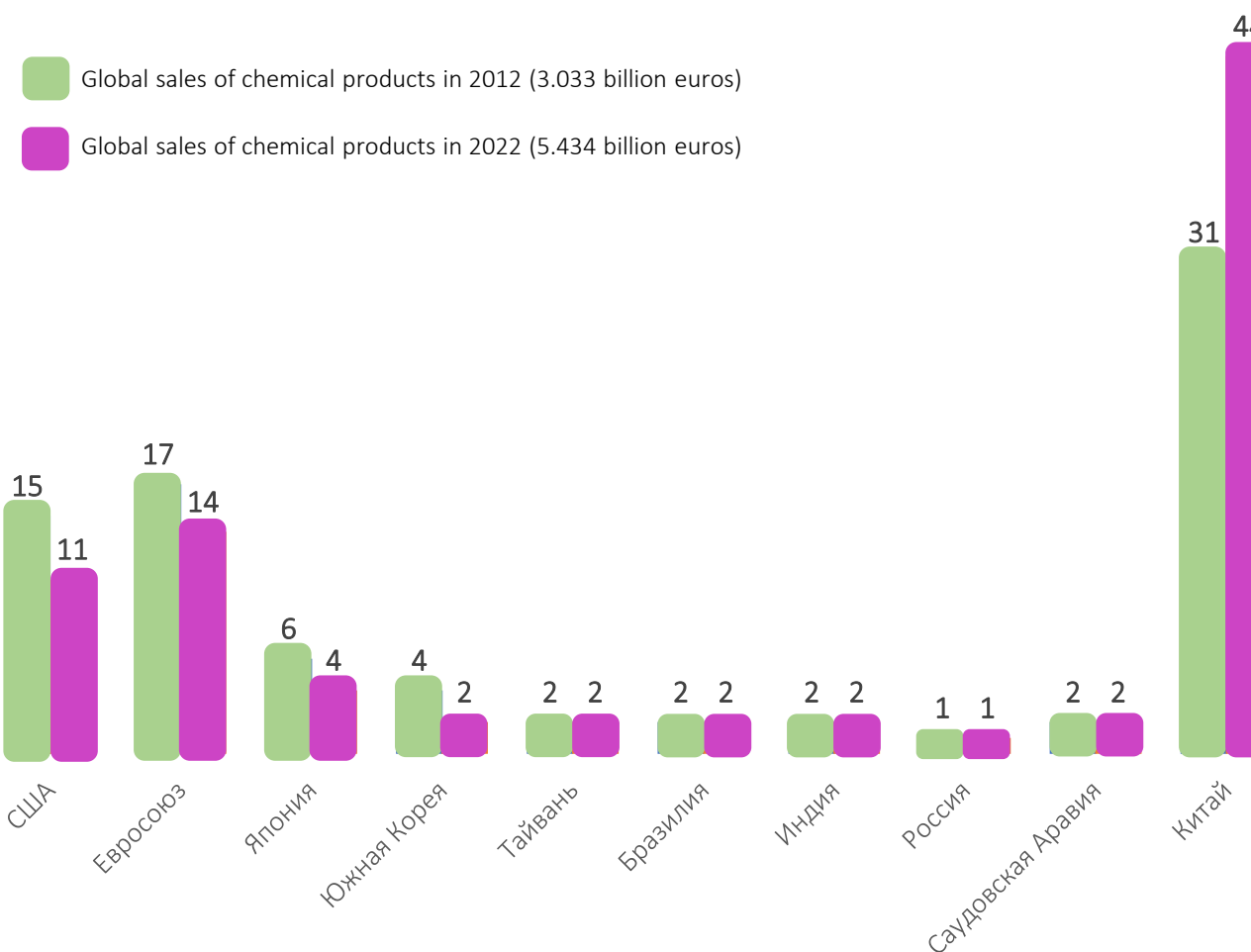
MARKET OVERVIEW



Global sales of chemical products in 2022, billion euro

Despite the ongoing real estate problems and deflationary pressures, China has continued to implement an ambitious industrial development strategy for several years to transition from a "big country" to a "great power" in the oil and chemical industries. In 10 years, China's share of the total global

market has grown from 31% to 44% of global sales. The sales level in China is higher than in the following eight countries and the EU combined. At the same time, back in 2007, China's share was less than 15% of global sales.



The structure of the global chemical products market by country in 2012-2022, %

The "basic chemistry" segment, including inorganic substances, basic petrochemicals, as well as rubbers and resins, accounted for the majority of the world's chemical products totaling more than USD3.29 trillion .

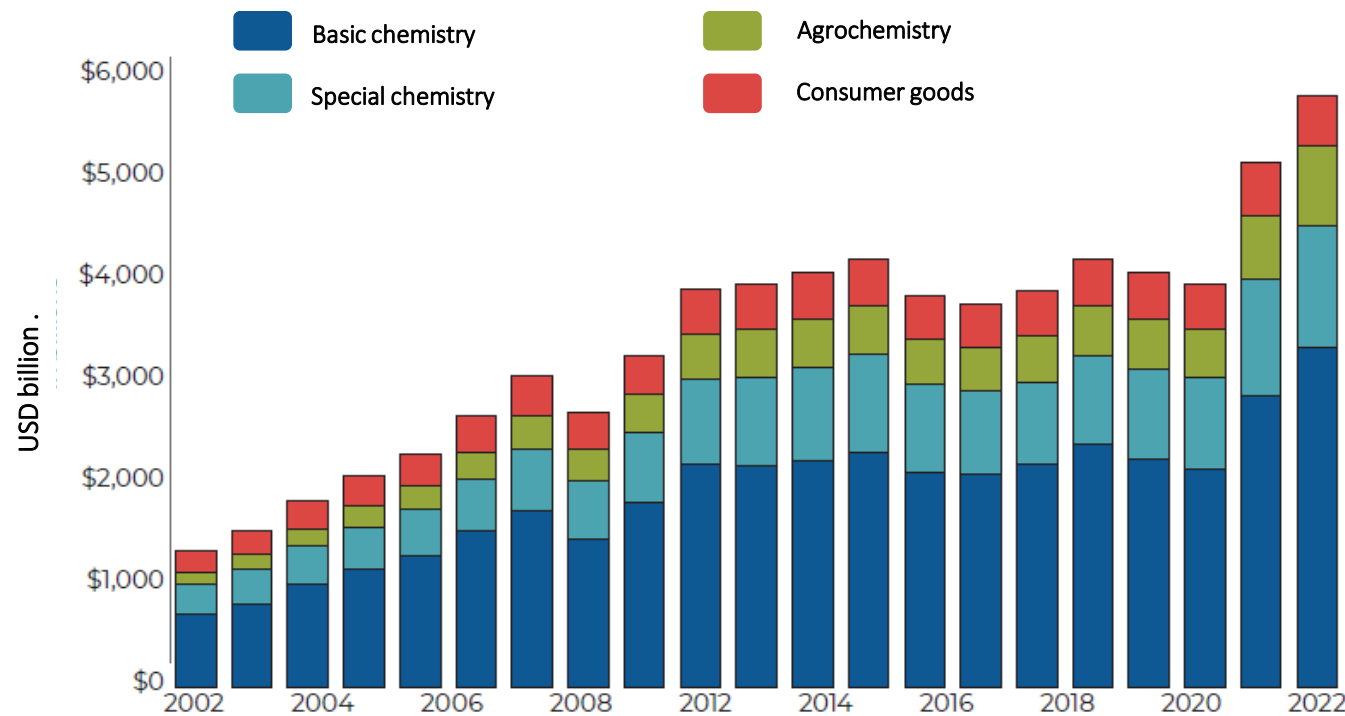
Despite the significant growth of the market in the post-pandemic 2 years, experts and analysts are extremely cautious about predicting further market growth with a gradual slowdown due to low growth rates of consumer goods.

Deflationary pressure and the crisis of overproduction in China, measures to reduce inflation in the United States and Europe and rising interest rates, consequences of the armed conflict between Russia and Ukraine result in a slowdown in commodity markets.

Moody's cited political risks and trade tensions as main factors changing the outlook for the chemical industry.

Source: Cefic: Facts&Figures 2023

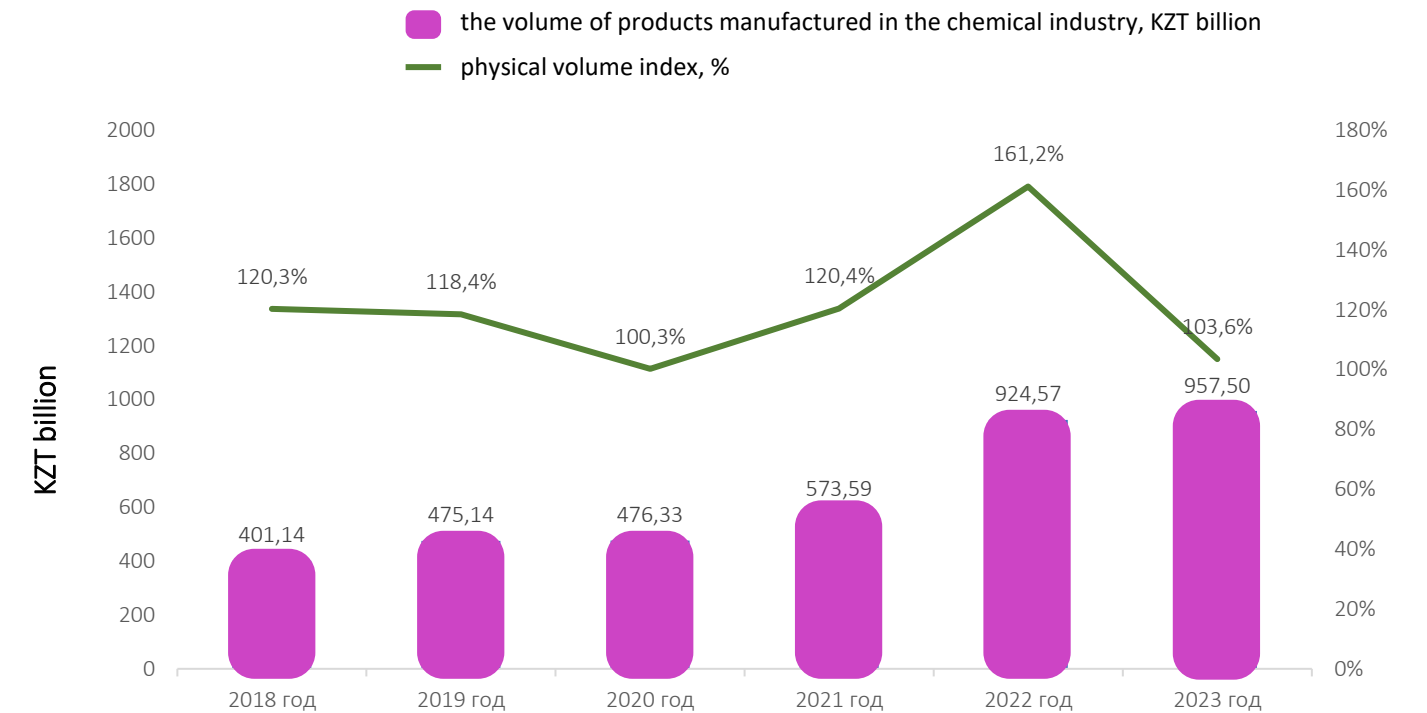
MARKET OVERVIEW



The structure of the global chemical market by segment, USD billion.

DEVELOPMENT OF THE CHEMICAL AND PETROCHEMICAL INDUSTRY IN KAZAKHSTAN

Kazakhstan has huge reserves of mineral and hydrocarbon raw materials and is among the top 15 leading countries in the world according to this indicator. In this regard, the chemical industry has huge growth potential. At the same time, the chemical industry of Kazakhstan remains undeveloped - the share in GDP is 1% (in Russia - 5.3%). The volume of production of the chemical industry in January-December 2023 in value terms amounted to KZT957.5 billion, which is 3.6% higher than in the same period of 2022.



Dynamics of production of the chemical industry of Kazakhstan, KZT billion

The largest increase in production volumes in physical terms is shown by the following products: carbon dioxide (+3.4%), chromium oxide (+4.3%), hydrofluoric acid (+81.6%), styrene polymers (+3.4%), polyurethanes in primary forms (+17.8%), paints and varnishes based on polymers (+3.8%), detergents (+20%), due to demand in chemical and related industries (beverage production, agriculture and utilities, construction, etc.). The main reason for the growth is an increase in demand in related industries (MMC, beverage production, construction, etc.).

In the production of chemical products, the main share is made up of other inorganic substances – 46%, fertilizers and nitrogen-containing substances – 19%, other chemical products – 7%, dyes and pigments – 6%, industrial gases – 5%, plastics in primary forms - 4%, pesticides and other agrochemicals – 3%. The volume index was 100.2%.

Exports of chemical products in value terms in January-November 2023 amounted to USD1 767.7 million, which is 14.3% more as compared to the same indicator in 2022. The main export countries are Russia (30%), China (20%), Uzbekistan (9.0%).

Imports of chemical industry products in January-October 2023 amounted to USD4 356.3 million, which is 7.8% more than in the same period in 2022. The main importing countries are Russia (38%), China (19%), Germany (6%). The market volume of chemical products in January-November 2023 amounted to USD4 480.8 million (KZT2 043.6 billion), which is 4.9% more as compared to the same period in 2022. It should be noted that the growth of imports (+7.7%) exceeded the volume of production (+5.9%) and exports (+14.3%). The share of imported products was 97.2%.

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

ACHIEVEMENTS AND PROSPECTS

PROJECT IMPLEMENTATION

There are 3 active projects in the portfolio of Samruk-Kazyna Ondeu LLP, 1 of which is in trust management.

Due to changes in the Partnership's asset portfolio in 2023, the information in the Annual Report includes, in addition to the Partnership's data, data from the following operating subsidiaries of the Partnership:

1. **CHEM-plus LLP** - complex of glyphosate formation in Zhambyl region;
2. **SSAP LLP** - sulfuric acid production in Akmola region;
3. **KUS LLP** - construction of facilities for production and general plant infrastructure of the NIPT SEZ

KUS LLP - a project for the construction of infrastructure facilities to provide basic production facilities in the NIPT SEZ of Atyrau region, has been under the trust management of JSC NC KazMunayGas since December 2023. In this regard, information about the activities of KUS LLP is included in this annual report.

Polymer Production LLP was sold to JSC NC KazMunayGas in December 2023, and therefore information about this company is contained in the Annual Report of JSC NC KazMunayGas.

The interest in the KPI project amounts to 9.5%, in addition, this project has been transferred to trust management, therefore information about it is not published in this Annual Report.

Detailed information on the results of ongoing projects is presented in this section.



Reconstruction of a sulfuric acid plant in Akmola region

SSAP LLP

Project purpose is the development of the chemical industry of the Republic of Kazakhstan through the processing of sulfur and the use of modern technologies.

Location: Akmola region, Stepnogorsk, industrial zone

Production capacity: 180 thousand tons per year

Activity: production of sulfuric acid by processing sulfur obtained during oil refining

Commissioning: October 2015

Number of employees: 224 persons, of which 198 are production personnel, 26 persons are AMP.

Source of financing: money of Samruk-Kazyna JSC and borrowed funds



KEY INDICATORS FOR 2023



Sulfuric acid production volume, thousand ton

193.4

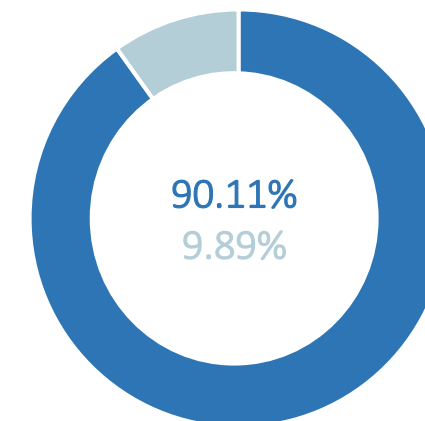


Sulfuric acid shipment volume, thousand ton

193.1

EBTIDA, KZT million

2 597.8



Participants:

- Samruk-Kazyna Ondeu LLP
- JSC NAC Kazatomprom

Glyphosate formation complex in Zhambyl region

CHEM-plus LLP

Project purpose is the production and sale of plant protection products (herbicides) for the Kazakhstan market

Location: Zhambyl region, Taraz Chemical Park SEZ

Commissioning: January 2019

Activity:

Production of liquid herbicides based on glyphosate (formulate) up to 2.9 million liters per year.

Production of granular herbicides based on glyphosate (formulates) up to 1000 tons per year.

Number of employees: 40 persons, of which 30 are production personnel, 10 persons are AMP.

Source of financing: money of Samruk-Kazyna JSC



KEY INDICATORS FOR 2023



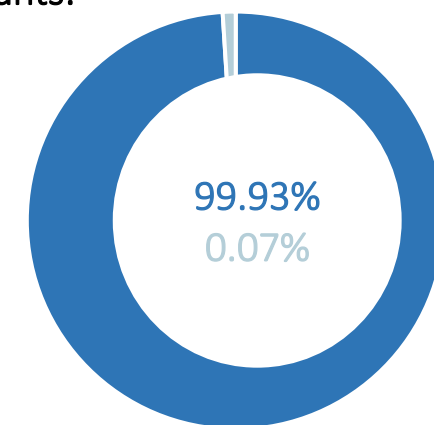
Volume of production of liquid glyphosate formula, thousand liter 37.5



Volume of sales of liquid glyphosate formula, thousand liter 180.9

EBTIDA, KZT million (1 017.6)

Participants:



- Samruk-Kazyna Ondeu JSC
- Samruk-Kazyna Invest LLP

Construction of infrastructure facilities of the NIPT SEZ

KUS LLP

Project purpose is the construction of facilities for production and general plant infrastructure of the NIPT SEZ

Location: Atyrau region, NIPT SEZ

Implemented infrastructure projects:

- Construction of a 310 MW Steam and Gas Turbine Power Plant (December 2019)
- Construction of 2 overhead lines of 220V for the needs of KEGOC JSC - 41 km (July 2019)
- Construction of an On-site highway - 2.8 km (July 2019)
- Installation of water treatment and wastewater treatment, Stage 1 (December 2021)
- External water supply - main water pipeline, 31 km (April 2021)
- Corridor of Engineering networks (April 2021)

Number of employees: 313 persons, of which 246 are production personnel, 27 persons are AMP.

Source of financing: money of the republican budget and Samruk-Kazyna JSC



KEY INDICATORS FOR 2023



The volume of electricity production, megawatt/h

1 995 625.6



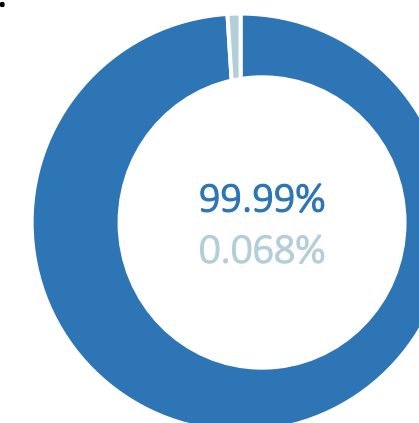
Volume of water production, m3

1 640 223

EBTIDA, KZT million

9 021.8

Participants:



■ Samruk-Kazyna Ondeu LLP
 ■ Polymer Production LLP

4 FINANCIAL AND ECONOMIC INDICATORS

Revenue for 2023 amounted to KZT33.7 billion, the cost of KZT26.5 billion, which is 10% and 7% lower, respectively, than in 2022, which is related to downtime of Polymer Production LLP due to the fact that KPI LLP was not put into operation, as well as the lack of raw materials at an affordable price for the production of competitive products. Thus, the gross profit in 2023 amounted to KZT7.2 billion.

Administrative expenses amounted to KZT3.3 billion, which is 27% lower than in 2022 due to the withdrawal of KLPE (autumn 2022) and a decrease in the share of KPI (autumn 2022 from 99% to 9.5%),

respectively, excluded from consolidation in 2023.

Financial income for KZT3.2 billion was received through the placement of funds in deposit accounts and securities of the National Bank of the Republic of Kazakhstan;

Financial expenses amounted to KZT5.7 billion. The main expenses under this item are depreciation of the discount on concessional loans of the Fund and interest on other loans;

Results of financial and economic activity for 2021-2023, KZT million

Name	2021	2022	2023
	Actual	Actual	Actual
Income from sales	36 096	37 486	33 682
Realization cost	-29 136	-28 577	-26 460
Gross income	6 960	8 909	7 222
General and administrative expenses	-4 081	4 518	3 302
Transportation and sales expenses	1 151	745	1 281
Operating income (loss)	1 728	3 646	2 638
Financial income	1 863	2 227	3 187
Financial expenses	-6 031	-6 017	-5 659

Name	2021	2022	2023
	Actual	Actual	Actual
(Loss)/ income from currency difference	359	-956	-37
Share in income /(loss) of associates and joint venture	-219	31 587	-3 642
Non-financial asset impairment loss, net	-2 542	-16 973	-8 835
Net increase in the inventory for expected credit losses	-500	-102	-881
Other expenses, net	-802	-2 151	-9 664
Income/(loss) before taxation from continuing operations	-6 145	11 261	-22 894
Income tax savings / (loss)	-468	422	-791
Net income / (loss) for the year from continuing operations	-6 613	11 683	-23 684
Loss after tax for the year from discontinued operations	-32 182	-156 935	-
Net loss for the year	-38 795	-145 253	-23 684

The share of loss of associates and joint ventures, in this case in KPI, amounted to KZT3.6 billion.

The loss from the assets impairment for KZT8.8 billion is related to the impairment of the following companies: Polymer Production, CHEM-plus, SEZ Chempark Taraz and NIPT SEZ.

Other expenses amounted to KZT9.7 billion, including:

- 1) environmental penalty, as well as a reserve for wastewater disposal,
- 2) Polymer Production downtime costs,
- 3) write-off of materials and depreciation of fixed assets for production projects during downtime of CHEM-plus

FINANCIAL AND ECONOMIC INDICATORS

During the reporting period, the total income of the Partnership amounted to KZT38 004 million. The actual income from sales amounted to KZT33 682 million:

- The lack of product sales by Polymer Production and CHEM-plus resulted in significant amounts of lost revenue and cost savings.
- The income from the sale of BOPP films were not fulfilled due to the downtime of the BOPP line in view of negative gross profit indicators in 2022, and as a result - the lack of opportunity to buy raw materials (the geopolitical situation, price dumping, sale at a loss result in the expenditure of

working capital). In 2023, the remnants of the BOPP film were sold out of stock;

- The income from the sale of glyphosate formulate turned out to be lower than the 2022 Actual, due to the purchase of raw materials in 2022 at USD10/1 kg, and in fact in 2023 the price was USD3/1 kg, which resulted in the decrease in competitors' prices and the inability to sell manufactured products.
- The dynamics of revenue growth in 2023 is observed for other types of activities.

Name	2023		2022		Change, KZT million	Change, %
	in % to total expenses	KZT million	in % to total expenses	KZT million		
Expenses, total	100%	36 703	100%	39 857	-3 154	-8%
Cost	72%	26 460	72%	28 577	-2 117	-7%
General and administrative expenses	9%	3 302	11%	4 518	-1 216	-27%
Transportation and sales expenses	3%	1 281	2%	745	536	72%
Financial expenses	15%	5 659	15%	6 017	-357	-6%

The change in costs is due to the following factors:

- The reduction of the cost of production is due to the lack of sales of polymer products;
- Transportation costs have increased due to the increase in

tariffs for railway services;

- The general and administrative expenses decreased by KZT1.2 billion as compared to the Actual of the same period in 2022, mainly due to the withdrawal of KPI LLP, KLPE LLP and Silleno LLP from the group.



DEVELOPMENT PROSPECTS

In the coming year, we will focus on maximizing the production and financial results of our subsidiaries, and will continue to actively work to reduce risks and ensure stable growth of our business.

The key areas of activity in accordance with the Development Strategy for the next year will be to improve operational efficiency, sustainable development and diversification of production. We intend to implement all necessary measures to achieve these goals.

In terms of Subsidiaries, we plan the following:

In terms of the project of CHEM-Plus LLP in 2024, we face a number of important tasks, including completing the process of transferring infrastructure to state ownership, choosing the optimal option for transferring an asset to a competitive environment with the withdrawal of liquid assets, as well as the creation of new production facilities and joint projects with investors.

In terms of the project of SSAP LLP, the main tasks for 2024 will be the execution of the production program, carrying out repairs of buildings and premises, improving the material and technical equipment of production processes. In 2024, it is expected to complete the work on the development of a feasibility study for a project to double the production capacity of SSAP LLP, as well as begin the development of design estimate documentation.

In terms of the project of KUS LLP, in 2024 it is planned to complete the adjustment of FS 4.0 and the development of design estimate documentation for infrastructure facilities, FS of an additional 165 MW power unit and obtaining a positive conclusion from Gosexpertiza RSE. It is also planned to start construction and installation work on infrastructure facilities.

In terms of the project of Butadiene LLP, construction and installation works are planned to begin in 2024.

Next year, we also plan to actively implement projects related to promising areas identified in our Development Strategy.

It is planned to complete the basic design of the project for the production of sulfuric acid with a capacity of 800 thousand tons in Turkestan region.

It is also planned to structure a transaction with KazAzot JSC for the production of ammonium sulfate in Aktau and start the development of a project FS.

In addition, we will continue to implement R&D projects on the creation of building materials containing sulfur; on the production of humic biofertilizers; on the development of a sulfur-based product that makes soil more fertile.

We are focused on the successful implementation of the above projects, as they have strategic importance for our Company and for the development of the country's chemical industry.

We strive to attract partners for the successful implementation of new promising projects. We believe that partnership with other companies and organizations can significantly expand our capabilities and accelerate the achievement of our goals.

We strive to build mutually beneficial and long-term partnerships based on mutual confidence.

EFFECTIVE MANAGEMENT

To ensure the effectiveness and efficiency of its activities, the Company prioritizes the continuous improvement of the corporate governance system and decision-making processes. In this context, significant attention is paid to the introduction of innovative approaches and technologies, which contributes to strengthening internal procedures and control mechanisms. To this end, the Company is actively implementing a number of strategically important initiatives aimed at improving the level of corporate governance in accordance with international standards of best practices.

Among the key areas of development, optimization of the management structure stands out, which involves both a revision of roles and responsibilities within the organizational hierarchy, and strengthening interaction between different subdivisions. To improve the decision-making process, the Company pays special attention to the development and implementation of integrated information systems that provide prompt access to up-to-date and reliable information, as well as the possibility of its analytical processing in real time.

The corporate governance of the Company is based on the fundamental principles of fairness, honesty, responsibility, transparency, professionalism and competence. An important aspect is the development of a corporate culture that promotes employee engagement and creates a sense of personal responsibility for achieving common goals. The Company attaches great importance to establishing an effective dialogue with all stakeholders, including shareholders, customers, partners and society as a whole, which helps to increase the level of confidence and strengthen its reputation in the market.

As part of its commitment to improvement, the Company is also actively working to improve the skills and professional development of its employees. Trainings, seminars and advanced training courses aimed at teaching current trends in the field of corporate governance and related disciplines are regularly held. This approach not only contributes to the personal growth of employees, but also strengthens the competitiveness of the Company as a whole.





SOLE PARTICIPANT



SK Ondeu LLP is the subsidiary of Joint Stock "Sovereign Wealth Fund "Samruk-Kazyna", which is the Sole Participant of the company. This means that all decisions in the Company are taken solely in the interests of the Sole Participant.

The company strives to ensure the growth of long-term value and sustainable development of its activities by increasing the efficiency of processes, increasing investments in the development of more advanced technologies, increasing labor productivity, creating environmentally acceptable products and

implementing social programs for staff.

The relationship between SK Ondeu LLP and the Sole Participant is based on honesty, accountability, responsibility and transparency. The Company strives to respect the interests of the Sole Participant, ensuring protection and respect for its rights and legitimate interests. It also strives to work with the Sole Participant to identify priorities and strategic areas of activity, as well as ensure their implementation in accordance with the Company's goals.

Substantial contracts with the Sole Participant

Samruk-Kazyna Ondeu LLP currently has 2 active loans with Samruk-Kazyna JSC:

1) Attracting debt financing from Samruk-Kazyna JSC for the purchase of a stake in Subsidiaries.

The loan amount is KZT56 700 million, the loan agreement was concluded on June 13, 2018. Maturity date is June 13, 2043

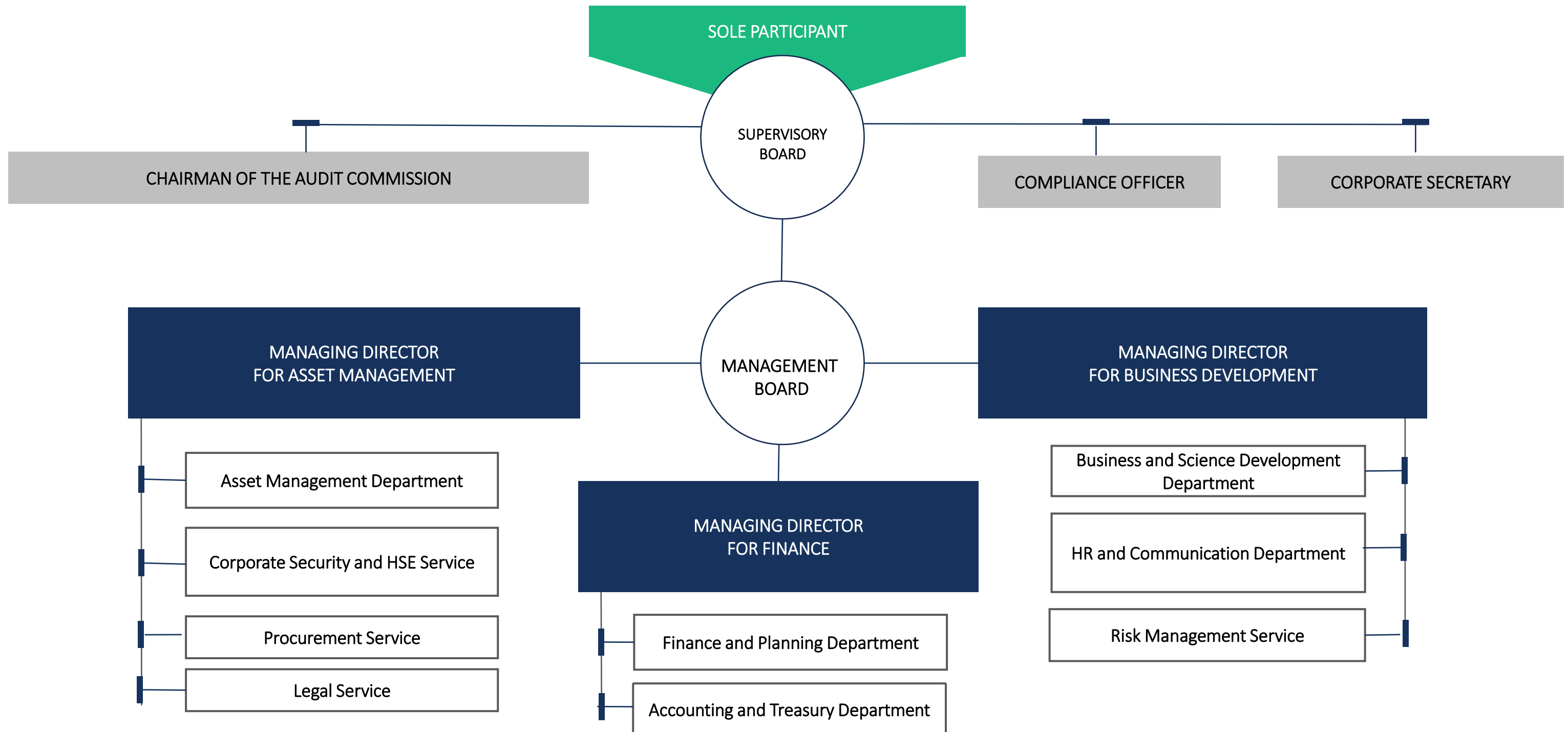
2) Attracting debt financing from Samruk-Kazyna JSC to issue a loan to Subsidiaries on refinancing current foreign currency debt to STBs.

The credit line is KZT9 100 million, the date of conclusion is December 15, 2017, the maturity date is differentiated by tranches, the last one is on December 31, 2032. Interest is not capitalized. The balance of the principal debt as of December 31, 2023, amounts to KZT4 billion.



ORGANIZATIONAL STRUCTURE

The organizational structure was approved by the decision of the Supervisory Board of Samruk-Kazyna Ondeu LLP of December 28, 2023 (Minutes No. 26/23)



SUPERVISORY BOARD

The SKO Supervisory Board defines strategic objectives and provides the necessary control mechanisms, including ongoing monitoring and evaluation of the Partnership's performance.

The Supervisory Board ensures the long-term effectiveness of its activities by taking decisions that consider the interests of all stakeholders and comply with the principles of sustainable development.

As of March 01, 2024, the Supervisory Board consists of 4 members - the Chairman and three members of the Supervisory Board.

IVAN FEDOROVICH KOROTKOV

Chairman of the Supervisory Board of SK Onda LLC



LYDIYA MAGOMEDOVNA KHASHIYEVA

Member of the Supervisory Board of SK Onda LLC



NURKHAN BEKDAVLETOVICH ABDUREKHMEV

Member of the Supervisory Board of SK Onda LLC



ABDIKARIM ABZHALEOVICH ZEINULLIN

Member of the Supervisory Board of SK Onda LLC



SUPERVISORY BOARD

IVAN FEDOROVICH KOROTKOV



Date of election: February 22, 2024

Citizenship: Republic of Kazakhstan

Education:

- 2005-2010 - Gubkin Russian State University of Oil and Gas, Development and Operation of Oil & Gas Fields, engineer
- 2010-2012 - Gubkin Russian State University of Oil and Gas, Offshore Drilling, Master's degree
- 2012-2014 - Karaganda Economic University of Kazpotreboyzuz, Management

Work experience (over the last 5 years):

- July 2023 – present - Director of the Oil and Gas Assets Department of Samruk-Kazyna JSC;
- February 2022 - July 2023 - Senior Manager of the Oil and Gas Assets Sector of Samruk-Kazyna JSC;
- September 2021 - February 2022 – Senior Manager of the Oil & Gas Directorate of Samruk-Kazyna Corporate University;
- July 2020 – September 2021 - Senior Engineer of the Field Development and Operations Geology Department of JSC NC KazMunayGas
- November 2019 – July 2020 - Senior Engineer of the Oil and Gas Production Department of JSC NC KazMunayGas
- June 2018 – February 2019 - Leading Specialist of the Asset Management Department of JSC NC KazMunayGas

Current work and membership on Boards of Directors / Supervisory Boards of other organizations:

- Member of the Supervisory Board of SSAP LLP
- Member of the Supervisory Board of Tau-Ken Altyn LLP

LYDIYA MAGOMEDOVNA KHASHIYEVA



Date of election: July 27, 2023

Citizenship: Republic of Kazakhstan

Education:

- 1996-2001 – Sh. Ualikhanov Kokshetau State University, Economist Manager
- 2012 – Duke University, Durham, USA, Training Program for the Tax Committee of the Ministry of Finance of the Republic of Kazakhstan on Tax System Management

Work experience (over the last 5 years):

- February 2022 - present - Head of the Taxation Sector of the Accounting, Financial and Tax Reporting Department of Samruk-Kazyna JSC
- December 2021 – February 2022 - Director of the Taxation Department of Samruk-Kazyna JSC
- February 2020 – December 2021 - Deputy Head of the Horizontal Monitoring Division of the Major Taxpayers Department of the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan
- November 2016 – February 2020 - Deputy Head of the Tax Audit Division of the Audit Department of the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan

Current work and membership on Boards of Directors / Supervisory Boards of other organizations:

- Member of the Supervisory Board of Samruk-Kazyna Business Service LLP

SUPERVISORY BOARD

ABDIKARIM ABZHALELOVICH ZEINULLIN



Date of election: January 19, 2023

Citizenship: Republic of Kazakhstan

Education:

In 1979 he graduated from the Kazakh Polytechnic Institute, Almaty, Mining Faculty (Mining Engineer).

1985-1989 — Postgraduate study at the Moscow Mining Institute, Moscow, Candidate of Technical Sciences
Academic degree: 1996 — Doctor of Technical Sciences, 1998 — Professor

Work experience (over the last 5 years):

2016 to the present - Chief Scientific Secretary, Vice-President of the Kazakhstan National Academy of Natural Sciences.

Current work and membership on Boards of Directors / Supervisory Boards of other organizations:

- Independent Director, Member of the Board of Directors of JSC National Mining Company Tau-Ken Samruk

NURKHAN BEKDAVLETOVICH ABDUREKHMENOV



Date of election: December 07, 2023

Citizenship: Republic of Kazakhstan

Education:

2020-2023 - Higher School of Economics National Research University, Master's Degree in Data Sciences

2009-2010 - University of York, Master's Degree in Financial Mathematics

2001-2007 - Moscow State University of Economics, Statistics and Informatics, Specialist in Applied Informatics in Economics

Work experience (over the last 5 years):

November 2022 – to present - Director of the Risk Management and Internal Control Department of Samruk-Kazyna JSC;

April 2018 - October 2022 – Manager of KPMG Investment and Capital Market Department;

September 2016 - April 2018 – Senior Manager of the New Investments Department of Samruk-Kazyna JSC.

Current work and membership on Boards of Directors / Supervisory Boards of other organizations:

- Member of the Supervisory Board of Kazakhstan Energy Reinsurance Company Ltd. (KERC);

- Member of the Supervisory Board of QazCloud LLP.

ACTIVITIES OF THE SUPERVISORY BOARD

Changes in the composition of the Supervisory Board

On January 04, 2023, Amir Merbolatovich Tussupov, Director of the Investments and Business Support Department of Samruk-Kazyna JSC, was appointed a member of the Supervisory Board of the Partnership.

On January 19, 2023, Zeinullin Abdikarim Abzhalelovich was appointed a member of the Supervisory Board of the Partnership.

On July 27, 2023, Lidiya Khashiyeva, Head of the Taxation Sector of the Accounting, Financial and Tax Reporting Department of Samruk-Kazyna JSC, and Ivan Fedorovich Korotkov, Director of the Oil and Gas Assets Department of Samruk-Kazyna JSC, were appointed members of the Supervisory Board of the Partnership. Amir Merbolatovich Tussupov was appointed the Chairman of the Supervisory Board. At the same time, the authorities of Mukhtar Utepkaliyevich Tazhigaliyev as Chairman of the Supervisory Board and Saltanat Yerbolovna Satzhan as the member of the Supervisory Board were terminated.

Implementing the Annual Plan of the Supervisory Board for 2023

The work plan of the Supervisory Board of the Partnership for 2023 was approved by the decision of the Supervisory Board of December 09, 2022 (Minutes No. 22/22) and consists of 42 items

- 39 items were fulfilled,

- 3 items are under execution and will be submitted for consideration of the Supervisory Board of the Partnership in January-February 2024.

Issues that were not submitted on time,

On December 07, 2023, Yelzhas Muratovich Otyynshiyev, Co-Managing Director for Strategy and Asset Management of Samruk-Kazyna JSC was appointed Chairman of the Supervisory Board, and Nurkhan Bekdavletovich Abdurekhmenov, Director of the Risk Management and Internal Control Department of Samruk-Kazyna JSC was appointed a member of the Supervisory Board. The authorities of Amir Merbolatovich Tussupov and Ivan Fedorovich Korotkov were prematurely terminated.

On February 22, 2024, Ivan Fedorovich Korotkov was appointed Chairman of the Supervisory Board of the Partnership, and the authorities of Yelzhas Muratovich Otyynshiyev were prematurely terminated.

On March 06, 2024, Ivan Fedorovich Korotkov has been re-elected to the position of the Chairman of the Supervisory Board, L.M. Khashiyeva and N.B. Abdurekhmenov were re-elected to the position of members of the Supervisory Board.

provided for by the Work Plan of the Supervisory Board of the Partnership for 2023 relate to the reporting of the Audit Commission of the Partnership.

At the same time, in 2023, the Supervisory Board held 26 meetings and considered 133 issues.

On February 26, 2024, the Supervisory Board considered the Report on Implementation of the Work Plan of the Supervisory Board for 2023 at its meeting (Minutes No. 01/24).

Statistics on attendance of members of the Supervisory Board at meetings of the Supervisory Board.

No	Full name of the members of the Supervisory Board	Number of meetings	Number of meetings attended	Percentage of participation in meetings
1.	M.U. Tazhigaliyev	13	11	84,6%
2.	S.Ye. Satzhan	13	13	100%
3.	A.M. Tussupov	10	10	100%
4.	I.F. Korotkov	10	10	100%
5.	L.M. Khashiyeva	12	11	91,6%
6.	A.A. Zeinullin	26	26	100%

Information on meetings of the Supervisory Board

Number of Supervisory Board meetings in 2023	Number of in-presence/absentee meetings of the Supervisory Board	Average duration of Supervisory Board meetings	Average number of Agenda items of the Supervisory Board	Average duration of discussions on the Agenda items of meetings of the Supervisory Board
26	12 in-presence and 14 absentee	118 minutes	5 99 of 133 items were considered in person (74.4%)	15 minutes

Year	In-presence	Absentee	Total
2021	18	6	24
2022	17	7	24
2023	12	14	28

PERFORMANCE EVALUATION OF THE SUPERVISORY BOARD

The report on performance self-evaluation of the Supervisory Board, the Chairman, members of the Supervisory Board and the Corporate Secretary of the Partnership for 2023 was prepared given the international practice in corporate governance as well as in compliance with the Charter of the Partnership, Regulations on the Supervisory Board of the Partnership and the Corporate Governance Code of the Partnership. The report was approved by the decision of the Supervisory Board.

The Supervisory Board carries out its activities to a greater extent in accordance with the approved work plan. The work plan of the Supervisory Board of the Partnership was approved by the decision of the Supervisory Board of December 09, 2022 (Minutes No. 22/22) and consists of 42 items, of which:

- 39 items have been fulfilled,
- 3 items are under execution and will be submitted for consideration of the Supervisory Board of the Partnership in January-February 2024.

On February 26, 2024, the Supervisory Board considered the Report on Implementation of the Work Plan of the Supervisory Board for 2023 at its meeting (Minutes No. 01/24).

In 2023, the Supervisory Board held 26 meetings, of which 14 absentee meeting; 133 issues were considered, 99 of them were considered in person.

Based on the results of the self-assessment conducted over the past year, the following areas of activity were identified, on which it was necessary to focus the efforts of the Supervisory Board in 2022:

- Control over the implementation of the Partnership's Development Strategy for 2023-2032, including the promotion of ESG principles;
- Control over financial and economic activities of the Partnership and its subsidiaries and affiliates;
- Implementation of best practices in the field of compliance and the work of the Audit Commission;

- Updating the organizational structure of the Partnership and approving the list of CEO-2 positions, candidates for which are subject to mandatory approval by the Supervisory Board of the Partnership;
- Training of members of the Supervisory Board.

The Supervisory Board is actively involved in all key business decisions. During 2023, the issues of project implementation, including financing and allocation of financial assistance, were considered.

Before each meeting, the CEO is heard on project implementation issues, an analysis of the root causes of deviations with an emphasis on external and internal factors under the control of the Partnership, measures to eliminate negative factors proposed by the Management Board of the Partnership.

Also, before each in-presence meeting, the CFO report is heard, which reflects information on sales revenues, cost of sales, GAE, EBITDA, financial results, cash flows and current obligations of the Partnership.

In order to ensure the implementation of strategic objectives of the Partnership, as well as to strengthen concentration on priority tasks, the Supervisory Board annually approves motivational key performance indicators (hereinafter - KPIs), which, among other things, cascade the priorities and expectations of the Sole Participant.

The Supervisory Board approved the motivational KPIs of the Management Board members before the start of the planned year. The clear accountability of the Management Board members is set forth for the implementation and completion of key investment projects.

On April 26, 2021, the Sole Participant of the Partnership by the decision (Minutes No. 17/21) approved the composition of the Supervisory Board with a term of office for 3 years. Considering the scope of the Partnership's activities, the composition of the Supervisory Board members is optimal.

In 2023, changes took place in the composition of the Supervisory Board of the Partnership, the Chairman of the Supervisory Board of the Partnership was re-elected three times (M.U. Tazhigaliyev, A.M. Tussupov, Ye.M. Otyynshiyev). As part of the self-evaluation, the members of the Supervisory Board conducted a mutual performance evaluation (360 questionnaire survey) according to the questionnaires.

As part of the self-evaluation, the members of the Supervisory Board conducted a mutual performance evaluation (360 questionnaire survey) according to the questionnaires.

The questionnaire survey was conducted in accordance with the form approved by the Methodology for Performance Evaluation of the Supervisory Board, the Chairman, Members of the Supervisory Board and the Secretary of the Supervisory Board of the Partnership, approved by the decision of the Supervisory Board of the Partnership of May 04, 2018 (Minutes No.03/18).

All members of the Supervisory Board received 32, 34.5 and 34.5 points out of 35 possible ones. According to results of the survey, the members of the Supervisory Board have sufficient knowledge, skills, experience and personal qualities to perform their functions. All members of the Supervisory Board are well prepared for meetings and are ready for teamwork.

According to the respondents, the information on the previously given instructions of the Supervisory Board, reflection of problematic issues in the reports of CEOs and CFOs (including possible risks), as well as forecasts for the year need to be improved.

In general, the Supervisory Board assessed itself as a rather critical but fair governing body in its approaches and assessments.

Based on the results of the analysis held, the following areas of activity were identified, on which it was necessary to focus the efforts of the Supervisory Board in 2024:

- Control over the implementation of the Partnership's Development Strategy for 2023-2032, including the promotion of ESG principles;
- Focus on solving strategically important issues, without wasting time on operational issues;
- Control over the financial and economic activities of the Partnership and its subsidiaries and affiliates;
- Ensuring an external assessment of the activities of the Supervisory Board in 2024;
- Training of members of the Supervisory Board.

MANAGEMENT BOARD

In 2023, the composition of the Management Board was changed as follows:

The Management Board of Samruk-Kazyna JSC by decisions of June 23, 2022, No. 35/22, and of July 19, 2022, No. 39/22, appointed Sheraly M.N. to the position of the Chief Executive Officer of SKO.

The Management Board of the Fund by decision of June 30, 2022, No. 36/22, appointed Kapassova A.Zh. to the Management Board.

The Management Board of Samruk-Kazyna JSC (hereinafter - the Fund) by decision of May 25, 2023, No. 25/23, elected a new Management Board of 4 (four) persons for a term of office of the Management Board for 2 (two) years:

- Daniyar Nurlanovich Mauletov - Chief Executive Officer;
- Meyir Nurtaiuly Sheraly - First Deputy Chief Executive Officer;
- Zhandos Bakbergenovich Orazaliyev - Managing Director for Asset Management, Member of the Management Board;

- Nurzhan Tyulegenovich Ashimov – Director of the Finance and Planning Department, Acting Managing Director for Finance.

The Management Board of Samruk-Kazyna JSC (hereinafter - the Fund) by decision of November 02, 2023, No. 53/23, prematurely terminated the authorities of M.N. Sheraly from November 06 this year.

As of March 01, 2024, the Management Board consists of 3 persons as follows:

- Daniyar Nurlanovich Mauletov - Chief Executive Officer;
- Zhandos Bakbergenovich Orazaliyev - Managing Director for Asset Management, Member of the Management Board;
- Nurzhan Tyulegenovich Ashimov – Director of the Finance and Planning Department, Acting Managing Director for Finance.

DANIYAR NURLANOVICH MAULETOV

Chief Executive Officer



ZHANDOS BAKBERGENOVICH ORAZALIYEV

Managing Director for Asset Management, Member of the Management Board



NURZHAN TYULEGENOVICH ASHIMOV

Director of the Finance and Planning Department, member of the Management Board



MANAGEMENT BOARD

DANIYAR NURLANOVICH MAULETOV



**CHIEF
EXECUTIVE OFFICER
SAMRUK-KAZYNA ONDEU
LLP**

Date of election: May 26, 2023

Citizenship: Republic of Kazakhstan

Education:

2001 - Kazakh State Law Academy, lawyer
2006 - T. Ryskulov Kazakh University of Economics, Bachelor of Finance
2015 – D. Serikbayev East Kazakhstan Technical University, Bachelor of Engineering and Technology
2018 – Almaty Management University, Master of Business Administration

Work experience (over the last 5 years):

May 2023 – present – Chief Executive Officer of Samruk-Kazyna Ondeu LLP
February 2022 - May 2023 - Director of the Branch of KTZ Express JSC - KTZE Commerce
May 2019 - February 2022 - Deputy Head of the State Revenue Department for Almaty region of the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan
December 2018 - March 2019 – Director of the Operational Investigative Activities Department of the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan

ZHANDOS BAKBERGENOVICH ORAZALIYEV



**MANAGING DIRECTOR FOR
BUSINESS DEVELOPMENT
SAMRUK-KAZYNA ONDEU
LLP**

Date of election: March 02, 2023

Citizenship: Republic of Kazakhstan

Education:

2008 – Master's Degree at Robert Gordon University (Scotland)
2001 - Abylai Khan Kazakh University of International Relations and World Languages, specialty: international relations

Work experience (over the last 5 years):

February 2024 - present - Managing Director for Business Development, Member of the Management Board of Samruk-Kazyna Ondeu LLP
March 2023 – February 2024 – Managing Director for Asset Management, Member of the Management Board of Samruk-Kazyna Ondeu LLP
November 2020 – July 2022 - General Director of Borkit Oiltech
May 2019 – November 2020 - General Director of Hydratight Kazakhstan
May 2017 – May 2019 - Managing Director of JSC National Company Kazakh Invest

MANAGEMENT BOARD

NURZHAN TYULEGENOVICH ASHIMOV



**DIRECTOR OF THE
FINANCE AND PLANNING
DEPARTMENT, MEMBER OF
THE MANAGEMENT BOARD**

Date of election: May 26, 2023

Citizenship: Republic of Kazakhstan

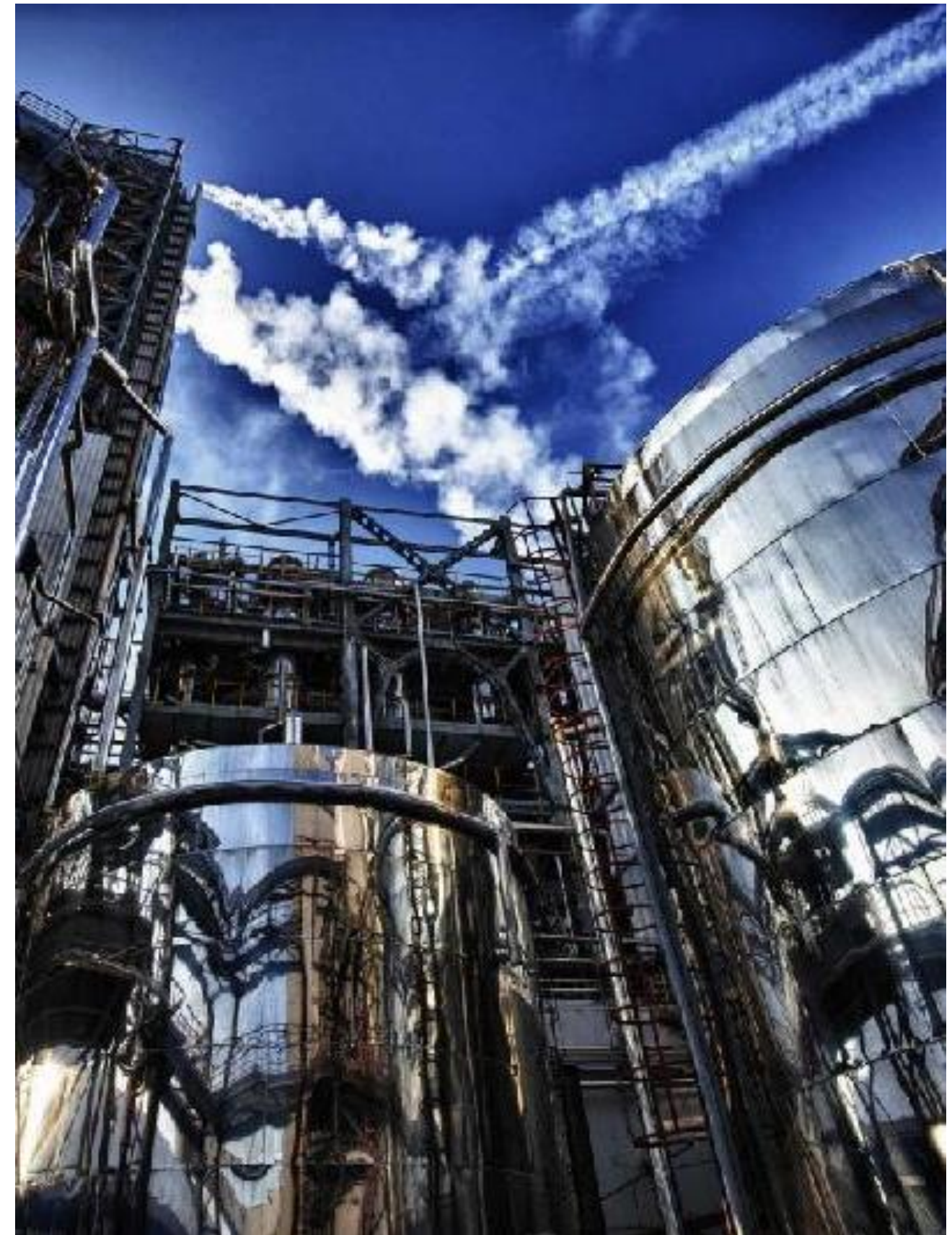
Education:

2006 – M.V. Lomonossov Moscow State University, Bachelor of Economics

Work experience (over the last 5 years):

May 2023 – present – Director of the Finance and Planning Department of Samruk-Kazyna Ondeu LLP, Member of the Management Board
2013-2017 - Senior Manager of the Economics and Planning Department

He also worked at Astana Innovations JSC as a Project Manager and KOREM JSC as the Manager of the Economics and Planning Department





ACTIVITIES OF THE MANAGEMENT BOARD

In 2023, the Management Board of SK Odeu LLP held 55 in-presence meetings, at which 157 issues were considered, including 87 issues considered with subsequent submission to the meeting of the Supervisory Board, 40 issues were considered at General Meetings of Shareholders/Participants (GMS/GMP) of Subsidiaries of SK Odeu LLP.

Number of Management Board meetings held in 2020-2023

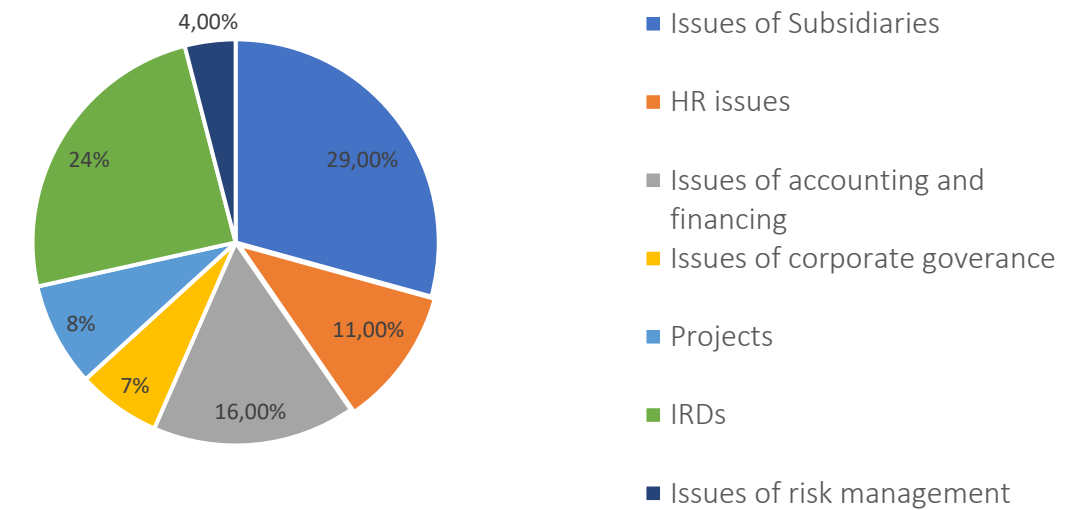
Year	In-presence	Absentee	Total
2020	42	0	42
2021	20	22	42
2022	57	3	60
2023	55	0	55

Issues submitted for consideration of the Sole Participant, the Supervisory Board, Investment and Strategy Committee and GMP/GMS of Subsidiaries within their competence were preliminarily considered and approved by the Management Board.

Among them, the main block presents issues on projects of subsidiaries and dependent organizations, in the implementation of which SK Odeu LLP participates.

The structure of the issues considered by area is presented below:

Structure of issues considered by the Management Board in 2023



Performance evaluation and remuneration of the Management Board

The amount of remuneration to the executive body is determined by the decision of the Supervisory Board of SK Odeu LLP. The scheme for determining the amount of remuneration to the Chief Executive Officer and members of the Management Board meets the following requirements:

- Remuneration consists of constant (taking into account the grade of each position) and variable parts;
- The variable part of remuneration depends on the key performance indicators of the Chief Executive Officer and members of the Management Board;
- Social support, guarantees and compensation payments to the Chief Executive Officer and members of the Management

Board are carried out in accordance with the legislation, internal documents of the company and the employment contract.

SK Odeu LLP constantly monitors the performance management system of the Management Board of SK Odeu LLP, remuneration based on the results of work for the year can be paid for the purpose of material encouragement for the successes achieved and improving the efficiency of the CEO and members of the Management Board based on the results of key performance indicators and evaluation of the effectiveness of the goals set by the Development Strategy.

Improving the corporate governance system

SKO has strong views on improving corporate governance, perceiving it as a fundamental element for achieving sustainable business growth and for taking informed management and investment decisions. Taking the best global practices as a model, we are working ambitiously to continuously improve our management system, while ensuring high-quality risk management, creating a reliable internal control system, facilitating access to information and improving the reputation status of our Company.

Our goal is continuous development in the field of corporate governance, which implies strict observance of the rights of the Sole Participant, partners and other stakeholders. We clearly differentiate responsibilities and authorities between different levels of management and subdivisions of the Company, strengthen the work of the Supervisory Board and the Executive Body. We prevent the corporate conflicts and conflicts of interest, improve management reporting mechanisms and strive to implement best practices in the field of corporate governance, following the principles of the Corporate Governance Code.

In the spirit of information openness, we ensure that important information is available to stakeholders. We maintain transparent policies and procedures regarding management remuneration, and publish an annual report, including financial statements and a

sustainability report, in accordance with GRI and IFRS standards.

In 2023, the Company had an Action Plan for the implementation (improvement) of ESG indicators of SK Odeu LLP. This plan was fully implemented by the end of 2023.

An independent diagnosis of the Company's corporate governance system was not carried out in 2023, and accordingly, no corporate governance rating was assigned. The last diagnosis was carried out in 2018, as a result of which SK Odeu LLP was assigned a corporate governance rating at the "B" level.

Following the principles of corporate governance

SK Odeu LLP is guided by the Corporate Governance Code, which contains the provisions and norms mandatory for compliance by all bodies, officials and employees.

The Corporate Secretary monitors and advises the Supervisory Board and the Management Board on compliance with the Code. A report on compliance/non-compliance with the principles of the Code is prepared annually, which includes the following categories:

- The Government as the Shareholder of the Fund;
- Interaction of the Fund and Organizations;
- Sustainable development;
- Shareholders' rights and fair treatment of them;
- Effectiveness of the Supervisory Board and the Executive Body;
- Risk management;
- Internal Control and Audit;
- Transparency.

In 2023, SK Odeu LLP conducted a self-assessment for compliance with the principles and provisions of the Corporate Governance Code. The report on results of the self-assessment is contained in Annex 1 to this annual report. The Company's activities comply with 58 of 75 principles. 3 principles are met partially, 14 principles are not applicable to the Company's activities

AUDIT COMMISSION

The activities of the Audit Commission are carried out in accordance with the International Professional Practices Framework (IPPF), developed by the International Institute of Internal Auditors (The IIA).

The main goal of the Audit Commission is to provide the Sole Participant and the Supervisory Board with independent and objective guarantees and consultations aimed at improving risk management, internal control and corporate governance systems.

The Audit Commission is organizationally subordinate and functionally accountable to the Supervisory Board of the Company, administratively - to the Management Board of the Company. The annual work plan of the Audit Commission is considered and approved by the Supervisory Board of the Company. Performance evaluation of the Audit Commission are carried out by the Supervisory Board of the Company.

For 2023, the Audit Commission completed in full the tasks stipulated by the Annual Work Plan for 2023, approved by the decision of the Supervisory Board of the Company: 11 out of 11 planned tasks. When performing its functions, the Audit Commission confirms to the Supervisory Board of the Company its organizational independence and the absence of the impact of resource constraints on the activities of internal audit.

The Supervisory Board of the Company by the decision of December 28, 2023, approved the Annual Work Plan of the Audit Commission for 2024, providing for the implementation of 11 audit engagements.



RISK MANAGEMENT

The Company has introduced a system of continuous adherence to the principles of sustainable development, a balance of interests of stakeholders is observed, a risk-oriented approach is applied in management, which allows achieving a steady increase in value and increasing competitiveness for the long term.

The **risk management process** of the Company is aimed at minimizing potential threats to the achievement of strategic goals.

Risk management and internal control systems are continuously being improved to increase business value.

The process includes the following stages:

- Identification and documentation of risks;
- Determination, qualitative and quantitative assessment (including classification) of each risk;
- Development and implementation of risk reduction/risk management strategies;
- Monitoring, reporting and risk analysis;
- Implementation of effective internal control procedures and their improvement.

The Supervisory Board and the Management Board of the Company establish the Company's policies and procedures in the field of risk management and internal control and are responsible for analyzing their effectiveness.

Identification of risks Awareness of the importance of risk accounting is part of the corporate governance culture of the Company's subsidiaries and is enshrined in its system of ethical values. The Supervisory Board of the Company defines the risk management philosophy (the tone from top), which is strictly adhered to by the management, employees and stakeholders of the Company in all aspects of its activities – from strategy development to day-to-day operations. The Company's management ensures the implementation of risk management and internal control procedures by employees.

Risk management is one of key functions of the Management Board of the Company. The Management Board identifies strategic risks based on a deep and comprehensive understanding of the Company's work and all areas of its activities – market, legal, social, political, economic, technological, environmental and cultural. Our risk identification system covers not only single, mutually exclusive risks, but also multiple, related and correlated risks.

The Risk Map (matrix) and internal control procedures are used to account for, prioritize and control over each of the risks in the risk management process. The Risk Committee regularly analyzes them.

Risk assessment. As risks are identified, a qualitative and quantitative assessment of their impact (loss) on the Company's activities, as well as the likelihood of such events, is carried out. Together they represent a risk profile.

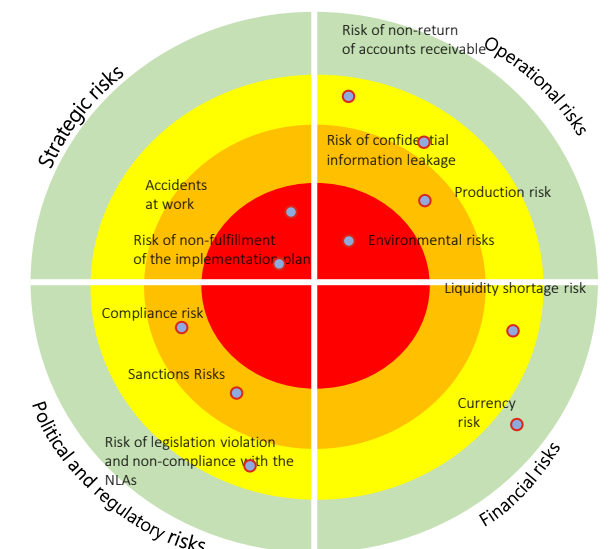
Risk management measures. After identifying and ranking the risks, measures are developed to respond to each of them. Risk owners, together with the Risk Management Service of the Company, assesses the likelihood of risks and their impact, as well as the costs and benefits of likely risk reduction.

Monitoring and reporting. The ongoing risk monitoring process is an integral part of SK Ondeu's activities. It allows to monitor the effectiveness of internal policies and internal control procedures, including internal audit and analysis of individual areas by the Company's management. The risk map and the internal control system are used to reassess and adjust control procedures in connection with changes in the Company's goals, structure, operating conditions and business environment.

The Company's management is responsible for the implementation of effective follow-up procedures to ensure the implementation of appropriate measures based on the results of changes in risk assessment or risk management procedures.

As over the past few years, the country's geopolitical and internal risks have demonstrated increased turbulence, in 2023 the Company's management paid increased attention to risk management. Thus, the Company carried out a detailed analysis and reassessment of existing and potential risks, their impact and probability on the activities of each Subsidiary individually and the Group as a whole.

Taking into account the new factors, the following key risk areas were identified:



INTERNAL CONTROL SYSTEM

The Company's internal control and risk management system in relation to the financial reporting process

Often, in practice, the key risk in preparing financial statements is the risk of bias in estimates, which can lead to material misstatements of the statements.

Within the framework of defining the basic principles and approaches to the organization of the corporate risk management and internal control system (hereinafter the ICS), SK Ondeu LLP is guided by the Risk Management and Internal Control Policy developed in accordance with the Samruk-Kazyna JSC' Risk Management and Internal Control Policy, the Corporate Governance Code, internal documents of the Company, recommendations of the Committee of Sponsoring Organizations of the Trade Way Commission (COSO) and other best practices in the field of risk management and internal control.

According to COSO, internal control:

- is carried out by employees at all levels of the Company;
- is regulated by formally prescribed procedures;
- is introduced to achieve the Company's goals in all areas, not just in the field of financial reporting;
- consists of interconnected components.



At the same time, when performing the functions of the ICS, the Three Lines of Protection model is used. This model implies the coordination of risk management and internal control processes through a clear definition and differentiation of roles and obligations between three individual groups:

- the business functions;
- the function of risk monitoring and internal control;
- the function of independent assessment of the effectiveness of risk management and internal control.

Thus, the Company's ICS implies the implementation of a phased monitoring, control function and independent assurance by various groups of the Company to exclude the possibility of abusing on the part of the management and unfair actions as a result of circumvention of control systems or material misstatements of reporting as a result of unfair management judgments (bias of estimates and assumptions).

The list of the main activities and initiatives implemented within the framework of the ICS development in 2023 includes:

- Amendments to the Risk Management and Internal Control Policy;
- Training for SK Ondeu employees and risk coordinators of Subsidiaries as part of the corporate internal training system;
- Updating the Risk Matrix and Controls of the Company for the following processes - occupational

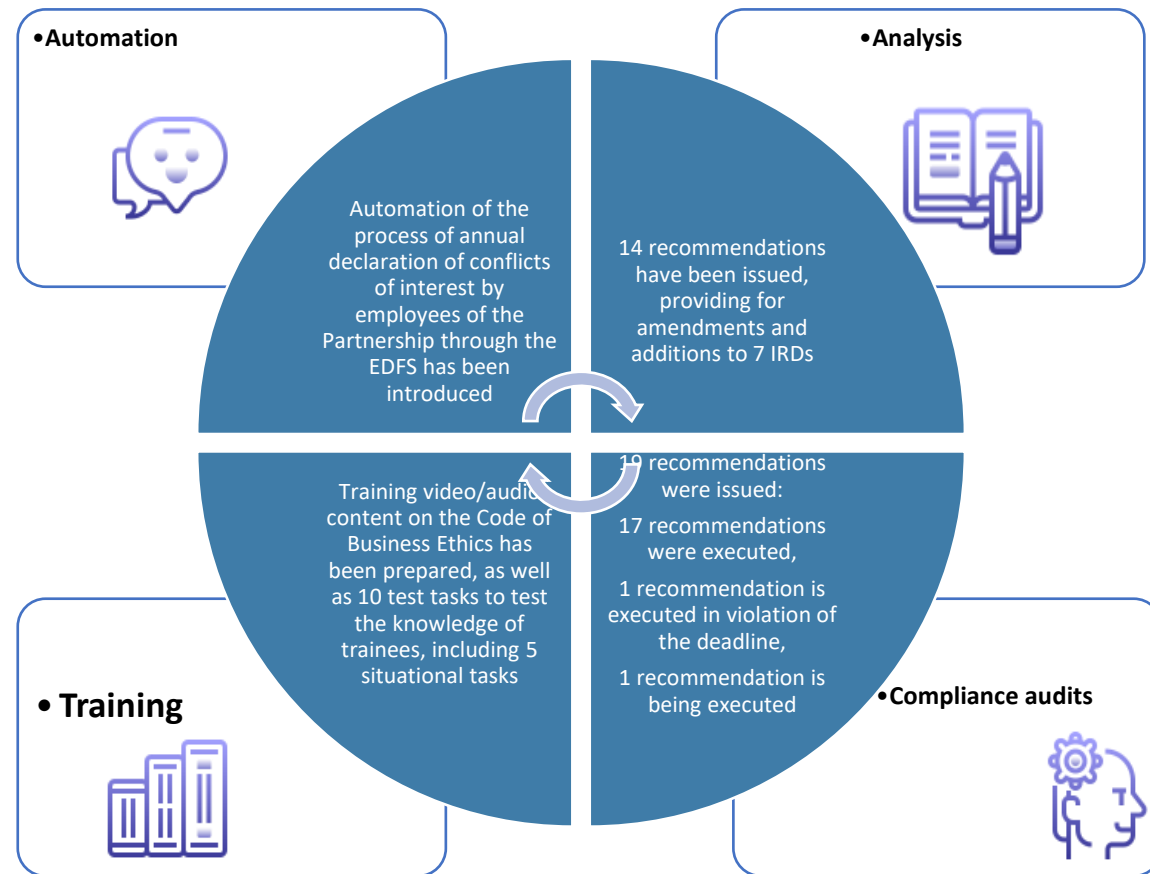
safety, labor and environmental protection, information security, procurement management, etc.

The Company has a process of documenting and assessing risks at a consolidated level, corresponding to changing market conditions and changes in the regulatory environment. A risk register has also been developed to determine the adequacy of controls and operational procedures for assessing, controlling and monitoring business risks, financial and/or operational risks of the Company.



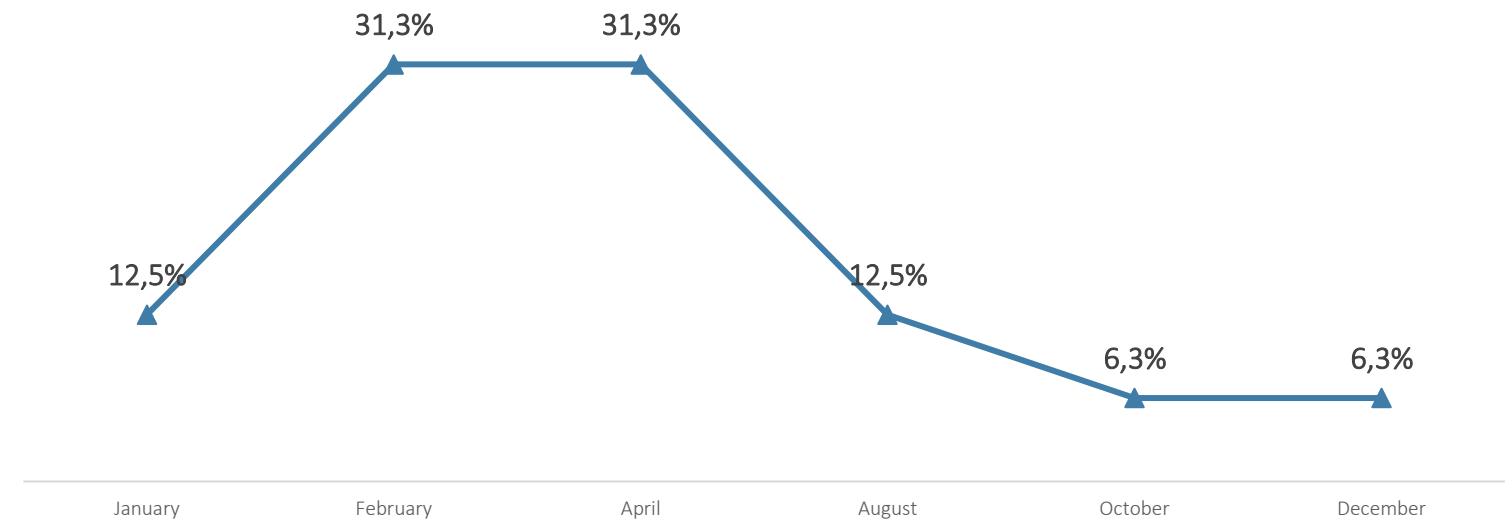
BUSINESS ETHICS AND COMPLIANCE

KEY RESULTS OF THE COMPLIANCE PROGRAM IN 2023



In total, the SK Ondeu LLP group received 16 calls to the Hotline in 2023, for which inspection were held and corrective measures were taken based on the results

Analytics of appeal to the Hotline by month 2023



Ethical business conduct and respect for human rights, combating corruption and all types of economic crimes, and managing conflicts of interest are at the core of our Company's activities.

We strive to create and promote an atmosphere of mutual respect and openness by implementing the best international practices in the field of business ethics and compliance.

As a Company representing the quasi-public sector,

we strive to fully comply with the principles of the anti-corruption initiative, respect for human rights, and contribute to sustainable development.

We are committed to the principles of honesty, fairness, integrity, transparency and responsibility and believe that no financial results can be superior to ethical and legitimate business conduct.



- LEGISLATION
- STANDARDS OF BUSINESS ETHICS
- GLOBAL BEST PRACTICES IN THE FIELD OF COMPLIANCE



- ACCEPTANCE OF COMPLIANCE REQUIREMENTS BY EACH EMPLOYEE
- DEMONSTRATION OF COMPLIANCE CULTURE BASED ON THE PRINCIPLE OF "TONE FROM THE TOP"



- CULTURE OF OPEN COMMUNICATION
- VERIFICATION OF EACH APPEAL FOR A POTENTIAL VIOLATION OF THE LAW AND ETHICS
- ZERO TOLERANCE FOR VIOLATIONS OF LEGISLATION, ETHICS, AND

KEY COMPLIANCE AREAS

- Fair employment practices. Human rights
- Anti-corruption. Conflicts of interest
- Verification of the reliability of counterparties
- Compliance with the rules of international trade
- Financial control
- Information protection. Culture of open communication



SUSTAINABLE DEVELOPMENT

SK Ondeu strives to adhere to the principles of sustainable development at all stages of its activities and promotes the dissemination of responsible business practices and social responsibility among its partners, suppliers and other stakeholders. Principles of sustainable development are the basis of the Company's Development Strategy. Following these principles is important not only for long-term business development, but also for the formation of core corporate values.

Sustainable development principles of Samruk-Kazyna Ondeu:

- Transparency
- Accountability
- Transparency
- Ethical behavior
- Respect
- Legality
- Respect for human rights
- Corruption intolerance
- Inadmissibility of conflicts of interest
- Personal example

In determining priority areas of activity in the field of sustainable development, the Company is guided by the principles of the UN Global Compact and the UN Sustainable Development Goals for the period up to 2030, as well as the provisions of other international standards and initiatives in this area.

SK Ondeu LLP focuses on 3 goals from the UN Agenda for Sustainable Development, where it can have the greatest impact: decent work and economic growth, good health and well-being, responsible consumption and production. The company strives to achieve these goals by participating in various social initiatives aimed at improving the quality of life in the regions where it is present and within its core business.



STRATEGIC THREATS IN THE FIELD OF SUSTAINABLE DEVELOPMENT

SK Ondeu LLP is aware of the importance of its influence and strives to take into account risks and opportunities in the field of sustainable development in its activities. One of the key directions in the Company's Development Strategy for 2023-2032 is to

adhere to principles of sustainable development at all stages of its activities and promote the dissemination of responsible business practices and social responsibility among its partners, suppliers and other stakeholders.

Environment	Social sphere	Corporate governance
Incidents and negative impact on the environment	HR and social risks	Cybersecurity and data protection
Improving environmental safety and regulation standards	Occupational safety and employee's health problems	Reputation and reduced attractiveness to investors
Technological risks, innovations and accidents	Change and innovation management	Corruption and ethics
	Changing public opinion	Stricter legislation and political risks



ABOUT THE SUSTAINABILITY REPORT

Report Profile:

Report structure: GRI standards;

Approach to GRI: according to the "basic" option

Scope of the report: in terms of financial indicators – SK Odeu LLP and 6 Subsidiaries, in terms of environmental and social indicators – 4 Subsidiaries with operating production facilities;

Reporting period: January 01 – December 31, 2023

Reporting cycle: annual

Previous Report: Integrated Annual Report for 2022 published in July 2023;

External assurance: greenhouse gas emissions of KUS LLP have been verified by an accredited body, SupEx LLP. An independent auditor, Grant Thornton LLP has been engaged to confirm the consolidated financial statements. In terms of the other - no.

out on greenhouse gas emissions of KUS LLP. The consolidated financial statements have been verified by Grant Thornton LLP.

According to the "Main Option", we have disclosed information about our Group of companies, reporting on the impact of our economic, environmental and social activities.

structural subdivisions of SK Odeu LLP in the main areas of activity related to sustainable development, including economic, environmental and social aspects of impact.

Defining the content and quality of the report:

In our Integrated Annual Report, we have made every effort to provide stakeholders with high-quality information for an objective assessment of the activities of SK Odeu LLP and its subsidiaries. All data presented in the report were provided by the structural subdivisions and subsidiaries of SK Odeu LLP in accordance with the Regulations for Preparing the Annual Report. External assurance was carried

Defining the report scope:

This Report contains information about the activities of SK Odeu LLP in the field of sustainable development. In addition, the report provides separate sections on the activities of Subsidiaries of SK Odeu LLP, as well as

Consolidated data presented in the Integrated Annual Report include the following subsidiaries and dependent organizations.

Company	Type of activity	Place of registration
CHEM-plus LLP	Production of phosphorus trichloride, caustic soda, chlorine and glyphosate	Zhambyl region
SSAP LLP	Processing of sulfur and producing of sulfuric and battery acid	Akmola oblast
KUS LLP	Construction of industrial and the plant-wide infrastructure of NIPT SEZ;	Atyrau region

On December 19, 2023, after passing the necessary corporate procedures, the state re-registration of Polymer Production LLP took place due to the change

of participant, following which KMG was recognized as a 100% participant. Information about this company is located in

In order to prepare a high-quality report on the activities of SK Odeu LLP in the field of sustainable development and to determine the content of the report and its scope, we assessed the materiality of the topics disclosed in the report on our own. In determining the content of the report the list of

significant topics was considered, which included the management features of SK Odeu LLP, issues reflecting significant economic, environmental, social impact, as well as human rights issues, impact on society, ecology, etc.

When preparing this report, the Company is guided by the following principles:

ACCURACY - accurate, specific, detailed and confirmed information is reflected so that stakeholders can evaluate the Company's performance.

COMPLETENESS - information provided on all areas of the Company's sustainable development for the reporting period is in accordance with the GRI standard.

BALANCE – the positive and negative results of activities are reflected so that stakeholders can objectively evaluate the results.

RELIABILITY – information has been collected, analyzed and disclosed in such a way as to ensure the quality and materiality of the data.

CLARITY – we make the report in a form that is understandable and accessible to stakeholders so that they are sufficiently aware of the Company's activities and Subsidiaries.

COMPARABILITY – information is presented in dynamics over the past three years to allow stakeholders to analyze changes in dynamics.

TIMELINESS – the preparation of the report is planned, including the process of development, conducting dialogues with the structural subdivisions of the Company, Subsidiaries and publication.

KEY EVENTS IN THE FIELD OF SUSTAINABLE DEVELOPMENT 2023



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The Green Office concept has been introduced in Samruk-Kazyna Ondeu LLP and SSAP LLP

A list of measures on energy efficiency and reduction of the amount of waste generated for 2023-2024 has been developed and approved for Subsidiaries

In order to improve the safety culture, 430 behavioral safety observations were conducted in accordance with the approved schedule

The implementation of the Lean Manufacturing project was begun on the basis of SSAP LLP, developed by the 7 Kadam program's participants

The share of women in the Supervisory Boards of Subsidiaries at the end of 2023 was 25% and 33.3%

The integrated sustainability report became the winner in the nomination "Best Annual Report of a Non-Public Company for 2022" following the results of the annual reports competition held by the Kazakhstan Stock Exchange (KASE). It also ranked 2nd in terms of ESG information disclosure among companies from other industries according to PwC Kazakhstan

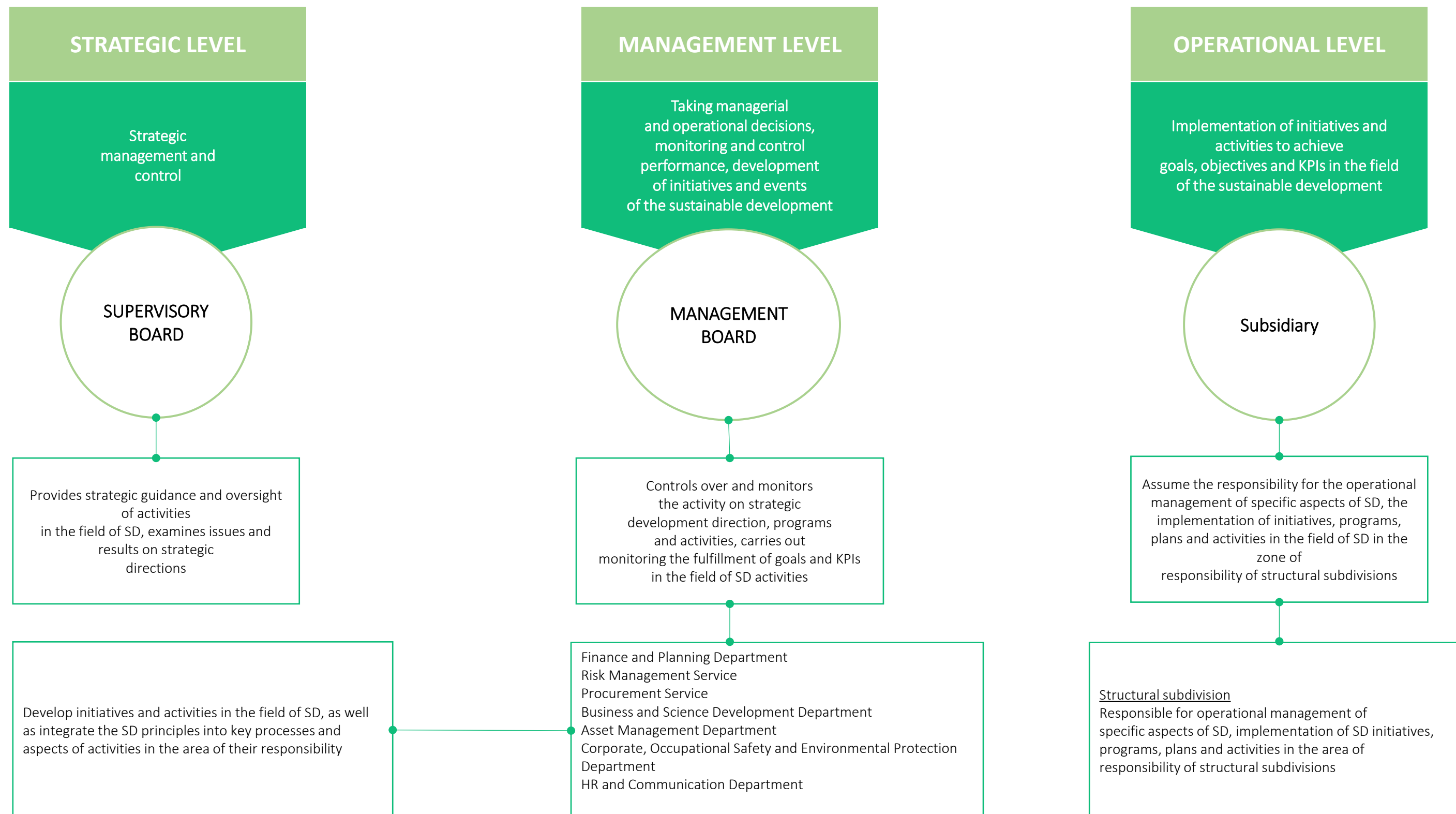
Frequency coefficient of accidents with loss of working time (LTIF) for the SK Ondeu LLP group of companies by the end of 2023 was 0

In 2023, SK Ondeu LLP approved the following IRDs in the field of environmental protection, HR management and occupational safety and industrial safety:

- Occupational Safety Policy of SK Ondeu LLP;
- HR Policy of SK Ondeu LLP;
- Rules for Motivation and Individual Responsibility of Employees in the Field of Occupational Safety;
- LOTO Rules for Lockout and Information System (LockOut – TagOut).

SK Ondeu LLP also has an Environmental Protection Policy (environmental policy), a Corporate Culture Policy, and Sustainability Policy

MANAGEMENT STRUCTURE OF THE SUSTAINABLE DEVELOPMENT ASPECTS



INTERACTION WITH STAKEHOLDERS

Interaction with stakeholders is an important element of the sustainable development system. SK Ondeu LLP has identified a scope of persons who are interested in its decisions and activities in order to understand their influence and ways to take measures in response to them.

an assessment of the impact on current activities and strategic development, as well as the established practice of interaction of the Group of Companies with stakeholders.

The basis for identifying and selecting stakeholders is
STAKEHOLDER MAP

Stakeholders	Goals/interests	Tools of influence	Means of interaction
Sole participant	<ul style="list-style-type: none"> - Achievement of strategic goals/indicators; - Profit growth; - Timely payment of dividends; - Increase in the company's value; - Compliance with the sustainable development principles 	<ul style="list-style-type: none"> - The Charter; - The Corporate Governance Code of SK Ondeu LLP; - Official requests; - Decisions 	<ul style="list-style-type: none"> - Coordination of the main areas of activity and approval of issues related to the competence of the Sole Participant; - Exercising rights of the Sole Participant in accordance with the principles of corporate governance for effective key decision-making in accordance with the legislation of the Republic of Kazakhstan and the Charter of SK Ondeu LLP; - Providing reliable information on the results of financial and economic activities in accordance with the requirements of the legislation of the Republic of Kazakhstan, the Charter, internal documents of SK Ondeu LLP
Supervisory Board	<ul style="list-style-type: none"> - Respect for the interests of the Sole Participant of SK Ondeu LLP; - General management of the activities of SK Ondeu LLP 	<ul style="list-style-type: none"> - The Charter; - Internal documents of SK Ondeu LLP; - Decisions/instructions 	<ul style="list-style-type: none"> - Taking decisions on issues of core business, with the exception of issues referred by the legislation of the Republic of Kazakhstan and (or) the Charter to the exclusive competence of the Sole Participant of SK Ondeu LLP; - Strategic management of the activities of SK Ondeu LLP; - Approval of the Strategy and Business Plan of SK Ondeu LLP and monitoring of their implementation
Management Board	<ul style="list-style-type: none"> - Respect for the interests of the Sole Participant of SK Ondeu LLP; - Management of the current activities of SK Ondeu LLP. 	<ul style="list-style-type: none"> - The Charter; - Internal documents of SK Ondeu LLP 	<ul style="list-style-type: none"> - Execution of decisions of the Sole Participant and the Supervisory Board of SK Ondeu LLP; - Preparation and implementation of the Business Plan and other issues related to the activities of SK Ondeu LLP; - Management of the operational activities of SK Ondeu LLP, decision-making on issues of activity that are not within the competence of other bodies and officials of SK Ondeu LLP

Stakeholders	Goals/interests	Tools of influence	Means of interaction
Staff	<ul style="list-style-type: none"> - Career growth; - High income level; - Social package; - Training and professional development 	<ul style="list-style-type: none"> - The Labor Code; - Employment contracts; - Internal documents of SK Ondeu LLP 	<ul style="list-style-type: none"> - Maintaining an open, transparent HR policy aimed at the formation of qualified and motivated personnel; - Ensuring equal opportunities for employees to realize their potential in the course of their work, an impartial and fair assessment of their results, selection and promotion of employees on the basis of professional abilities, knowledge and skills; - Informing employees about vacant positions and internal corporate competitions; - Annual scheduling of vacations; - Formation and holding of corporate events; - Support in conducting training and/or improving the skills and competencies of employees; - The presence of a conciliation commission to resolve labor disputes, if any
Subsidiaries	<ul style="list-style-type: none"> - Respect for the interests of the participant/s; - Profit growth; - Timely payment of dividends; - Increase in the company's value; - Compliance with the sustainable development principles 	<ul style="list-style-type: none"> - The Charter of SK Ondeu LLP; - Internal documents of SK Ondeu LLP; - The Charters of Subsidiaries 	<ul style="list-style-type: none"> - Realization by SK Ondeu LLP of its rights as a member of a subsidiary; - Participation in the management bodies of a subsidiary; - Correspondence and sending requests to subsidiaries; - Control over the execution of orders
Investors	<ul style="list-style-type: none"> - Return on investment; - Refunding 	<ul style="list-style-type: none"> - Memoranda; - Contracts 	<ul style="list-style-type: none"> - Business correspondence; - Holding meetings with investors, including potential ones; - Attracting investments for the implementation of projects and core activities
Business partners, suppliers	<ul style="list-style-type: none"> - Commercial interests; - Supply of goods, performance of works and rendering services in accordance with the stated requirements 	<ul style="list-style-type: none"> - Contracts; - Agreements 	<ul style="list-style-type: none"> - Participation in procurement; - Holding meetings; - Business correspondence; - Entering into contracts; - Control over the proper fulfillment of contractual obligations



STAKEHOLDER MAP

Stakeholders	Goals/interests	Tools of influence	Means of interaction
Business partners, suppliers	- Commercial interests; - Supply of goods, performance of works and rendering services in accordance with the stated requirements	- Contracts; - Agreements	- Participation in procurement; - Holding meetings; - Business correspondence; - Entering into contracts; - Control over the proper fulfillment of contractual obligations
Consumers of products	- Social interests; - Commercial interests;	Contracts	- Posting on the corporate website up-to-date public information about SK Ondeu LLP and its activities; - Business correspondence, meetings with clients, including potential ones; - Compliance with consumer expectations of subsidiaries and affiliates of SK Ondeu LLP; - Conclusion of contracts, control over their execution
Public authorities	- Tax proceeds; - Economic growth; - Creation of new jobs; - Solving social problems	- Laws; - State programs of social economic development; - Legal regulation; - Official requests	- Participation in working groups, forums, conferences; - Business correspondence and/or preparation of responses to requests; - Reporting (financial, non-financial).
Competitors	- Increasing the market share	- Using more advanced and new technologies; - Asset growth; - Price competition; - Active advertising policy; - Marketing research	- Conducting marketing research; - Market monitoring and analysis; - Following the principle of fair competition in accordance with the Corporate Governance Code, the Code of Business Ethics of SK Ondeu LLP

Stakeholders	Goals/interests	Tools of influence	Means of interaction
Public organizations/ population	- Implementation of the goals and objectives of public organizations; - Transparency of the activities of SK Ondeu LLP; - Creation of additional jobs; - Development of the region	- Contracts; - Agreements; - Memoranda of understanding; - Public opinion; - Appeals to higher-level and regulatory authorities; - Media	- Charity and sponsorship; - Mutual agreement on general issues; - Holding joint events with associations and/or unions (meetings, charity events, etc.); - posting of up-to-date public information on the corporate website of SK Ondeu LLP, including publication of financial and non-financial statements on activities; - Demonstration of practical commitment to the principles of social responsibility, transparency of activities and sustainable development; - Striving to comply with generally accepted moral and ethical standards; - Timely response to the treatment of individuals.
Media	- Constructive cooperation	- Publications and information about the activities of SK Ondeu LLP	- Holding press conferences, providing press releases and arranging interviews; - Providing information at the request of media journalists.

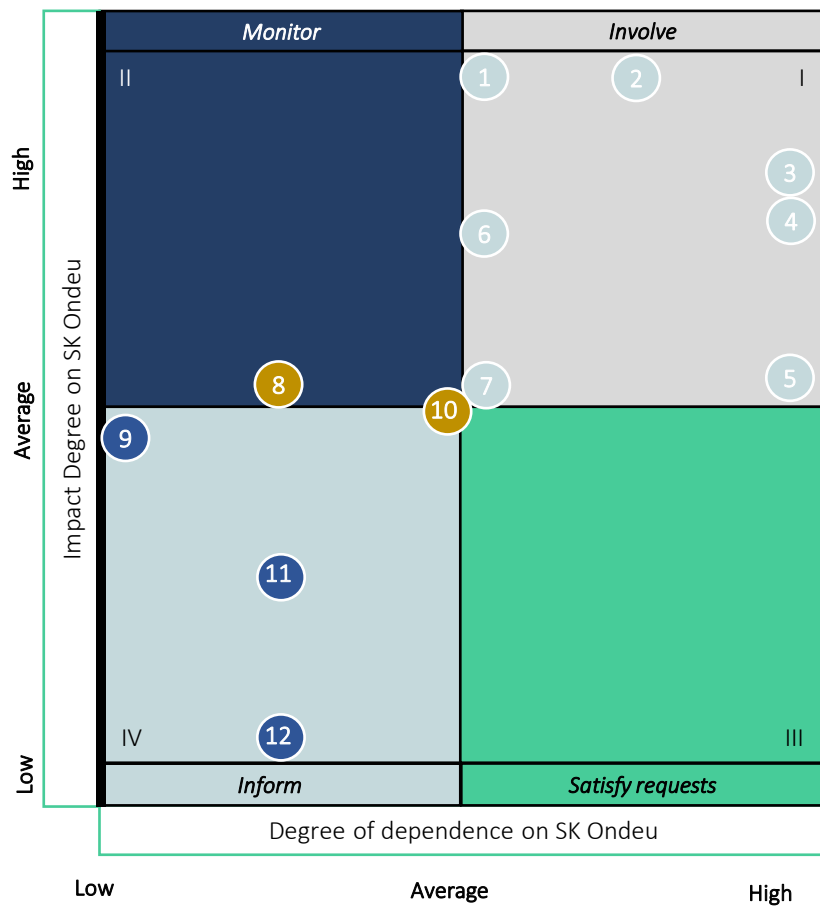
The presented Stakeholder Map was prepared by conducting a survey of the management, as well as representatives of structural subdivisions that interact with the Company's stakeholders. Based on the expert assessment of the indices of influence and dependence of stakeholders on the Company's activities obtained

from the Company's key employees, the Matrix of Influence and Dependence of Stakeholders of the Company was compiled, determining the position of importance of each stakeholder.

MATRIX OF INFLUENCE AND DEPENDENCE OF STAKEHOLDERS

The Company updates the stakeholder map annually. In 2023, the relevance of the map was confirmed by a management survey.

MATRIX OF INFLUENCE AND DEPENDENCE OF STAKEHOLDERS



- 1 – Sole Shareholder
- 2 – Supervisory Board
- 3 – Management Board
- 4 – Staff
- 5 – Subsidiaries
- 6 – Investors
- 7 – Business Partners / Suppliers
- 8 – Consumers of products
- 9 - Public authorities
- 10 – Competitors
- 11 - Public organizations
- 12 – Media

DEFINING ESSENTIAL TOPICS

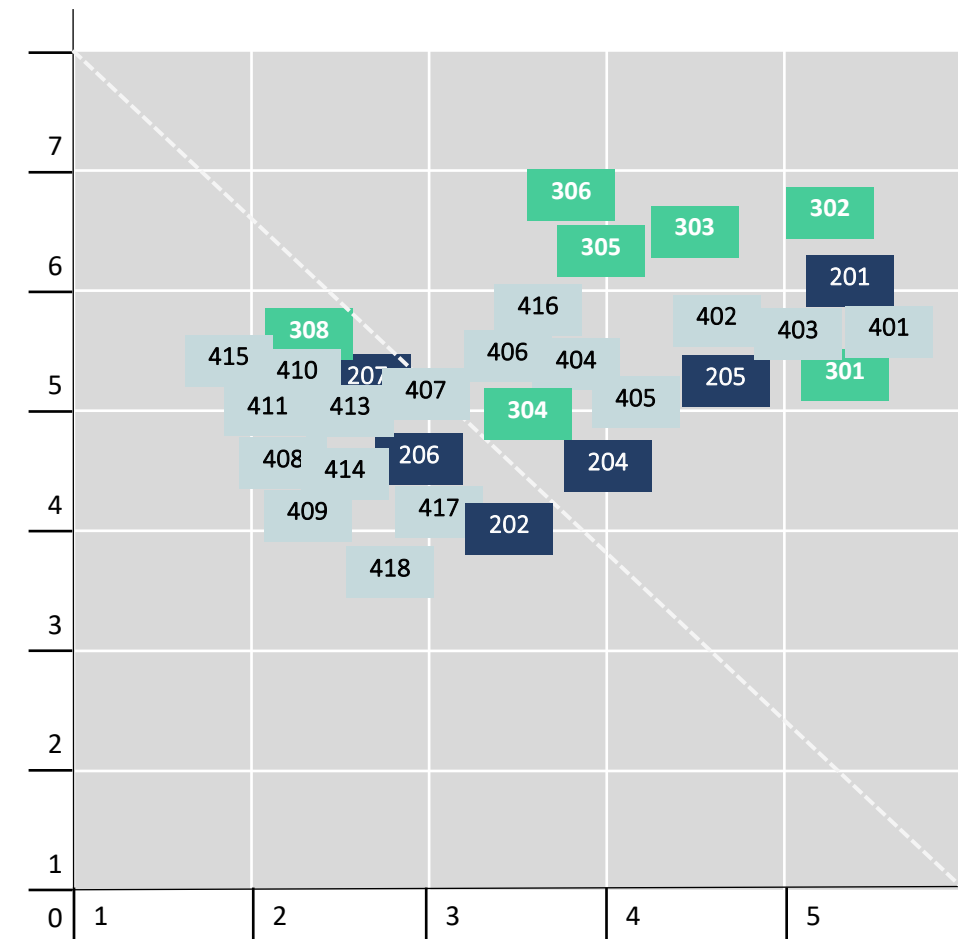
The Company has carried out a number of activities to identify significant topics in order to disclose them in the Integrated Annual Report for 2023. A survey of stakeholders was conducted to identify significant topics reflecting the significant economic, environmental and social impact of the Company, including the impact on human rights. In total, SK Ondeu received responses from the following stakeholder groups:

- management and employees of the Company;
- The Supervisory Board and the Sole Participant;
- Subsidiaries and affiliates of the Company;
- Partners;
- Business communities;
- Suppliers of goods, works and services.

The list of topics for evaluation includes GRI Topic Standards topics. Stakeholders were asked to rate each topic according to the degree of the organization's impact on the economy, the environment and people, including the impact on their human rights, on a 5-point scale, where 1 point corresponded to a rating of "very low" and 5 points – "very high". The preliminary list includes topics that scored 4 and 5 points out of 5 possible.

As a result, a list was determined consisting of 16 significant topics to be disclosed in the Annual Report for 2023.

MATRIX OF ESSENTIAL TOPICS



201 Economic performance	205 Anti-corruption	402 Labor and labor relations	410 Safety Practices
204 Procurement practices	206 Obstacle to competition	403 Safety and health at work	411 Rights of indigenous peoples
202 Market presence	207 Taxation	404 Training and education	413 Local communities
301 Materials	305 Emissions	405 Diversity and equal opportunities	414 Evaluation of suppliers according to social criteria
302 Energy	306 Waste	406 No discrimination	415 Public policy
303 Water and waste water	308 Environmental assessment of the supplier	407 Freedom of association and collective agreements	416 Consumer's health and safety
304 Biodiversity	401 Employment	408 Child labour	417 Marketing
		409 Forced labor	418 Confidentiality of personal data of consumers

CHANGES IN THE MATERIALITY OF TOPICS

GRI 3-2

2022		2023	
Economic topics			
GRI 201	Economic performance	GRI 201	Economic performance
		GRI 204	Procurement practice
GRI 205	Anti-corruption	GRI 205	Anti-corruption
Environmental topics			
GRI 301	Materials	GRI 301	Materials
GRI 302	Energy	GRI 302	Energy
GRI 303	Water and wastewater	GRI 303	Water and wastewater
		GRI 304	Biodiversity
GRI 305	Emissions	GRI 305	Emissions
		GRI 306	Waste
GRI 307	Compliance with regulations and requirements		
Social topics			
GRI 401	Employment	GRI 401	Employment
		GRI 402	Labor and labor relations
GRI 403	Safety and health at work	GRI 403	Safety and health at work
GRI 404	Training and education	GRI 404	Training and education
		GRI 405	Diversity and equal opportunities
		GRI 406	No discrimination
GRI 416	Consumer's health and safety	GRI 416	Consumer's health and safety
GRI 419	Social economic compliance		



ECONOMIC RESPONSIBILITY

GRI 201

The created direct and distributed economic value, including income, operating costs, payments to employees, suppliers of raw materials, suppliers of capital, the state, and other investments in communities, as well as retained earnings is one of the key indicators of

sustainability reporting. These indicators were calculated on the basis of the consolidated financial statements of Samruk-Kazyna Ondeu LLP prepared in accordance with IFRS.

Interpretation of the created direct and distributed economic value (KZT thousand)

Indicators	2021	2022	2023
Created direct economic value, including:			
Income from sales	36 978 213	38 943 186	36 868 435
Financial income	36 095 738	37 486 006	33 681 665
	882 475	1 457 180	3 186 770
Distributed economic value			
Operating costs	-35 266 851	-38 029 362	-37 832 983
	-27 108 333	-28 371 734	-17 057 009

Indicators	2022	2021	2023
Salaries and other payments and benefits to employees;	-4 303 164	-5 468 354	-5 575 353
Payments to capital suppliers	-1 602 777	-1 189 274	-3 716 317
Payments to the State	-2 252 577	-3 226 901	-11 484 303
Investing in local communities	0	0	0
Retained economic value	1 711 362	686 923	-964 547

Detailed information on the financial and economic results of the activities of Samruk-Kazyna Ondeu LLP for 2023 is presented in the audited consolidated financial statements posted on the corporate website of SK Ondeu LLP <http://www.o-sk.kz/> in the section "To Investors – Reporting – Financial Statements", as well as in the Annual Report VOLUME II "Consolidated Financial Statements"

PROCUREMENT PRACTICE

GRI 204-1

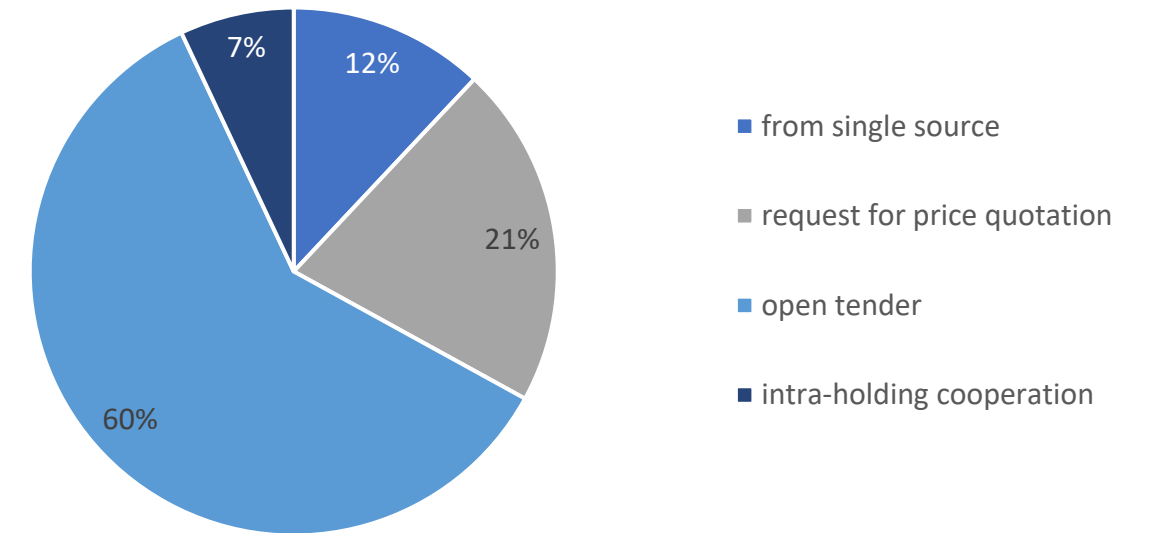
In order to support domestic suppliers and in accordance with state policy, SK Ondeu LLP in 2023 continued to monitor the procurement of goods produced by domestic enterprises of the light, furniture, food industry, as well as in the production of construction, machine-building, chemical and pulp and paper products from commodity producers that are on the list of Samruk-Kazyna JSC.

The share of local content in goods, works and services in 2023 was reached at the level of 80%. In 2021-2022, the share in the same period amounted to 76% and 82%, respectively.

Share of local suppliers in procurement, %

Indicator	2021	2022	2023
Share of local suppliers, %	76	82	80

Procurement structure by the method of conducting, %



ANTI-CORRUPTION COMPLIANCE

GRI 205

We strive to develop and maintain an atmosphere of intolerance to any forms and manifestations of corruption in our Company and Subsidiaries. Samruk-Kazyna Ondeu LLP ensures compliance with the requirements of applicable anti-corruption legislation. The procedures for ensuring the implementation of anti-corruption legislation are enshrined in the internal regulatory documents and the description of the company's business processes, as well as the Anti-Fraud

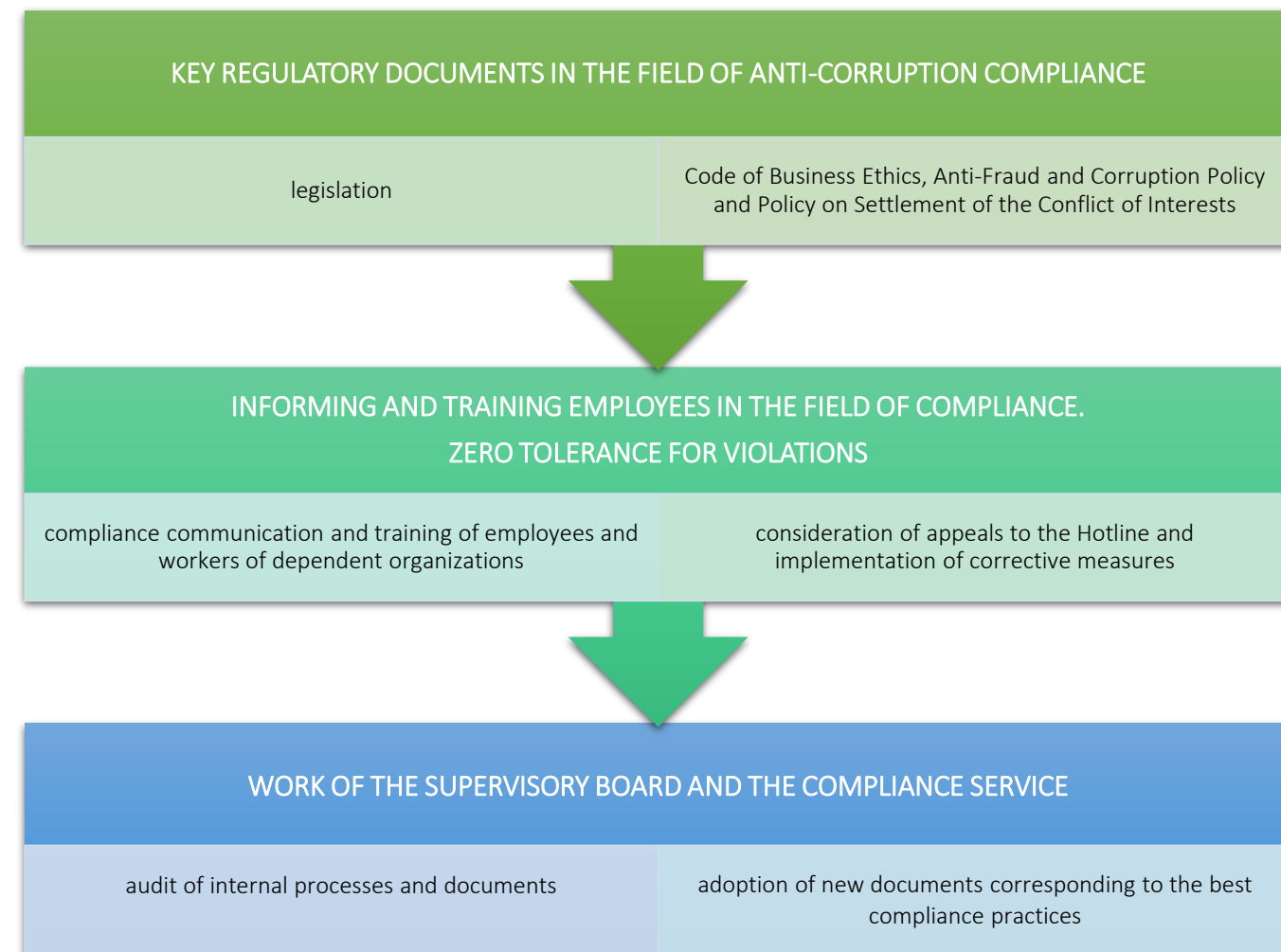
and Corruption Policy.

There is an anti-corruption clause in the contracts concluded by our Company.

There were no confirmed cases of corruption in the Company in the reporting year. The litigations concerning corruption were not initiated against the organization or its employees in 2023.



KEY COMPLIANCE TOOLS



ENVIRONMENTAL RESPONSIBILITY

GRI 301

MATERIALS

The materials used in manufacturing products on the existing projects of Samruk-Kazyna Ondeu LLP, as well as the percentage of secondary materials used in the production of the main products are presented below.

Materials used on existing projects

Name	UoM	2019	2020	2021	2022	2023
SSAP LLP						
Granular sulfur	tons	50.8	50.6	59.8	53.7	59.2
Slaked lime	kg	8.5	2.3	9.7	15.3	17.0
Soda ash	tons	8.9	1.5	1.5	6.4	7.0
Sulfur filtration powder (ground perlite)	tons	1.5	1.9	3.1	2.7	2.7
Percentage of secondary materials used in manufacturing basic products	%	0	0	0	0	0
CHEM-plus LLP						
Glyphosate 95%	kg		982 225	144 000	360 000	21 600
Potassium hydroxide 90%	kg		372 880	42 320	134 320	9 320
Emulgator M-540K	kg		264 000	29 072	92 072	5 688
Ammonium bicarbonate 96%	kg		-	15 259	43 160	0
Ammonium sulfate 98%	kg		-	5 915	17 600	0
GO-402 4-K Emulsifier	kg		-	3 420	9 700	0
Polyethylene	kg		117 170	6 458	35 872	19 158
Basco PF1010/13-PE concentrate, snow white (Masterbatch snow white)	kg		2 392	131	722	60
Percentage of secondary materials used in manufacturing basic products	%		-	0	0	0



Name	UoM	2019	2020	2021	2022	2023
KUS LLP						
Carbohydrazide	tons	-	0.788	2.212	0	0
Trisodium Phosphate	tons	-	0.014	0.166	0	0
Water ammonia	tons	-	-	3.9	4.32	3.84
Ethylene Glycol	tons	-	-	100.6392	-	-
EASY-CL corrosion inhibitor	tons	-	-	1.0576	-	-
Purotech 065 Biocide reagent	tons	-	-	0.5288	-	-
PuroTech Oxscav CZ6 Dioxide carbohydrazide reagent	tons	-	-	1.2	-	-
Reagent, biocide Purotech RO 325	tons	-	-	-	1.875	-
Reagent for water clarification, coagulant Runclear-4041	tons	-	-	-	16.489	60.555
Non-oxidizing biocide NALCO 77352	tons	-	-	-	2.629	0.81
Sodium hypochlorite, grade A	tons	-	-	-	12.97	19.75
Salt inhibitor "Ranscale-4113"	tons	-	-	-	7.4	21.525
Purotech RO 260 reagent	tons	-	-	-	2.016	1.625
Detergent, for chemical cleaning of various equipment, Purotech RO210 liquid	tons	-	-	-	3.63	5.706
Sodium hydroxide	tons	-	-	-	1.12	23.848
soda lime in granules	tons	-	-	-	2.4	2.4
Citric acid, food grade	tons	-	-	-	3.87	5.44
Biocide reagent	tons	-	-	-	2.295	3.11
Sulfuric acid, technical.	tons	-	-	-	0.2928	92.38
Hydrogen peroxide, technical.	tons	-	-	-	0.08	0.3
Sodium carbonate, technical	tons	-	-	-	-	298.9
Reagent, anionic flocculate	tons	-	-	-	-	0.525
Domestic salt.	tons	-	-	-	-	450.1

Name	UoM	2019	2020	2021	2022	2023
KUS LLP						
Reagent, flocculant cationic BIFLOK of KB-6609 brand	tons	-	-	-	-	1
Lime.	tons	-	-	-	-	123.264
Defoamer of MSG LLP	tons	-	-	-	-	0.3
Nitric acid	tons	-	-	-	-	1.6
Pelleted salt.	tons	-	-	-	-	0.56
Coagulant (for water purification)	tons	-	-	-	72	110
Flocculant	tons	-	-	-	2400	3
Glycyrine	tons	-	-	-	-	2.5
Sodium hydroxide	tons	-	-	-	-	1
Tripolyphosphate	tons	-	-	-	-	0
Hypochlorite	tons	-	-	-	2	10
Citric acid	tons	-	-	-	-	2.5

KUS LLP

Reagent consumption in 2022 is lower compared to 2023, due to the lack of commissioned treatment facilities. In 2022, the treatment facilities received chemical contaminated wastewater. Receiving oily and storm-water runoff began to be accepted in 2023.

In terms of the ZLD installation, the consumption of reagents in 2022 is lower compared to 2023, since in 2022 KPI LLP and Air Liquid did not purchase desalinated water. In 2023, KPI LLP and Air Liquid began purchasing desalinated water, as a result of which the volume of reagents consumed increased.

CHEM-plus LLP

CHEM-plus LLP produces 2 types of products. Ammonium sulfate, ammonium bicarbonate, emulsifier GO-402 4K is used in the production of granular glyphosate (Fuhua 747).

In 2023, Fuhua 747 was not produced, in this regard, there is zero in the column.



GRI 302

ENERGY

This Section contains information about energy being implemented by Samruk-Kazyna Ondeu LLP. consumption as part and beyond the projects

Total fuel consumption

Name	UoM	2019	2020	2021	2022	2023
SSAP LLP						
Gasoline	tons	9.0	0.739	0	0	0
Diesel fuel	tons	295.9	190.782	132.550	187.130	105.429
CHEM-plus LLP						
Gasoline	tons	-	-	-	-	-
Diesel fuel	tons	18	16	12	10	8.6
KUS LLP						
Gasoline	tons	9.0	0.739	0	0	0
Diesel fuel	tons	295.9	190.782	132.550	187.130	0

Energy consumption, kWh

Name	2019	2020	2021	2022	2023
SSAP LLP					
Total consumption	23 356 375	22 073 129	25 976 544	21 961 824	24 069 890
Consumption from Stepnogorsk-Energosbyt	1 718 743	782 153.00	0	0	969 026
Own electricity	21 637 632	21 290 976	25 976 544	21 961 824	23 100 864
CHEM-plus LLP					
Consumption for own needs of Alem Pavlodar LLP	1 760 513	1 556 965	1 147 000	856 000	926 232
KUS LLP					
Own electricity	1 116 402	23 519 476	40 819 482	47 881 937	49 972 414

Thermal energy consumption, Gcal/year

Name	2019	2020	2021	2022	2023
SSAP LLP	9 500	9 500	9 500	9 500	9 500
CHEM-plus LLP	the boiler house has not been put into operation			0	0
KUS LLP	0	0	0	0	0

SSAP LLP

Heat supply is carried out by steam-water heat exchange plate devices TO1, TO2 with a thermal load of 3.2 Gcal/ h with an effective area of 18.86 m², a steam flow rate of 5.84 t/h and a UDWS of 127.63 t/h for heating mains water in the main. Network water in the main line is pumped using network pumps No.1, 2 and 3 with a capacity of 15 kWh. According to the technological regulations for the production of sulfuric acid by contact method, the consumption of thermal energy in technological buildings is 7300 Gcal/year. According to the accounting data for the last 5 years, the actual consumption of thermal energy in buildings No. 9, 11A and 37 is 2200 Gcal/year. The total consumption of thermal energy for the enterprise will be 9500 Gcal/year.

During the 2021-2023 heating season, the consumption of thermal energy from third-party organizations was not carried out. Heating of buildings and structures was carried out due to the utilization of associated steam. The thermal energy of its own production is fully sufficient to cover the needs of the Partnership.

CHEM-plus LLP

The heat supply should be carried out through its own boiler house operating on natural gas. The boiler house has not been put into operation.

During the 2019-2023 heating season, the consumption of thermal energy from third-party organizations was not carried out. Heating of buildings and structures was carried out by convectors.

On these projects, energy consumption for cooling of technological equipment is not taken into account. Steam from third-party energy-producing organizations was not used in the period 2019-2023. For the period 2019-2023, only electrical energy was used. Steam is not used in the production, and these types of energy have not been sold.

KUS LLP

The heat supply is carried out through its own boiler house operating on natural gas. During the 2019-2023 heating season, the consumption of thermal energy from third-party organizations was not carried out. Heating of buildings and structures was carried out at the expense of its own boiler room. The thermal energy of its own production is fully sufficient to cover the needs of the Partnership.



GRI 303

WATER AND WASTEWATER

This section provides information on the current projects of Samruk-Kazyna Ondeu LLP in terms of the total amount of water withdrawn by source, information on water sources that are significantly affected by the organization's water intake, the total volume of reusable and reused water, and discharges indicating the quality of wastewater and the receiving facility.

SSAP LLP

The water supply of the enterprise for household, drinking and technical needs (dust suppression) is centralized according to the contract. The water intake of SSAP LLP is carried out from Stepnogorsk-Vodokanal MSE on REM from Seleta River basin. The discharge of wastewater from the enterprise is provided for in the existing sewerage networks according to the agreement.

The Partnership does not take water from surface and underground sources, does not use special and technical facilities for water intake. The territory of the facility is not included in water protection zones and strips of reservoirs. The nearest reservoir is the Aksu River, which flows at a distance of more than 6 km.

CHEM-plus LLP

There are no water intake sources. Technical water is purchased from municipal organizations in the amount of 1500 m3. According to the project, water is purchased from Taraz Chemical Park SEZ, according to the project, industrial and household effluents are discharged into the collector of Taraz Chemical Park SEZ after local purification.

KUS LLP

The volume of water consumption in the Partnership does not have a significant impact on the source water used. Water consumption is carried out from the Astrakhan-Atyrau-Mangyshlak main water pipeline. There is no drainage into evaporation ponds. All generated wastewater is processed at sewage treatment plants.

Total amount of water taken by source

Name	Drinking quality water, m3	Service water, m3	Service water for the main production, m3	Service water for electricity generation, m3	Service water for acid dilution, m3	Wastewater discharge, m3	Average percentage of production workload, %
SSAP LLP							
2023	13 975	438 790	223 101	175 292	40 395	13 975	95.91
2022	22 101	441 150	227 549	178 786	34 814	22 101	90.65
2021	26 417	464 510	238 399	187 313	38 617	26 417	92.67
2020	13 524	510 840	267 742	210 369	32 729	13 524	84.9
2019	34 029	446 570	231 805	182 131	32 634	34 029	85.57
CHEM-plus LLP							
2023	300	0	200	0	0	100	0
2022	300	1000	700	0	0	100	0
2021	300	1500	1200	0	0	120	0
2020	300	1500	1200	0	0	120	0
KUS LLP							
2023	1 529 059	0	865 753.8	0	0	0	0
2022	941 107	0	1 732 925.7	0	0	0	0
2021	0	0	6 073	0	0	0	0
2020	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0

Use of underground, rainwater, sewage and municipal water supply systems

Name	Underground water	Rainwater collected and stored by the organization	Wastewater of other organizations	Municipal and other water supply systems
SSAP LLP	not used	not used	not used and not disposed	absent
CHEM-plus LLP*	not used	not used	not used and not disposed	absent
KUS LLP	not used	5 173.977 m3	116 243 m3	not used



Water sources that are significantly affected by the organization's water intake: The water intake of **SSAP LLP** is carried out from Stepnogorsk-Vodokanal MSE on REM from Seleta River basin. At **CHEM-Plus LLP**, the volume of water consumption is insignificant, does not have a significant impact on the source water used. The water intake of **KUS LLP** is carried out from the Astrakhan-Atyrau-Mangyshlak main water pipeline.

GRI 303

WATER AND WASTEWATER

Total volume of reusable and reused water

s/i No.	Name	Volume of reusable and reused water, m3				
		2019	2020	2021	2022	2023
2	SSAP LLP	3 400	3 400	3 400	3 400	3 400
3	CHEM-plus LLP	0	0	0	0	0
4	KUS LLP	0	0	0	283 125	718 554

Total volume of discharges indicating the quality of wastewater and the receiving facility

s/i No.	Name	The volume of discharges indicating the quality of wastewater and the receiving facility, m3/year				
		2019	2020	2021	2022	2023
2	SSAP LLP	34 029	13 524	26 417	22 101	13 975
3	CHEM-plus LLP*	0	0	0	0	0
4	KUS LLP	0	0	0	0	0

SSAP LLP

Wastewater discharge is carried out through a pipeline owned by Stepnogorsk-Vodokanal SME on REM to the sewage treatment plant.

In the course of production activities, household waste water is also generated. The treatment of them requires taking ordinary sanitary and hygienic measures, since the household service of the staff is provided in the existing household building of the Partnership. The project does not provide for special measures for the disposal of domestic wastewater.

Stormwater and meltwater from the roof of buildings are diverted directly to the blind areas of buildings with subsequent discharge to the relief.

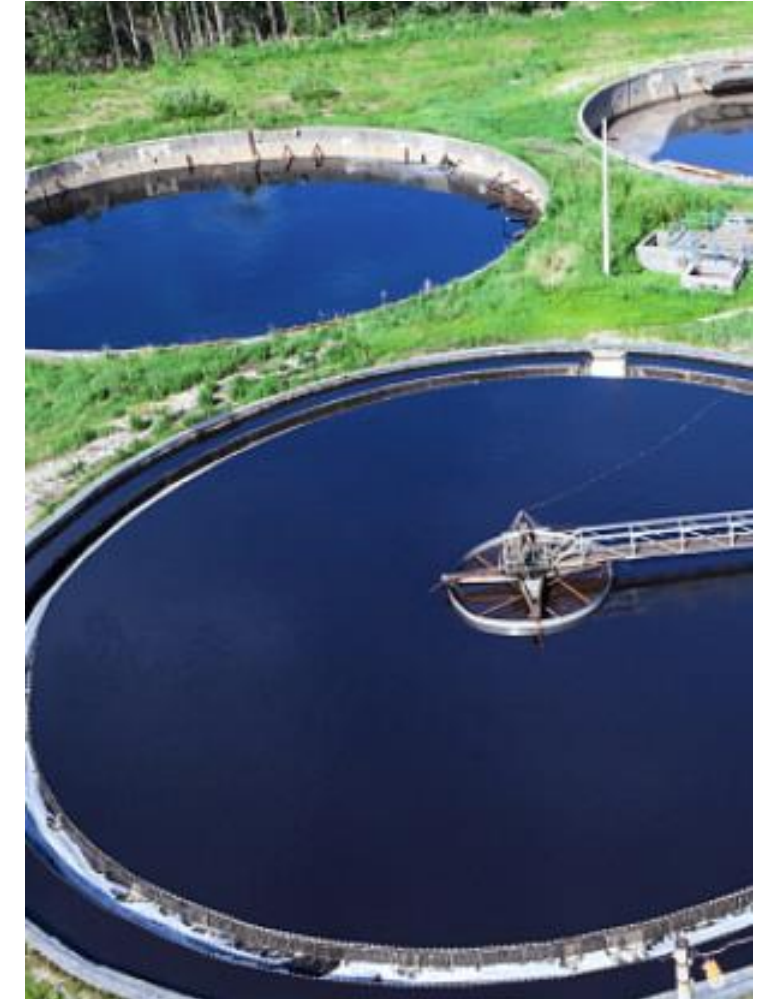
The volume of discharges reused by another organization on the territory of the Partnership is not available.

CHEM-plus LLP

During the production of liquid formulas, chemical contaminated effluents are not formed.

KUS LLP

In accordance with the design decisions, all generated wastewater is recycled and reused. Wastewater discharge into the evaporator pond is provided only during the repair period. However, there is no commissioned evaporation pond on the balance sheet of the Partnership.



GRI 304

BIODIVERSITY

This section provides information on industrial sites owned, leased or managed in protected areas and regions with a high level of biodiversity and adjacent areas.

SSAP LLP**Flora**

The territory of the enterprise's location belongs to the zone of dry turf-grass steppes on dark chestnut soils. In undisturbed areas of this territory, fescue-feather grass communities with the participation of various grasses predominate.

The vegetation of the territory is represented by 7 associations and plant groupings:

1. Fescue-feather grass on dark chestnut soils;
2. Fescue-feather grass and wormwood on dark chestnut soils in combination with sheep fescue-wormwood-tirs on dark chestnut underdeveloped soils of the clayish plain;
3. Sheep fescue - feather-grass on dark chestnut soils in combination with wormwood-sheep fescue-tirs on dark chestnut alkaline soils on a wavy plain;
4. Sheep fescue - wormwood - tirs on dark chestnut soils in a complex of incompletely developed with Sheep fescue - cold wormwood on underdeveloped soils up to 40% on a wavy plain;
5. Cereal - wormwood - mixed grass on meadow-chestnut soils by microdepression;
6. Sheep fescue - cold wormwood on dark chestnut underdeveloped soils in a complex of disturbed lands;
7. Disturbed lands.

The projective coverage of the soil by plants is: 50-60%. There are up to 25 species of plants on an area of 100 m². Cereals in the herbage account for an average of 60%, grasses - 25%, wormwood - 15%. The species saturation of the herbage is average. Vegetation is very valuable in terms of fodder, 100 kg of hay contains an average of 53 kg of fodder units. The average height of vegetation ranges from 15 to 46 cm. The average yield of vegetation, depending on the species, ranges from 1.5 – 4.0 kg/ha of dry weight.

The territory adjacent to the industrial zone of Stepnogorsk is occupied by pastures, wetlands and does not contain valuable natural components.

The territory of disturbed lands is an alternation of numerous recesses, dumps, embankments.

The reconstruction and operation of SSAP LLP should not harm populations of rare and endemic species, as plants are found everywhere in spaces that will not be affected by the production process.

Wildlife

The wildlife in the area of the enterprise is very rich. The fauna of vertebrates has 283 species. They are classified as follows: mammals - 47 species, birds - 216 species, reptiles - 7 species, fish - 12 species. The close connection of the wildlife with certain types of soils and vegetation is clearly traced.

The main productive biotopes in Akmola region are reservoirs with coastal vegetation and cultivated fields, the most numerous inhabitants of this territory are wetland and steppe birds, which include: near-water sparrows, pigeons, gray crow, rooks, jackdaws, various species of larks and stoves.

There are no buildings, high-rise structures, supports of high-voltage transmission lines, artificial structures of reservoirs on the territory of the enterprise, which would interfere with the flight and nesting of birds.

The impact of harmful factors on the wildlife is accepted in the same way as on the population. The issues of wildlife protection are not considered, since the work is carried out in an area where there are no places of mass animal habitat. The vegetation cover in the production area is experiencing anthropogenic stress due to the reclamation of the quarry, the laying of dirt roads, all this leads to a decrease in productivity and economic value of the vegetation cover, to the disruption of communities. It should be noted that the plant is located in an industrial area of Stepnogorsk, which already has man-made pollution, therefore, it is not envisaged to carry out any separate measures to protect the wildlife and flora.

Currently, the wildlife is in a natural balance, because human influence on it has not yet been felt, i.e. the wildlife is still quite diverse.

Soils and subgrades

The plant is located in the industrial zone of Stepnogorsk and has man-made pollution and disturbance of the terrain.

Geomorphologically, the territory of the plant is a part of a slightly hilly plain with small swampy depressions and ridge-like elevations characterized by smoothed forms (downward development) of the relief.

Geologically, the territory of the work site is composed of weathering crust - it is an ancient eluvium consisting of decomposition and leaching products of mainly arkose sandstones and, less often, intrusions of granites remaining at the site of primary occurrence or partially redeposited. During the weathering of arkose sandstones, in which clay is the cement, the final products of weathering of a loamy nature are formed. The intermediate stage of the development of the weathering crust is characterized by gruss-rock and coarse medium deposits.

At the initial stage of development, the weathering crust is represented by a blocky zone of parent rocks (sandstones, granites), characterized by an abundance of weathering cracks.

The district is characterized by a mixed direction of farming: agricultural and livestock. Arable lands are relatively few, they occur in separate arrays and are confined to less saline soils.

The soil cover of the work site is mainly represented by loamy and sandy loam, sometimes saline soils.

The content of radionuclides in soil samples is at the background level corresponding to the background of the region.

Characteristics of the initial radiation and toxic background at the pilot industrial site No. 1:

- 1) The atmosphere does not contain harmful chemicals in concentrations exceeding the maximum permissible;
- 2) Groundwater is not contaminated with toxic substances;

3) Throughout the work site, the soils do not contain excessive concentrations of harmful chemicals.

CHEM-plus LLP

Semi-desert or desolate steppe is a type of landscape intermediate between steppe and desert.

Vegetation is sparse. The vegetation cover is mainly made up of sheep fescue, wormwood, chamomile, feather-grass; rodents - gophers, muskrats, sand hares - inhabit the area. There are predators - steppe polecats and foxes, of birds - eagles, larks. There are many reptiles - lizards and snakes.

KUS LLP

1. The Partnership operates a steam and gas turbine power plant and a site for chemical water treatment and wastewater treatment, within which there are no protected areas and areas with a high level of biodiversity and adjacent areas.

2. According to the results of the conducted research as part of industrial environmental control, there is no significant environmental impact from the operation of the Partnership's facilities.

3. There are no protected or restored habitats. There are no species listed in the Red List of the International Union for Conservation of Nature and species included in the national list of protected species indicating habitats in areas affected by the organization's activities.



GRI 305

EMISSIONS

This section provides information on the current projects of Samruk-Kazyna Ondeu LLP in terms of total emissions, direct emission of greenhouse gases, atmospheric emissions of NO_x, SO_x and other significant pollutants.

Total emissions

Name	SSAP LLP	CHEM-plus LLP	KUS LLP
Direct greenhouse gas emissions	absent	absent	Carbon dioxide - 794.315 tons Methane – 56.4 tons Nitrous oxide – 14.1 tons
Indirect energy emissions of greenhouse gases	absent	absent	absent
Other indirect greenhouse gas emissions	absent	absent	absent
Intensity of greenhouse gas emissions	absent	absent	absent
Reducing greenhouse gas emissions	absent	absent	absent
Emissions of ozone-depleting substances	absent	absent	absent
Emissions of NO _x , SO _x and other significant pollutants into the atmosphere	NO _x – 0.168 tons SO _x – 134.84 tons PM – 0.926 tons Other – 18.939 tons	NO _x – 0 ton SO _x - 0 ton. From non-stationary sources - 0.175 tons	NO _x – 216.34 tons SO _x – 94.57 tons PM – 0.02 tons CO – 206.61 tons Other – 8.80 tons

SSAP LLP

Greenhouse gas emissions

In 2021, SSAP LLP (hereinafter - the Partnership) conducted an inventory of greenhouse gas emissions. Based on the results of inventory, there are no direct greenhouse gas emissions, indirect emissions in the Partnership include emissions from the starting boiler, starting heater of the furnace, diesel power plant type QAC500R, TEKSAN during plant shutdown, when burning diesel fuel.

Emissions of NO_x, SO_x and other significant pollutants into the atmosphere by SSAP LLP

Harmful substances polluting the atmosphere on the territory of the plant are:

- sulfuric acid aerosols and sulfurous anhydride in the exhaust gases of the final absorption tower;
- diesel fuel vapors containing marginal hydrocarbons C 12-C 19 and hydrogen sulfide from diesel fuel consumable tanks;
- sulfuric acid aerosols from a sulfuric acid warehouse, including in case of an emergency spill;
- soot, nitrogen oxide, nitrogen dioxide, sulfur dioxide, carbon oxide during the heating of the combustion furnace, exhaust gases, incomplete combustion products.
- NO_x – 0.168 tons.
- SO_x – 134.84 tons.
- Volatile organic compounds (VOCs) – 0.001 tons.
- Solid particles (SP) – 0.926 tons.
- Gaseous and liquid – 134.84 tons.
- Other – 18.939 tons.

Constant control over and monitoring of emissions into the environment is carried out, aimed at establishing a system of standards for the condition and maximum permissible impact on environmental components necessary for the effective implementation of environmental protection management. The main task of environmental control of emissions is to identify the extent of changes in the quality of the environment within the sanitary protection zone of the enterprise and on its border.



GRI 305

EMISSIONS

CHEM-plus LLP

Direct greenhouse gas emissions

There are no direct greenhouse gas emissions from CHEM-plus LLP, the boiler house has not been put into operation. After commissioning of the boiler house, an inventory of greenhouse gases will be carried out.

Emissions of NO_x, SO_x and other significant pollutants into the atmosphere by CHEM-plus LLP

Emissions from unorganized sources amounted to 0.015 tons (3-5% of the permitted emission rate). The control over emissions of pollutants into the atmosphere is carried out by an accredited laboratory. Sampling sites for determining concentrations of pollutants are determined in accordance with the requirements of regulatory documents. The selection and analysis of the air samples under the contract is carried out by an accredited laboratory of by Leader Consulting PCF LLP according to the control schedules for emissions of pollutants into the atmosphere. The main task of environmental control is to monitor the impact of pollutants and identify the extent of environmental quality changes within the sanitary protection zone of the enterprise and on its border.

GRI 306

WASTE

This section provides information on waste on current projects of Samruk-Kazyna Odeu LLP. Production and consumption wastes are accounted for by their types, quantity and properties, hazardous waste passports are developed, production and consumption wastes are accounted for in the relevant waste register, as wastes are

KUS LLP

Greenhouse gas emissions

In accordance with requirements of the Environmental Legislation of the Republic of Kazakhstan, in 2024, the Partnership conducted an inventory of greenhouse gases for 2023. The calculation of greenhouse gas emissions from organized sources of a steam and gas turbine power plant and a site for chemical water treatment and wastewater treatment has been performed. According to the results of the inventory conducted in 2023, greenhouse gas emissions in 2023 amounted to: carbon dioxide - 794 315 tons; Methane – 56.4 tons; nitrous oxide – 14.1 tons, therefore the Partnership falls under the requirements for greenhouse gas quotas.

In its activities, the Partnership does not emit ozone-depleting substances that affect climate change.

Emissions of NO_x, SO_x and other significant pollutants into the atmosphere by KUS LLP

According to the standards of permissible emissions, stationary sources of pollutant emissions (organized and unorganized) have been identified. In 2023, there is a significant reduction in pollutant emissions as compared to 2022. Reducing emissions of pollutants is associated with a reduction in the amount of electricity generated. The actual volume of gross emissions from stationary sources: total – 526.33 tons per year, including: solid – 0.02 tons, NO_x – 216.34 tons, SO_x – 94.57 tons, CO – 206.61 and others – 8.80 tons.

generated and transferred for utilization or disposal at all facilities of the Partnership. Results of waste accounting are submitted to the authorized body in the field of environmental protection.

Waste generation

Waste name	Source of waste generation	Waste accumulation				Transfer to specialized organizations, tons			
		Volume of accumulated waste, tons				2020	2021	2022	2023
		2020	2021	2022	2023				
SSAP LLP									
Used fluorescent lamps	Replacement of used lamps	0.106	0.117	0.0921	0.03468	0.106	0.117	0.0921	0.03468
Cakes after sulfur filtration	Sulfuric acid production waste, sulfur melting	75	80	183	215	75	80	183	215
Waste containing sulfuric acid	Sulfuric acid waste during tank cleaning	0	2.5	2.5	3.25	0	2.5	2.5	3.25
Solid household waste	They are formed as a result of the vital activity of the staff	21.84	42.89	45.63	34.51	21.84	42.89	45.63	34.51
Waste paper, paper	It is formed as a result of the production process	0	0	0.325	0.122	0	0	0.325	0.122
Welding electrode stubs	They are formed in the production process during electric welding works	0	0.001	0.003	0.008	0	0.001	0.003	0.008
Oiled rags	It is formed when using a cleaning material for wiping mechanisms, parts, engineering tools and machines from petroleum products	0	0	0.004	0.045	0	0	0.004	0.045
Office equipment	It is formed during the operation of office equipment	0.0312	0.005	0.071	0.1	0.0312	0.005	0.071	0.1
Rechargeable batteries	They are formed during the operation of portable equipment, when replacing batteries	0.038	0.042	0	0.021	0.038	0.042	0	0.038
									63

Waste generation

Waste name	Source of waste generation	Waste accumulation				Transfer to specialized organizations, tons			
		Volume of accumulated waste, tons				2020	2021	2022	2023
		2020	2021	2022	2023				
SSAP LLP									
Construction waste	Construction repair work, dismantling of equipment	10	8	3.78	17.72	10	8	3.78	17.72
Waste nylon tape	They are formed as a result of sorting and packaging of raw materials	0	0	0.001	0.001	0	0	0.001	0.001
PVC canopy	They are formed as a result of sorting and packaging of raw materials	0	0	42.007	11.68	0	0	42.007	11.68
B, G class medical waste	They are formed when providing medical care to personnel	0.001865	0.015	0.01777	0.0389	0.001865	0.015	0.01777	0.0389
Metal waste	Operation and repair of equipment	0	0	0	0	0	0	0	0
CHEM-plus LLP									
Packaging containing residues or contaminated with hazardous substances	Packaging of raw materials	7.8	2.6	3.8	18.5	7.8	2.6	3.8	18.5
Mixed packaging	Packaging of raw materials	0.8	0.4	0.6	2.5	0.8	0.4	0.6	2.5
Used activated carbon	From the adsorber	0.2	0.2	0.2	0	0.2	0.2	0.2	0



Waste generation

Waste name	Source of waste generation	Waste accumulation				Transfer to specialized organizations, tons			
		Volume of accumulated waste, tons				2020	2021	2022	2023
		2020	2021	2022	2023				
CHEM-plus LLP									
Absorbents, filtering material (including oil filters otherwise unspecified), wiping cloths, protective clothing contaminated with hazardous materials	Rags, protective clothing	0.1	0.1	0.1	0	0.1	0.1	0.1	0
Household waste		4	2	2	2	4	2	2	2
KUS LLP									
SMW	COSAG plant	0	0	3.32	15.58	0	0	3.32	15.58
Wood waste	COSAG plant	0	0	0.68	8.6	0	0	0.68	8.6
Used containers	COSAG plant	0	0	3.8	0	0	0	3.8	0
Cartridges	COSAG plant	0	0	0.03	0	0	0	0.03	0
Used oils	COSAG plant	0	0	0.8	0	0	0	0.8	0
Used filters of	COSAG plant	0	0	0	10.6	0	0	0	10.6
Thermal insulation waste	COSAG plant	0	0	0	14.46	0	0	0	14.46
Cake of filter presses	WPU	0	0	26.18	5823.66	0	0	26.18	5823.66
SMW	WPU	0	0	1.34	20.14	0	0	1.34	20.14
Used containers	WPU	0	0	0	9.3	0	0	0	9.3
Salt waste	WPU	0	0	0	939.66	0	0	0	939.66
Excess sludge	WPU	0	0	0	53.1	0	0	0	53.1
Used filters of	WPU	0	0	0	1.46	0	0	0	1.46



HR AND SOCIAL POLICY

The updated HR Policy of the Partnership was approved by the decision of the Supervisory Board of the Partnership in December 2023.

The HR Policy is focused on increasing the value of human capital, creating favorable conditions and ensuring the competitiveness and sustainability of the labor market.

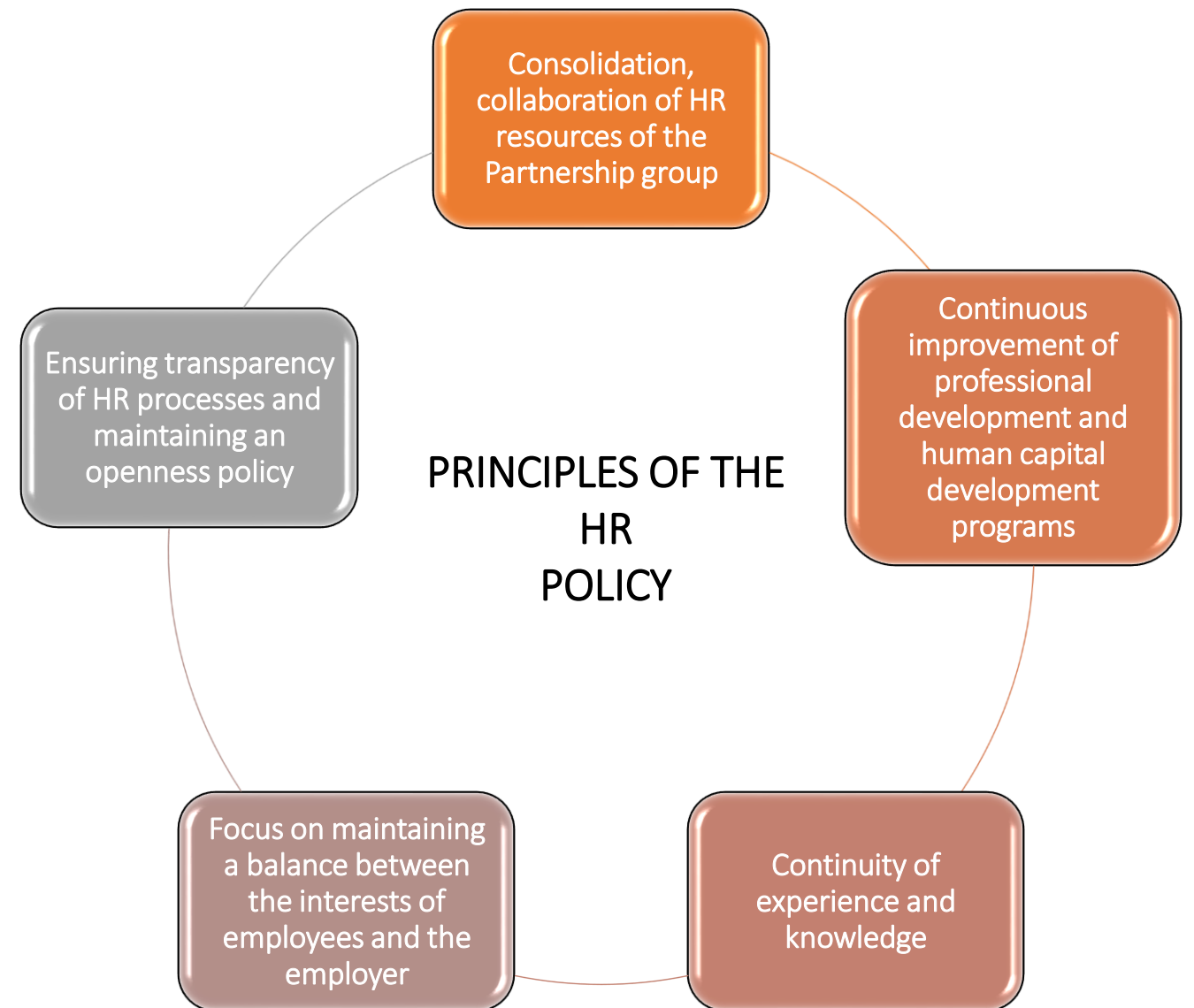
Key areas of the HR Policy:

- **Proactive planning of human resources** as part of ensuring effective portfolio management, organization of the process of continuous improvement of staff qualifications and competencies;
- **Social stability** in the teams and contributing to the growth of well-being of the staff throughout the Partnership. Creation of working conditions and motivation systems that ensure safe and high-performance work;
- **Creation of a fair labor payment system** that includes equal pay for work of equal value to employees;
- **Continuous improvement of the HR management function**, which includes the competent selection and hiring of highly qualified and motivated employees, training and advanced training;

- **Development of a corporate culture that includes ethics, openness, interest and cooperation**, where the HR function ensures the formation and development of culture, motivates and increases the interest, understanding and support by employees of the strategic goals of the Partnership;
- **Strengthening corporate identity and self-awareness through the development of internal expertise** and the creation of conditions for increasing the value of human capital by improving the level of training of local personnel, as well as favorable conditions for the retention of qualified specialists.

In order to achieve the set goals in this HR Policy, the Partnership identified the following main directions:

- Attracting, motivating and creating favorable conditions for qualified personnel through the development of human resources, taking into account the strategic vision and development goals of the Partnership;
- Effective development of a corporate culture that contributes to the realization of strategic goals of the Partnership;
- Introduction of modern methods and advanced technologies of HR management, improvement of HR processes to increase the effectiveness of HR functions.



GRI 402

SOCIAL STABILITY LEVEL

Samruk-Kazyna Ondeu LLP participates in the **SAMRUK RESEARCH SERVICES study on an annual basis**. In 2023, this study was conducted once every six months.

SAMRUK RESEARCH SERVICES is a monitoring tool for measuring the level of social stability in the Fund's workforce.

According to the results of the study in Samruk-Kazyna Ondeu LLP (SSAP LLP and Polymer Production LLP), there is decrease in the level of social stability in labor collectives.

Thus, the integral SRS indicator of the Company in 2023 decreased by 18 percentage points as compared to 2022 and amounted to 60%.

In terms of Subsidiaries, the level of the integral indicator in SSAP LLP was 55%, in Polymer Production LLP - 64%.

LABOR AND LABOR RELATIONS

The issues of labor organization and labor relations are regulated by the Rules for Internal Labor Regulations, labor contracts. Employee incentives are implemented through a system of approving goals for the period and individual employee development plans, on the basis of which periodic performance evaluation and bonuses are carried out.

As part of social support, employees are provided with financial assistance for work holidays, at the birth of a child, etc. Various thematic team building sessions, communication meetings with management, sports events, etc. are held.

The system of remuneration and bonuses for employees of the Partnership is based on the following principles:

1) internal fairness (official salary is depending on the grade of the position) and external competitiveness (the level of remuneration should be competitive relative to the reference salary market);

2) the remuneration system should be transparent and understandable;

3) the amount of remuneration should depend on the achievement by the Partnership as a whole and individual employees of the goals and objectives, as well as the financial and economic capabilities of the Partnership. The remuneration of employees of the Partnership is based on a time-based bonus system of remuneration, taking into account the grade of each position.

The comprehensive annual income of an employee may consist of the following elements:

- Official salary;
- Bonus to administrative employees based on the results of the reporting period (based on the results of performance evaluation);
- Bonuses to senior employees (members of the executive body of the Partnership) depending on the results of the execution of key performance indicators approved by the Supervisory Board;
- Financial assistance for labor leave;
- Award based on results of the year, depending on the execution of corporate key performance indicators;
- Award for public and professional holidays.

SOCIAL SUPPORT, GUARANTEES AND COMPENSATION PAYMENTS

The social policy of the SK Ondeu LLP group of companies is determined jointly with employees and is provided at the expense of the available financial capabilities of the SK Ondeu LLP group of companies.

Labor disputes in the SK Ondeu LLP group of companies are resolved in accordance with the current legislation and the Regulation on the Conciliation Commission for Individual Labor Disputes with the participation of representatives of the employer and employee. The procedure for contacting and receiving feedback on labor disputes is determined by an internal regulatory document, familiarization with which is carried out during the employment of employees.

The composition of the Conciliation Commission is approved by the organizational and administrative document. In the event of a labor dispute, before applying to the Conciliation Commission, the employee has the right to apply:

- To the Head of the HR Department;
- To the Chairman of the Conciliation Commission;
- To the CEO of the Company.

At the moment, a collective agreement has been concluded in the Subsidiary, SSAP LLP, while in other companies such an agreement is being developed.

The following benefits are provided to employees in SK Ondeu LLP and Subsidiaries:

- Compulsory life insurance by the employer;
- Voluntary health insurance of employees;
- Incapacity/disability compensation;
- Maternity/paternity leave;
- Financial assistance for the birth /adoption of a child;
- Financial assistance in connection with the death of an employee, spouse, children, parents of an employee;
- Financial assistance for recovery;
- Partial refund of food to rotation shift workers;
- Transportation of personnel (to the place of work and return home);
- Free providing of disposable medical masks and decontamination sprays.



GRI 401**STAFF STRUCTURE**

The total workforce at the end of 2023 in SK Ondeu, including Subsidiaries, excluding Polymer Production LLP

amounted to 615 persons. In this regard, in the reporting period, the workforce of the Group decreased by 26.3% as compared to 2022.

Staff number of SK Ondeu, 2021-2023, persons

Indicator	2021	2022	2023
Workforce at the end of the reporting period	769	835	619
Average staff number at the end of the reporting period	783	826	615

We value long-term relationships with our employees, so most of them work under long-term contracts (> 99%),

about 1% of employees were employed under fixed-term contracts.

The workforce by the form of employment, 2021-2023, persons

Indicator	2021	2022	2023
Long-term agreement	747	821	611
men	552	602	465
women	195	219	146
Temporary employees	22	14	4
men	1	3	2
women	21	11	2
Full-time employment	756	822	602
men	542	593	456
women	214	229	146
Part-time employment	13	13	13
men	11	12	11
women	2	1	2
Under agreements of civil legal nature	0	1	3
Under outstaffing agreements	2	5	9

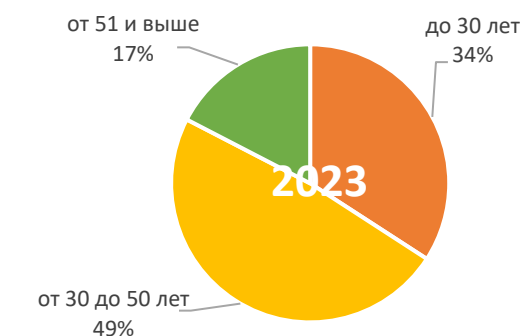
GRI 405-1, 406

Our Company does not allow age discrimination. No cases of discrimination were recorded in the reporting period.

The Company employs representatives of different age groups, including persons over the age of 50, the share of which in 2023 was 17%.

The workforce by age, 2021-2023, persons

Indicator	2021	2022	2023
Up to 30 years old	178	225	210
From 41 to 50 years old	464	461	298
Over 50 years old	127	149	107

**DIVERSITY AND INCLUSIVITY****GRI 405-1, 405-2**

SK Ondeu recognizes and values the diversity of employees' views and cultural values. We do not tolerate any form of discrimination, including discrimination based on race, gender, religion, disability or political beliefs. When announcing vacancies and selecting candidates, the requirements for experience and qualifications are clearly defined in order to avoid any bias in the

hiring process. The amount of remuneration depends only on the professional qualities of the candidate. SK Ondeu provides jobs for people with disabilities. In 2023, the number of employees with disabilities amounted to 4 persons, which is 2 persons less than in 2022.

Workforce with disabilities, 2021-2023, persons

	2021	2022	2023
men	3	5	4
women	1	1	0
Total	4	6	4

GENDER COMPOSITION

GRI 405

Predominance of men in the staff structure is related to the specifics of the Company's production activities. At the same time, SK Ondeu supports the principle of gender equality and

actively engages women to administrative and service positions. The portion of women among the Group employees in 2023 was 31.7%.

The workforce by gender, 2021-2023, persons

Indicator	2021	2022	2023
men	553	605	467
women	216	230	148

As part of promotion of the gender equality, as well as development of leadership potential among women and the training of future women leaders, the company plans to gradually increase the proportion of women in the management bodies of SKO and

Subsidiaries (on supervisory boards and executive bodies) by 2030 at the level of at least 30%. As of the end of 2023, this indicator ranged from 25% to 33.3% for the Group

TALENT RETENTION

Recruitment and staff turnover

GRI 401-1

In 2023, the Group employed 208 persons. 64.4% of new employees work in Atyrau region. The Partnership does not have a policy on preferential recruitment of employees from among the local population. Selection for vacant positions

is carried out based on the education, qualifications and professional qualities of applicants. In 2023, the turnover rate in the Group was 22.1%. As compared to 2021, this indicator increased by 1.2%.

Indicator	2021	2022	2023
Hired employees, persons	224	246	163
Dismissed employees, persons	214	173	122

MATERNITY LEAVE

GRI 401-3

In 2023, as for the SK Ondeu LLP group of companies, 13 persons went on maternity leave and parental

YEAR	Number of employees who have taken maternity/paternity leave, person		The number of employees who returned to work at the end of maternity/paternity leave		Number of employees who returned to work at the end of maternity/paternity leave and continued to work twelve months after returning to work, person		The number of employees who had to return to work at the end of maternity/paternity leave in the reporting year	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
2021	22	2	4	-	4	-	-	-
2022	13	3	10	-	2	-	1	-
2023	9	4	6	3	4	-	1	-

STAFF TRAINING AND DEVELOPMENT

GRI 404

In accordance with the Rules of Professional Training and Development of Employees, employees are given the opportunity to improve their level of education and qualifications. In the SK-Ondeu LLP group of companies, comprehensive professional development of employees is carried out on an ongoing basis. Training and development system in a group of companies provides for

compulsory, normative training, development of managerial and professional competencies. In total, 122 employees were trained in the Group of Companies in 2023, which amounted to 19.8% of the average number of employees. The average age of the trainees was 40 years old.

Indicator	2021	2022	2023
Average number of hours of training per employee per year, hour	4.0	4.4	2.5
Total number of training hours for all employees, hour	3 112	3 652	1 556
Total number of training hours for employees, female, hour	489	724	1 018
Total number of training hours for employees, male, hour	2 623	2 928	538
Employee training costs per year, KZT million	10.4	10.7	55.3



Feedback

The Company has an effective system of internal communications that ensures several feedback channels.

The main channel of communication is the Company’s Internet resource - www.o-sk.kz, which provides external stakeholders with the opportunity to leave a written appeal or complaint and, if necessary, to apply by phone call to the hotline.

The Company supports the development of a feedback culture through:

- conducting feedback surveys;
- conducting exit interviews;
- developing internal social networks.

Such communication channels as the internal Telegram channel, internal Instagram account are effectively used to inform the personnel.

These channels keep employees involved in the information flow and have access to information from the original source.

Corporate culture and internal communication

Production efficiency and achievement of the strategic objectives of the Company’s development is a separate area of focus, which determines building a strong corporate culture. Corporate values such as development, responsibility, courage, transparency are actively popularized within the team.

All employees of the Company understand and share corporate values, define themselves as part of the team and make a personal contribution to the joint activity.

In order to increase employee involvement and attract the best candidates from the labor market, the Company is actively working to build the Employer Brand - a communication plan of events has been formed.

Another key element of the corporate culture aimed at maintaining the corporate values of the Company is social volunteering, which unites employees and contributes to increasing staff involvement, creating a positive internal atmosphere and the image of the Company as a socially responsible Company.

Internal communications aimed at organizing effective interaction between employees within the Company, resolving crisis situations, building employee commitment and high loyalty play an important role in the development of corporate culture.

COMPANY VALUES

DEVELOPMENT

- We are constantly developing ourselves and the company
- We work out of our comfort zone
- We are open to the new and we create it ourselves

RESPONSIBILITY

- We get the work done
- We are responsible for the decisions we make
- We fulfill our commitments

BOLDNESS

- We take calculated risks
- We make difficult decisions
- We find opportunities in every situation

TRANSPARENCY

- We are open to contacts and dialogs
- We conduct honest and transparent business
- We disclose information on time.

Plans for 2024 and for the short-term perspective

In 2024, Samruk-Kazyna Ondeu LLP will continue to implement the employee support program, retain and develop human resources potential and maintain the level of employee involvement, including at the expense of employer brand development activities. The Company plans to continue work aimed at improving the efficiency of the remuneration system and material incentives, automate HR management processes, implement management succession and leadership development programs, systematize remuneration, and take measures aimed at improving working conditions.

In order to improve employee satisfaction with working conditions, in 2024 it is planned to develop and implement a standard for the organization of living conditions for shift personnel, develop and implement standards for the organization of catering, provision of overalls and medical care for employees.



SAFETY AND HEALTH

GRI 403

SAFETY AND HEALTH AT WORK

SK Odeu LLP pays special attention to compliance with occupational safety requirements. In accordance with our occupational safety policy, we strive to provide safe working conditions for our employees. For this purpose, the Company is constantly improving its occupational health and safety management system in accordance with national legislation and international standards and requirements.

The management of the Company and its Subsidiaries follows the principle of zero tolerance in relation to losses and damages related to incidents and accidents, the use of alcohol, narcotic drugs, psychotropic substances and their analogues, and road accidents.

In particular, there was organized the First HSE Forum of SK Odeu LLP to create an effective platform for sharing experience, best practices in the field of occupational health and safety (hereinafter - OHS), demonstrating commitment to the principles of safe organization of work and signing personal commitments of the SK Odeu Group management in the field of OHS.

During the Forum, top managers of SK Odeu Group signed personal commitments on OHS, which provide for the implementation of processes and replication of successful cross-industry practices in order to achieve zero injuries to employees.

“GOLDEN RULES OF SAFETY”

IN THE FIELD OF OCCUPATIONAL HEALTH AND SAFETY

- Management commitment;
- Identify risks - control threats;
- Identify goals - develop programs;
- Create health and safety systems - achieve a high level of organization;
- Ensure occupational health and safety at workplaces when working with machines and equipment;
- Upgrade qualifications - develop professional skills;
- Invest in people - motivate through participation.

In order to reduce risks of harm to the life and health of personnel, constant monitoring is carried out during the work, the responsibility and involvement of managers and employees in the processes of ensuring occupational health and safety is being increased. Great attention is also paid to improving the competence and qualifications of employees of the entire SK Odeu group of companies.

Following 2022, work-related accidents and cases of occupational diseases have not been registered.

The safety and well-being of its employees is a top priority for SK Odeu LLP. The Company applies a range of measures to prevent accidents and incidents, and systematically works with its personnel to increase their understanding and compliance with safety requirements.

SKO GOLDEN (VITAL) RULES



Be Ready to Work



Safety when Driving



Hot Work Permit



Energy Source Isolation



Invasive Work



Work at Heights



Moving and Energized Equipment



Lifting Operations

GRI 403

All these actions are aimed at improving the safety culture at all Group companies and preventing possible negative consequences.

The Group carries out activities aimed at preventing occupational injuries, preventing and/or minimizing risks and hazards on an ongoing basis. Such activities include:

- conducting scheduled and unscheduled safety briefings;
- staff training, professional development;
- identify hazardous conditions, hazardous acts, near misses and take appropriate corrective action;
- conducting behavioral safety audits;
- application by employees of a procedure to stop unsafe work, or refusal to work if they believe that such work cannot be done safely (STOP Cards).

Since 2023, all Subsidiaries have implemented the STOP Card tool to stop unsafe work. In order to implement this tool, the STOP work authority has been established, according to which it is a mandatory condition that actions to stop unsafe work will not entail any negative consequences, including disciplinary penalties.

In addition, the Company has implemented a system for identifying and recording Hazardous Conditions (HC), Hazardous Actions (HA) and Near Misses (NM).

Registration of HC, HA, NM does not entail negative consequences for the personnel, but on the contrary is taken into account in motivational incentives. The Company also identifies and registers hazards that have caused and/or may cause a risk of severe incidents.

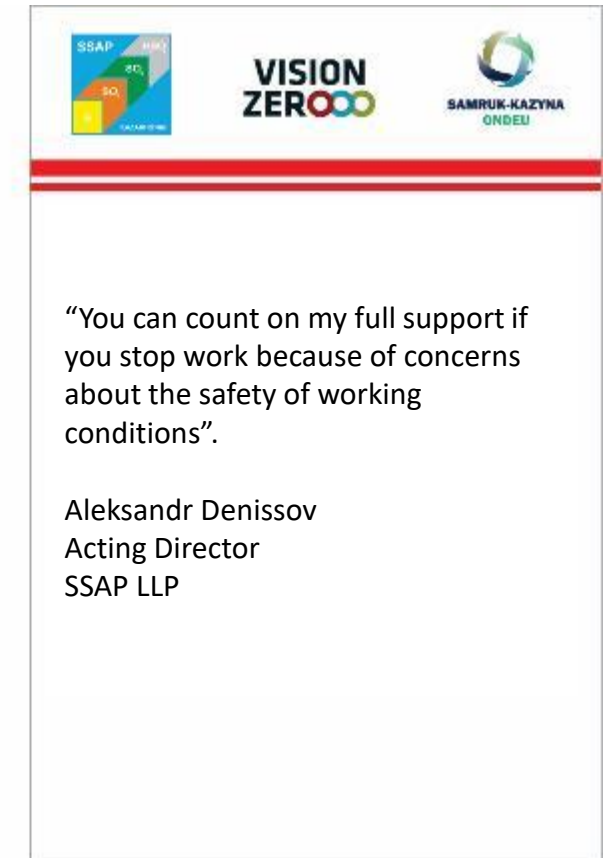
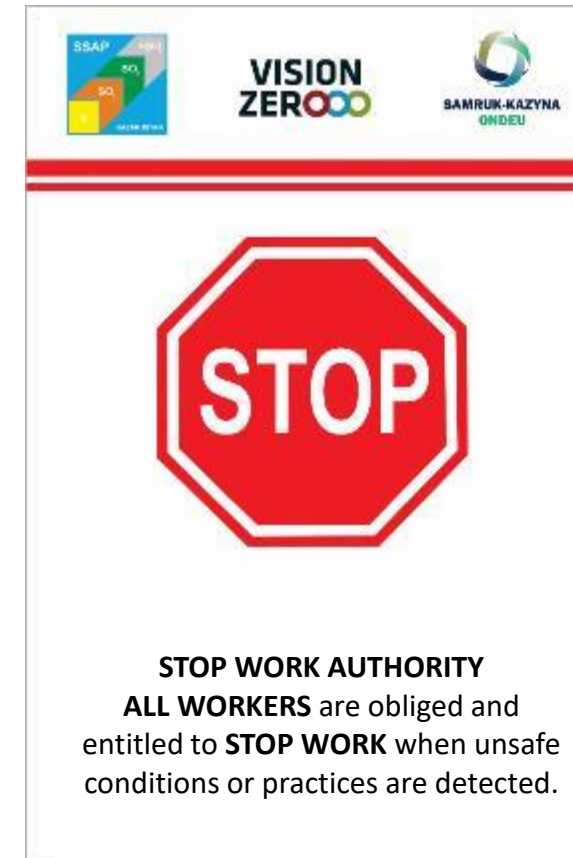
In 2023, 430 behavioral audits involving managers at various levels of the Company and its Subsidiaries were conducted to minimize human factor risks.

Regular analysis and monitoring of data show that violations of safety requirements, which are often linked to human error, are a common risk at all of the production facilities of the Group.

The approved Action Plan for industrial safety of SK Ondeu LLP group of companies for 2023, including 37 instructions, was fully implemented.

Following the results of 2023, there were no labor-related accidents and cases of occupational diseases registered.

In addition, the measures taken at the enterprises of the Company to improve industrial safety made it possible to prevent industrial accidents (uncontrolled explosions, releases of hazardous substances or destruction of buildings).



GRI 416

HEALTH AND SAFETY OF THE CLIENT

The most important priority of SK Ondeu's activities is the protection of life and health of employees, as well as ensuring safe working conditions.

The Company ensures strict compliance with industrial safety norms at workplaces and production sites, equipment serviceability and availability of all necessary internal documents such as instructions, regulations and standards.

Main regulatory documents defining principles and rules in occupational health and safety of the Company:

- Labor Code of the Republic of Kazakhstan;
- Law of the Republic of Kazakhstan "On Civil Protection";
- Code of the Republic of Kazakhstan "On Public Health and Healthcare System";
- Industrial safety rules for hazardous production facilities in the chemical industry;
- Occupational Safety Policy of SK Ondeu LLP;
- Occupational Health and Safety Code of SK Ondeu LLP and its subsidiaries;
- Unified rules on occupational health and safety for subsidiaries of SK Ondeu LLP;
- Rules for interaction with contractors in occupational health, safety and environmental protection.

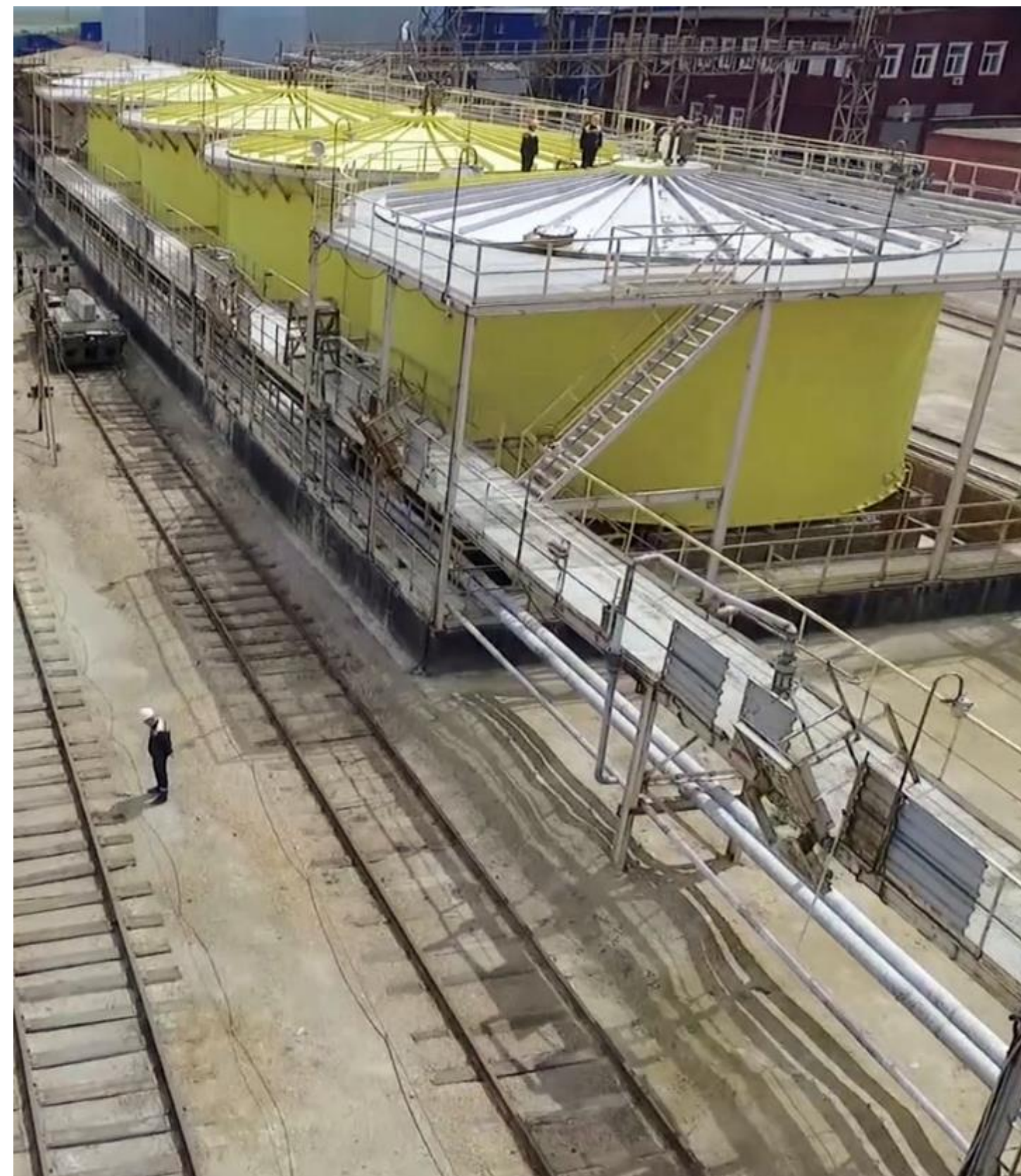
The OHS principles and rules defined by the Company are binding for all employees and contractors of the Group.

SK Ondeu LLP has a Crisis Management Headquarters to prevent emergency situations.

In addition, the Risk Register of SK Ondeu LLP group of companies for emergencies, accidents and incidents with a high degree of probability of severe and/or fatal outcomes

and Plans for technical re-equipment of obsolete and worn-out equipment of SK Ondeu LLP group of companies for 2023 were approved.

In 2023, the lost time injury frequency rate (LTIF) for the SK Ondeu LLP group of companies was 0.





Independent Auditor's Opinion

INDEPENDENT AUDITOR'S REPORT

To the Participant and Management of Samruk-Kazyna Ondeu LLP

Opinion

We have audited the consolidated financial statements of Samruk-Kazyna Ondeu LLP and its Subsidiary (hereinafter - the Group), which comprise the consolidated statement of financial position as of December 31, 2023, the consolidated statement of income and loss and other comprehensive income, the consolidated capital statement and the consolidated statement of cash flows for the year ended on that date, as well as notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the enclosed consolidated financial statements present fairly, in all material matters, the consolidated financial position of the Group as of December 31, 2023, as well as its consolidated financial results and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (hereinafter referred to as IFRS).

Basis for the conclusion

We have carried out the audit in accordance with the International Standards on Auditing (hereinafter - the ISA). Our responsibility in accordance with these standards is further disclosed in the section “*Auditor Responsibility for the Financial Statements Audit*” of our conclusion. We are independent of the Company in accordance with the ethical requirements applicable to our audit of consolidated financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibility of management and persons responsible for corporate governance for the financial statements

The management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS and for such internal control as management determines is necessary to prepare consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the management and persons responsible for corporate governance, for the financial statements (continued)

In preparing the consolidated financial statements, management is responsible for assessing the ability of the Company to continue as a going concern, for disclosing information related to going concern, as appropriate, and for preparing statements based on the going concern assumption, unless management intends to liquidate the Group, terminate its operations or when it does not have any other real alternative, other than liquidation or termination of activity.

Persons responsible for corporate governance are responsible for overseeing the preparation of the Group financial statements.

Auditor responsibility for the consolidated financial statements audit

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor conclusion containing our opinion. Reasonable assurance represents a high degree of confidence, but is not a guarantee that an audit conducted in accordance with ISA will always detect material misstatements if any. Misstatements may be the result of fraud or error and are considered material if, individually or collectively, they can reasonably be assumed to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we perform the following:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; develop and perform audit procedures in response to these risks; obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of non-detection of material misstatement as a result of unfair actions is higher than the risk of non-detection of material misstatement as a result of an error, since unfair actions may include collusion, forgery, intentional omission, distorted presentation of information or actions bypassing the internal control system;
- obtain an understanding of internal control relevant to the audit in order to develop audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control system of Samruk-Kazyna Ondeu LLP;
- evaluate the appropriateness of the accounting policies applied and the reasonableness of the estimates calculated by the management and the related disclosures;
- conclude on the legality of the management's application of the going concern assumption, and on the basis of the audit evidence obtained, conclude whether there is a material uncertainty in connection with events or conditions that may result in significant doubts about the ability of the Group to continue its activities smoothly. If we conclude that there is a material uncertainty, we should draw attention in our auditor conclusion to the relevant disclosures in the consolidated financial statements or, if such disclosures are inappropriate, modify our opinion. Our conclusions are based on audit evidence obtained prior to the date of our audit conclusion. However, future events or conditions may cause the Group to lose the ability to continue its operations continuously;

Auditor responsibility for the consolidated financial statements audit (continued)

- evaluate the presentation of the consolidated financial statements as a whole, their structure and content, including disclosure of information, as well as whether the consolidated financial statements represent the underlying transactions and events in such a way as to ensure their fair presentation;
- obtain sufficient appropriate audit evidence relating to the financial information of organizations or activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the governance, control and audit of the Group. We remain fully responsible for our audit opinion.

We carry out informational interaction with persons responsible for corporate governance in Samruk-Kazyna Ondeu LLP, bringing to their attention, among other things, information about the planned scope and timing of the audit, as well as significant comments on the audit results, including significant deficiencies in the internal control system that we identify during the audit.



Yerzhan Dossymbekov

**Assignment Partner / CEO
Grant Thornton LLP**

**Qualified Auditor
Republic of Kazakhstan
Qualification certificate
No.МФ-0000069 dated January 20, 2012**

State license to engage in auditing activities on the territory of the Republic of Kazakhstan of series No.18015053, issued by the Internal State Audit Committee of the Ministry of Finance of the Republic of Kazakhstan on dated August 03, 2018

**February 20, 2024
Republic of Kazakhstan, Almaty**

Samruk-Kazyna Ondeu LLP

Consolidated financial statements

CONSOLIDATED STATEMENT ON COMPREHENSIVE LOSS

For the year ended December 31, 2023

<i>KZT thousand</i>	Note	2023	2022
Continuing operations			
Revenue from contracts with customers	4	33.681.665	37.486.006
Realization cost	5	(26.459.749)	(28.577.003)
Gross income		7.221.91	8.909.003
General and administrative expenses	6	(3.302.492)	(4.518.399)
Cost of sales		(1.280.874)	(744.687)
Operating income		2.638.550	3.645.917
Financial income	7	3.186.770	2.226.618
Financial expenses	7	(5.659.485)	(6.016.737)
(Loss)/ income from currency difference		(36.789)	(955.641)
Share in income /(loss) of associates and joint venture	12	(3.642.286)	31.586.827
Non-financial asset impairment loss, net		(8.835.335)	(16.972.569)
Net increase in the inventory for expected credit losses		(881.134)	(101.868)
Other expenses, net	9	(9.663.867)	(2.151.271)
(Loss)/income before taxation from continuing operations		(22.893.576)	11.261.276
Income tax savings / (loss)	8	(790.669)	421.503
Net (loss)/income for the year from continuing operations		(23.684.245)	11.682.779
Discontinued operations			
Loss after tax for the year from discontinued operations	21	-	(156.935.384)
Net loss for the year		(23.684.245)	(145.252.605)
Other comprehensive income for the year		-	-
Total loss for the year, net of taxes		(23.684.245)	(145.252.605)
Total loss attributable to:			
Member of the Parent Company		(23.853.000)	(144.023.074)
Non-controlling interests		(168.755)	(1.229.531)
		(23.684.245)	(145.252.605)

Managing Director for Finance

Chief Accountant




Тайчикенова А.З.


Тажжанова Б.К.

Samruk-Kazyna Ondeu LLP

Consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2023

<i>KZT thousand</i>	Note	December 31, 2023	December 31, 2022
Assets			
Non-current assets			
Fixed assets	10	104.223.120	113.965.971
Investments in associates and joint ventures	12	28.704.273	27.520.635
VAT receivable		7.408.814	8.128.114
Other non-current assets		230.727	279.632
Trade and other receivables	11	1.886.921	3.628.055
Restricted cash	14	819.711	2.042.391
Total non-current assets		143.273.566	155.564.798
Current assets			
Inventory items		3.588.856	4.338.408
Trade and other receivables	11	6.328.752	7.911.486
Prepayment of current corporate income tax		11.704	21.930
VAT receivable		1.780.705	2.550.720
Restricted cash	14	148.319	152.159
Amounts due from credit institutions		51.085	16.443
Investment securities	13	1.740.288	-
Other current assets		1.344.426	1.570.167
Cash and cash equivalents	15	60.111.664	12.797.237
Total current assets		75.105.799	29.358.550
Assets held for sale	21	73.942.834	73.942.834
Total assets		292.322.199	258.866.182
Capital and liabilities			
Capital			
Authorized capital	16	322.893.754	262.989.254
Additional paid-in capital	16	141.418.599	135.232.478
Accumulated loss		(240.255.877)	(213.513.693)
Capital attributable to the company Participant		224.056.476	184.708.039
Non-controlling interests	16	888.550	772.888
Total equity		224.945.026	185.480.927

Samruk-Kazyna Ondeu LLP

Consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As of December 31, 2023

<i>KZT thousand</i>	Note	December 31, 2023	December 31, 2022
Long-term liabilities			
Loans	18	56.932.532	62.491.309
Accounts payable	17	-	931
Deferred tax liabilities	8	486.625	460.346
Other long-term liabilities		760.343	53.054
Total long-term liabilities		58.179.500	63.005.640
Short-term liabilities			
Loans	18	3.340.302	4.810.245
Accounts payable	17	2.402.771	3.188.635
Obligations on current corporate income tax		97.444	27.425
Other short-term liabilities	19	3.357.156	2.353.310
Total short-term liabilities		9.197.673	10.379.615
Total liabilities		67.377.173	73.385.255
Total capital and liabilities		292.322.199	258.866.182

Managing Director for Finance




 Тайчикенова А.З.

Chief Accountant



 Такежанова Б.К.

Samruk-Kazyna Ondeu LLP

Consolidated financial statements

CONSOLIDATED CASH FLOWS STATEMENT

For the year ended December 31, 2023

<i>KZT thousand</i>	Note	2023	2022
Operational activities			
Cash inflows from buyers		40.678.950	40.923.022
Interest received		2.630.316	1.626.613
Other proceeds		2.118.579	265.683
Cash payments to suppliers		(20.189.546)	(24.017.544)
Salary payments		(6.470.273)	(6.028.792)
Interest paid		(870.506)	(21.986.799)
Other taxes and payments		(2.111.714)	(2.819.113)
Corporate income tax		(684.137)	(407.788)
Emissions penalty	9	(7.946.935)	-
Other payments		(1.220.862)	(521.433)
Net cash flows from/(used in) operating activities		5.933.872	(12.966.151)
Investment Activity			
Proceeds from repayment of investment securities	13	19.922.995	-
Acquisition of securities	13	(21.664.903)	-
Refund in credit institutions		1.834.640	5.305.046
Placement of funds in credit institutions		(1.959.568)	(2.208.549)
Proceeds from the sale of fixed assets		2.358.938	2.534.349
Other proceeds		1	366
Acquisition of fixed assets		(1.415.769)	(13.954.008)
Acquisition of intangible assets		-	(542.025)
Contributions to associates and joint ventures	12	(300.000)	(2.725.000)
Cash of the withdrawn subsidiary	20	(14.097)	(43.537.497)
Net cash flows used in investing activities		(1.237.763)	(55.127.318)
Financial activities			
Contribution to the authorized capital	16	51.373.662	6.467.479
Borrowings received	18, 24	-	20.926.113
Repayment of loans	18, 24	(5.614.586)	(9.184.233)
Dividends paid to parent company	16	(2.896.000)	-
Dividends paid to non-controlling owners		(23.048)	(38.744)
Other payments		-	(370.512)
Net cash flows from financing activities		42.840.028	17.800.103

Samruk-Kazyna Ondeu LLP

Consolidated financial statements

CONSOLIDATED CASH FLOWS STATEMENT

For the year ended December 31, 2023

Net change in cash and cash equivalents		47.536.137	(50.293.366)
Effect of changes in the exchange rate on cash and cash equivalents		4.101	169.665
Decrease in reserve for expected credit losses		(225.811)	64.234
Cash directly related to assets for sale		-	44.956.959
- at the beginning of the period		-	-
- at the end of the period		-	-
Cash and cash equivalents, as of the beginning of the year		12.797.237	17.899.745
Cash and cash equivalents, as of the end of the year	15	60.111.664	12.797.237

On November 16, 2023, Samruk-Kazyna transferred to the Group 25% interest in joint venture Butadiene LLP in the amount of KZT8 530 838 thousand due to an increase in share capital (*Note 16*).

Managing Director for Finance

Chief Accountant




Тайчикенова А.3.



Такежанова Б.К.

Samruk-Kazyna Ondeu LLP

Consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2023

KZT, thousand	Note	It is accounted for a member of the Parent Company			Non-
		Authorized capital	Additional paid-in capital	Accumulated loss	
As of January 01, 2022		456.121.775	23.190.560	(237.023.058)	242.289.277
Net loss for the year		-	-	(144.023.074)	(144.023.074)
Total comprehensive loss for the year		-	-	(144.023.074)	(144.023.074)
Contributions to the authorized capital	16	6.467.479	-	-	6.467.479
Withdrawal of subsidiaries	16, 20	(199.600.000)	110.950.684	186.093.952	97.444.636
Other transactions with the Participant	10, 16	-	1.091.234	(18.561.513)	(17.470.279)
As of December 31, 2022,	20	262.989.254	135.232.478	(213.513.693)	(184.708.039)
Net loss for the year		-	-	(23.853.000)	(23.853.000)
Total comprehensive loss for the year		-	-	(23.853.000)	(23.853.000)
Contributions to the authorized capital	16	59.904.500	-	-	59.904.500
Withdrawal of subsidiaries	16	-	-	-	-
Declared dividends	16	-	-	(2.896.000)	(2.896.000)
Other transactions with the Participant	10, 16	-	6.186.121	6.816	6.192.937
As of December 31, 2023		322.893.754	141.418.599	(240.255.877)	224.056.476

Managing Director for Finance

Chief Accountant




 Тайчикенова А.З.



 Такежанова Б.К.

GLOSSARY, LIST OF ABBREVIATIONS

Sole Shareholder/Fund	Joint Stock Company “Sovereign Wealth Fund “Samruk-Kazyna”
Samruk-Kazyna Ondeu LLP, SK Ondeu LLP, SK Ondeu, SKO, Company, Partnership	Samruk-Kazyna Ondeu Limited Liability Partnership
RoK	Republic of Kazakhstan
Subsidiary	Subsidiaries and Affiliates
SK Ondeu LLP group of companies/Group of Companies/SKO Group	Samruk-Kazyna Ondeu Limited Liability Partnership and Subsidiaries and Dependent Organizations
BoD/SB	Board of Directors/Supervisory Board
GMS/GMP	General Meeting of Shareholders/ General meeting of participants
KPI Inc. LLP/KPI	Kazakhstan Petrochemical Industries Inc. Limited Liability Partnership
JSC MC SEZ ChimPark Taraz/ Taraz ChimPark SEZ	Joint Stock Company MC SEZ Taraz Chemical Park
SSAP LLP/ SSAP	SSAP Limited Liability Partnership
CHEM plus LLP / CHEM plus	CHEM-plus Limited Liability Partnership
KUS LLP/KUS	Karabatan Utility Solutions Limited Liability Partnership
JSC NC SEZ NIPT / NIPT SEZ	Special Economic Zone "National Industrial Petrochemical Technopark"
SD	Sustainable Development
FS	Feasibility study
SEZ	Special Economic Zone
DED	Design and estimate documentation
PE	Polyethylene
ICS	Internal control system
GSU	Gas separation unit
GRI	Global Reporting Initiative
GTPP	Gas turbine power plant

CONTACTS:

Samruk-Kazyna Ondeu LLP

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External auditor of financial statements:

Grant Thornton LLP

15 Al-Farabi Avenue, Bostandyk district, Almaty

BIN 101240004518

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Contacts of Subsidiaries

SSAP LLP

Complex 5, industrial zone 6, SSAP LLP, Stepnogorsk, Akmola region, 021500.

Email of the Executive Office: info@ssap.kz

E-mail of the hotline : info@ssap.kz

Phone:

8 (71645) 7-90-00 internal 5000

CHEM-plus LLP

Zhambyl region. Shu district, Tasotkelsky rural okrug, Tasotkel village, Taraz Chemical Park SEZ, building 10, 081127

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KUS LLP

Office: Building 12 B, Kurmangazy street, Sunkar Tower BC, 2nd floor, Atyrau, Atyrau region, 060000.

GTPP: Building 295/2, Atyrau-Dossor highway, Atyrau, Atyrau region.

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Phone:

8 (7122) 76-36-60

GRI INDEXES

Statement of use	SK Ondeu presented its GRI-compliant reporting for the period from January 01 to December 31, 2023
GRI 1 is used	GRI 1: Basis 2021
Applicable GRI industry standard(s)	Not applicable

Index	It is disclosed	Section/Commentary
GRI 2: Company and its reporting practices		
2-1	Information about the organization	Growth and Development Achievements and Prospects Contacts
2-2	Entities included in the sustainable development reporting of the organization	Asset Structure Achievements and Prospects
2-3	Reporting period, frequency and contact person	About the Report Contact Information Sustainable Development
2-4	Information revision	Achievements and Prospects
2-5	External assurance	About the Report Sustainable Development
GRI 2: Company activities and employees		
2-6	Company activities, value chain and other business relationships	Business Model Growth and Development
GRI 2: Company activities and employees		
2-7	Employees	HR and Social Policy
2-8	Personnel who are not employees of the organization	HR and Social Policy
GRI 2: Corporate Governance		
2-9	Structure and composition of management bodies	Effective Management
2-10	Nomination and selection of candidates for the supreme governing body	Supervisory Board
2-11	Chairman of the supreme governing body	Effective Management Supervisory Board
2-12	Role of the supreme governing body in oversight over impact management	Risk Management and Internal Control
2-13	Delegation of responsibility for managing impacts	Effective Management Business Ethics

Index	It is disclosed	Section/Commentary
2-14	Role of the supreme governing body in Sustainability Reporting	Supervisory Board
2-15	Conflict of interests	Business Ethics and Compliance Sole Participant Annex
2-16	Informing executive management of critical issues of concern	Business Ethics and Compliance
2-17	Collective awareness of the supreme governing body	Effective Management Supervisory Board
2-18	Performance evaluation of the supreme governing body	Evaluation of Supervisory Board
2-19	Remuneration Policy	Activities of the Management Board
2-20	Process for determining the amount of remuneration	Activities of the Management Board
2-21	Annual total remuneration ratio	Activities of the Management Board
2-22	Sustainable Development Strategy Statement	Address
2-23	Commitment to policies	Sustainable Development
2-24	Fulfillment of commitments	Effective Management Business Ethics and Compliance
2-25	Processes for eliminating negative impacts	Sustainable Development
2-26	Mechanisms for consultation and expression of concerns	Business Ethics Anti-Corruption Compliance
2-27	Compliance with laws and regulations	Sustainable Development
2-28	Membership in associations	SKO is not a member of any association
2-29	Approach to stakeholder engagement	Interaction with Stakeholders
2-30	Collective agreements	HR and social policy
GRI 3: Essential Topics		
3-1	Process for identifying essential topics	Identification of Essential Topics
3-2	List of essential topics	Matrix of Essential Topics
3-3	Essential topic management	Sustainable Development

GRI INDEXES

Index	It is disclosed	Section/Commentary
Category "Economic"		
201 Economic performance		
201-1	Generated and distributed direct economic value	Economic Responsibility
204 Procurement Practices		
204-1	Procurement ratio from local suppliers	Economic Responsibility
205 Anti-corruption		
205-1	The total number and percentage of production operations assessed in terms of the risks of corruption and identification of cases of significant risks	Economic Responsibility
205-2	Informing and training on anti-corruption policy and anti-corruption methods	Economic Responsibility
205-3	Confirmed cases of corruption and actions taken	Economic Responsibility
Category "Environmental"		
301 Materials		
301-1	Weight and volume of materials used	Environmental Responsibility
301-2	Percentage of materials that are processes into raw materials	Environmental Responsibility
302 Energy		
302-1	Energy consumption within the organization	Environmental Responsibility
302-2	Energy consumption outside the organization. Specific value energy consumption	Environmental Responsibility
303 Water and discharges		
303-1	Withdrawal of the total amount of water from the source	Environmental Responsibility
303-2	Water sources severely affected by water withdrawal	Environmental Responsibility
303-3	Percentage ratio and total volume of recycled and reused water	Environmental Responsibility
303-4	Volume of transported, imported, exported and treated water that is considered life-threatening	Environmental Responsibility
303-5	Water bodies affected by water discharge and/or runoff	Environmental Responsibility
304 Biodiversity		
304-1	Production sites that are owned, leased or managed by an organization located in protected areas and areas of high biodiversity value	Environmental Responsibility
304-2	Description of significant impacts of activities, goods and services on biodiversity	Environmental Responsibility
305 Emissions		
305-1	Direct greenhouse gases (GHG) emissions (Volume 1)	Environmental Responsibility
305-2	Energy indirect greenhouse gases (GHG) emissions (Volume 2)	Environmental Responsibility

Index	It is disclosed	Section/Commentary
305-3	Other indirect greenhouse gases (GHG) emissions (Volume 3)	Environmental Responsibility
305-4	Greenhouse gases (GHG) intensive emissions (Volume 4)	Environmental Responsibility
305-5	Reduction of greenhouse gas (GHG) emissions	Environmental Responsibility
305-6	Emissions of substances contributing to the destruction of the ozone layer	Environmental Responsibility
305-7	NOx, Sox and other significant emissions into the atmosphere	Environmental Responsibility
306 Waste		
306-1	Waste generation and significant waste-related impacts	Environmental Responsibility
306-2	Management of significant waste-related impacts	Environmental Responsibility
306-3	Waste generated	Environmental Responsibility
Category "Social"		
401 Employment		
401-1	The total number and percentage of employees hired, as well as employee turnover by age, gender and region	HR and Social Policy
401-2	Benefits available to employees	HR and Social Policy
401-3	Percentage of employees who returned to work after maternity/paternity leave	HR and Social Policy
402 Employee-management relations		
402-1	The minimum notice period for material changes in the activities of the organization and whether it is defined in the collective agreement.	HR and Social Policy
403 Safety and health at work		
403-1	Occupational safety and health management system	HR and Social Policy
403-2	Hazard identification, risk assessment and incident investigation	HR and Social Policy
403-4	Opportunities for workers to be involved in improving the occupational health and safety system, consultation and communication with workers on occupational health and safety issues	HR and Social Policy
403-5	Occupational health and safety training for employees	HR and Social Policy
403-6	Protecting employee health	HR and Social Policy
403-9	Types and rate of occupational injuries, lost time injury frequency rate and absenteeism rate (occupational injuries)	HR and Social Policy
404 Training and education		
404-1	Average number of hours of training per year per employee	HR and Social Policy
405 Diversity and equal opportunities		
405-1	Composition of the governing bodies and major categories of the personnel of the organization by gender and age groups	HR and Social Policy
406 Non-discrimination		
406-1	Total number of incidents of discrimination and actions taken to address them	HR and Social Policy
416 Customer health and safety		
416-1	Health and safety impact assessment by categories of goods and services	HR and Social Policy

COMPARATIVE ANALYSIS OF ANNUAL REPORTS

This section compares the Annual Report 2022 of SK Ondeu with similar companies in the same industry

Index	Disclosure	SK Ondeu	Uralkali	Uralchem	PhosAgro
GRI 2: Company and its reporting practices					
2-1	Information about the organization	+	+	+	+
2-2	Entities included in the sustainable development reporting of the organization	+	+	+	+
2-3	Reporting period, frequency and contact person	+	+	+	+
2-4	Information revision	+	+	+	+
2-5	External assurance	+	+	+	+
GRI 2: Company activities and employees					
2-6	Company activities, value chain and other business relationships	+	+	+	+
GRI 2: Company activities and employees					
2-7	Employees	+	+	+	+
2-8	Personnel who are not employees of the organization	+	+	+	+
GRI 2: Corporate Governance					
2-9	Structure and composition of management bodies	+	+	+	+
2-10	Nomination and selection of candidates for the supreme governing body	+	+	+	+
2-11	Chairman of the supreme governing body	+	+	-	+
2-12	Role of the supreme governing body in oversight over impact management	+	+	+	+
2-13	Delegation of responsibility for managing impacts	+	+	+	+

Index	Disclosure	SK Ondeu	Uralkali	Uralchem	PhosAgro
2-14	Role of the supreme governing body in Sustainability Reporting	+	+	+	+
2-15	Conflict of interests	+	+	+	+
2-16	Informing executive management of critical issues of concern	+	+	+	+
2-17	Collective awareness of the supreme governing body	+	+	+	+
2-18	Performance evaluation of the supreme governing body	+	+	-	+
2-19	Remuneration Policy	+	+	+	+
2-20	Process for determining the amount of remuneration	+	+	+	+
2-21	Annual total remuneration ratio	+	+	-	+
2-22	Sustainable Development Strategy Statement	+	+	+	+
2-23	Commitment to policies	+	+	+	+
2-24	Fulfillment of commitments	+	+	+	+
2-25	Processes for eliminating negative impacts	+	+	+	+
2-26	Mechanisms for consultation and expression of concerns	+	+	+	+
2-27	Compliance with laws and regulations	+	+	+	+
2-28	Membership in associations	+	+	+	+
2-29	Approach to stakeholder engagement	+	+	+	+
2-30	Collective agreements	+	+	+	+
GRI 3: Essential topics					
3-1	Process for identifying essential topics	+	+	+	+
3-2	List of essential topics	+	+	+	+
3-3	Essential topic management	+	+	+	+

COMPARATIVE ANALYSIS OF ANNUAL REPORTS

Index	Disclosure	SK Ondeu	Uralkali	Uralchem	PhosAgro
Category "Economic"					
201 Economic performance					
201-1	Generated and distributed direct economic value	+	-	-	+
201-2	Financial implications as well as risks and possibilities associated with climate change	-	-	-	+
201-3	Defined benefit obligation and other post-retirement benefit obligations	-	-	-	+
201-4	Financial assistance received from the state	-	-	-	+
202 Market presence					
202-1	Ratio of standard entry-level wage for employees of different genders to the established minimum wage in the regions where the company operates	+	+	+	+
202-2	Proportion of senior management from the local community	+	+	+	+
203 Indirect economic impacts					
203-1	Investments in infrastructure and gratuitous services	-	+	+	+
203-2	Significant indirect economic impacts	-	+	-	+
204 Procurement practices					
204-1	Procurement ratio from local suppliers	+	+	+	+
205 Anti-corruption					
205-1	The total number and percentage of production operations assessed in terms of the risks of corruption and identification of cases of significant risks	+	+	+	+
205-2	Informing and training on anti-corruption policy and anti-corruption methods	+	+	+	+
205-3	Confirmed cases of corruption and actions taken	+	+	+	+

Index	Disclosure	SK Ondeu	Uralkali	Uralchem	PhosAgro
206 Competition Obstacle					
206-1	Number of court proceedings involving the organization on restriction of competition, practice of application of antimonopoly legislation	-	+	+	+
207 Taxation					
207-1	Taxation approach	-	+	-	+
207-2	Taxation management, risk management and control	-	+	-	+
207-3	Stakeholder engagement and tax management	-	+	-	+
207-4	Reporting by country	-	+	-	+
Category "Environmental"					
301 Materials					
301-1	Weight and volume of materials used	+	-	+	-
301-2	Percentage of materials that are processed into raw materials	+	-	-	-
302 Energy					
302-1	Energy consumption within the organization	+	+	+	+
302-2	Energy consumption outside the organization. Specific value energy consumption	+	+	-	+
302-3	Energy intensity	-	+	+	+
302-4	Reducing energy consumption	-	+	+	+
302-5	Reducing the energy requirements of products and services	-	-	-	+
303 Water and discharges					
303-1	Withdrawal of the total amount of water from the source	+	+	-	+
303-2	Water sources severely affected by water withdrawal	+	+	-	+
303-3	Percentage ratio and total volume of recycled and reused water	+	+	+	+
303-4	Volume of transported, imported, exported and treated water that is considered life-threatening	+	+	+	+
303-5	Water bodies affected by water discharge and/or runoff	+	+	+	+

COMPARATIVE ANALYSIS OF ANNUAL REPORTS

Index	Disclosure	SK Ondeu	Uralkali	Uralchem	PhosAgro
304 Biodiversity					
304-1	Production sites that are owned, leased or managed by an organization located in protected areas and areas of high biodiversity value	+	+	-	+
304-2	Description of significant impacts of activities, goods and services on biodiversity	+	+	+	+
304-3	Preserved or restored habitats	-	+	-	+
304-4	Species on the IUCN Red List and national list of protected species with habitats in areas affected by the organization's activities	-	+	-	+
305 Emissions					
305-1	Direct greenhouse gases (GHG) emissions (Volume 1)	+	+	+	+
305-2	Energy indirect greenhouse gases (GHG) emissions (Volume 2)	+	+	+	+
305-3	Other indirect greenhouse gases (GHG) emissions (Volume 3)	+	+	+	+
305-4	Greenhouse gases (GHG) intensive emissions (Volume 4)	+	+	+	+
305-5	Reduction of greenhouse gas (GHG) emissions	+	+	-	+
305-6	Emissions of substances contributing to the destruction of the ozone layer	+	+	-	+
305-7	NOx, Sox and other significant emissions into the atmosphere	+	+	+	+
306 Waste					
306-1	Waste generation and significant waste-related impacts	+	+	-	+
306-2	Management of significant waste-related impacts	+	+	+	+
306-3	Waste generated	+	+	+	+
306-4	Waste disposal	-	+	+	+
306-5	Waste disposal and waste burial	-	+	+	+
308 Environmental assessment of the supplier					
308-1	New suppliers that have been selected using environmental criteria	-	-	-	+
308-2	Negative environmental impact in the supply chain and actions taken	-	-	-	+
Category "Social"					
401 Employment					
401-1	The total number and percentage of employees hired, as well as employee turnover by age, gender and region	+	+	+	+

Index	Disclosure	SK Ondeu	Uralkali	Uralchem	PhosAgro
401-2	Benefits available to employees	+	+	-	+
401-3	Percentage of employees who returned to work after maternity/paternity leave	+	+	+	+
402 Employee-management relations					
402-1	The minimum notice period for material changes in the activities of the organization and whether it is defined in the collective agreement.	+	-	+	+
403 Safety and health at work					
403-1	Occupational safety and health management system	+	+	+	+
403-2	Hazard identification, risk assessment and incident investigation	+	+	+	+
403-3	Opportunities for workers to be involved in improving the occupational health and safety system, consultation and communication with workers on occupational health and safety issues	-	+	+	+
403-4	Occupational health and safety training for employees	+	+	+	+
403-5	Protecting employee health	+	+	+	+
403-6	Types and rate of occupational injuries, lost time injury frequency rate and absenteeism rate (occupational injuries)	+	+	+	+
403-7	Occupational safety and health management system	-	+	+	+
403-8	Hazard identification, risk assessment and incident investigation	-	+	+	+
403-9	Opportunities for workers to be involved in improving the occupational health and safety system, consultation and communication with workers on occupational health and safety issues	+	+	+	+
403-10	Occupational diseases	-	+	+	+
404 Training and education					
404-1	Average number of hours of training per year per employee	+	+	+	+
404-2	Employee development and career change support programs	-	+	+	+

COMPARATIVE ANALYSIS OF ANNUAL REPORTS

Index	Disclosure	SK Odeu	Uralkali	Uralchem	PhosAgro
404-3	Percentage of employees subject to systematic performance and career development evaluations	-	+	+	+
405 Diversity and equal opportunities					
405-1	Composition of the governing bodies and major categories of the personnel of the organization by gender and age groups	+	+	+	+
405-2	Ratio of basic salary and remuneration for men and women	-	+	+	+
406 Non-discrimination					
406-1	Total number of incidents of discrimination and actions taken to address them	+	+	-	-
408 Child labor					
408-1	Business units and suppliers with significant risk for child labor	-	-	+	-
409 Forced or compulsory labor					
409-1	Business units and suppliers that have significant risk associated with the use of forced or compulsory labor	-	-	+	-
410 Organization of security service work					
410-1	Security personnel trained in compliance with human rights policies and procedures	-	+	-	+
411 Rights of indigenous people					
411-1	Cases of violations related to the rights of indigenous people	-	-	+	-
413 Local communities					
413-1	Units implementing community engagement programs, community impact assessments and development programs	-	+	+	+
413-2	Subdivisions with significant actual or potential adverse impacts on local communities	-	+	-	+
414 Social evaluation of suppliers					
414-1	Percentage of new suppliers evaluated using social criteria	-	-	+	+
414-2	Negative social impacts in the supply chain and actions taken	-	-	-	+

Index	Disclosure	SK Odeu	Uralkali	Uralchem	PhosAgro
416 Customer health and safety					
416-1	Health and safety impact assessment by categories of goods and services	+	+	+	-
416-2	Cases of non-compliance of products or services with health and safety impact requirements	-	+	+	-
417 Marketing and labeling					
417-1	Types of information on product and service features required by procedures	-	-	+	+
417-2	Cases of non-compliance with regulatory requirements and voluntary codes concerning information and labeling on the features of products and services	-	-	+	+
417-3	Incidents of non-compliance with marketing communications requirements	-	-	-	+

Report of Samruk-Kazyna Ondeu LLP on following the principles of the
Corporate Governance Code of the Partnership for 2023

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
1. The Government as the Shareholder of the Fund			
1.1	<p>The main strategic task of the Fund and the Organizations is the long-term growth in their value and their Sustainable Development, as reflected in the Development Strategy of the Fund and the Companies. All decisions and actions should be consistent with the Development Strategy.</p> <p>The Fund and the Companies should have an optimal structure of assets./ The Fund and the Companies should seek the greatest simplicity of their asset structure and their organisational and legal forms of the assets./</p> <p>The Organizations should operate within their key (core) activities. New activities may take place only if there is insufficient competition in a given market or if the involvement of the Fund and the Organisations will aid the development of small and medium-sized businesses./</p> <p>It is recommended to have and preserve a controlling block of shares (interests) in the organizations of the Fund.</p>	<p>These strategic objectives are reflected in the Development Strategy of Samruk-Kazyna Ondeu LLP (hereinafter - SK Ondeu LLP) and are enshrined by the decision of the Supervisory Board (hereinafter - SB) of October 28, 2022 (Minutes No.19/22)</p>	Comply
1.2	<p>The Government of the Republic of Kazakhstan participates in the management of the Fund and the Organizations solely through exercising the powers of the Sole Shareholder of the Fund provided for by the Law “On Sovereign Wealth Fund” (hereinafter - the Law on Fund) and the Charter of the Fund, as well as through the representation on the Board of Directors of the Fund. The main principles and issues of interaction between the Government and the Fund are regulated by the Agreement on Cooperation between the Government of the Republic of Kazakhstan and the Fund, approved by Government Decree of the Republic of Kazakhstan of December 14, 2012, No.1599 (hereinafter - Agreement on Cooperation). The principles contained in Section 4. “Shareholders’ (Participants’) Rights and Fair Treatment of Shareholders (Participants)” of this Code apply to the Government as the Shareholder to the extent that they do not contravene the Law of the Republic of Kazakhstan “On Sovereign Wealth Fund”.</p>		Not applicable
1.3	<p>For the purpose of stable social and economic development of the country, ensuring economic sustainability and protection it from the effects of possible adverse external factors, issues on management of the Fund is considered at a meeting of the Council for the Fund Governance (hereinafter - CFG) chaired by the President of the Republic of Kazakhstan. The CFG carries out its activities in accordance with the Regulations approved by Decree of the President of the Republic of Kazakhstan of December 06, 2010, No.1116.</p>		Not applicable
1.4	<p>The Government provides the Fund and the Organizations with full operational independence and does not permit interference by the Government and public authorities in the operational (current) and investment activities of the Fund and the Organizations, except in cases provided for by laws, acts and instructions of the President of the Republic of Kazakhstan.</p> <p>The Fund’s Management Board, the Chief Executive Officer, and bodies of the the Organisations are fully autonomous and independent in their decisions and any actions within their competence.</p>		Not applicable

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
1.5	Cooperation (interaction) of the Government with the Fund and the Organisations shall be carried out solely through the Fund's BoD, in accordance with the principles of good corporate governance. The role and functions of the Chairman of the Board of Directors and the Chief Executive Officer of the Fund are clearly segregated and enshrined in the Fund's internal documents.		Not applicable
1.6	The Fund shall disclose all necessary information about its activities to the Government, as the Shareholder, and the Fund's Board of Directors, in accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies", the Fund Charter, and the Agreement on Cooperation, and ensures transparency of the activities of the Fund and the Organizations.		Not applicable
1.7	The investment activity of the Fund or the Organization is carried out on market principles in accordance with the strategy of the Fund or the Organization and is aimed at increasing the value and optimal asset structure. The Fund and the Organisations should disclose cases of implementation of low-profit or socially significant projects in their Annual Reports. The disclosures should contain information about the sources of funding for the projects.	The investment activity of the Partnership is carried out on market principles in accordance with the Development Strategy and is aimed at increasing the value and optimal asset structure. The section of the Annual Report "Project Implementation" includes information about low-profit projects, indicating the sources of their financing.	Comply
1.8	The Fund's Board of Directors, the Management Board, Committees of the Board of Directors, the Corporate Secretary and the Internal Audit Service (hereinafter - the IAS) should act in accordance with the principles of Sections 5 "Effectiveness of the Board of Directors and the Executive Body" and 6 "Risk Management, Internal Control and Audit" to the extent that the Chapters do not contravene the Law of the Republic of Kazakhstan "On Sovereign Wealth Fund".		Not applicable
1.9	For a deeper and more qualitative elaboration of the issues, the Fund's Board of Directors should establish the following Committees: the Audit Committee, the Nomination and Remuneration Committee, and the Specialized Committee. Other Committees may be created at the discretion of the Fund's Supervisory Board.		Not applicable
1.10	The Fund shall appoint the Corporate Secretary. The Board of Directors takes a decision on the appointment of the Corporate Secretary, determines the term of his/her powers, functions and procedure of activity. The main duties of the Corporate Secretary include assistance in timely and high-quality corporate decision-making by the Board of Directors, the Sole Shareholder, acting as an adviser to the members of the Board of Directors on all issues of their activities and the application of the provisions of this Code, as well as monitoring the implementation of this Code and participation in improving corporate governance in the Fund and Organizations.		Not applicable
1.11	The Fund establishes the IAS. The Fund's Board of Directors determines the quantitative composition, the tenure, appoints its Head, as well as early terminates his/her powers, sets the operating procedures, the size and terms of remuneration and bonuses of the IAS employees, and the budget of the IAS.		Not applicable
1.12	The Fund establishes the collegial executive body in the form of the Management Board. The Management Board is accountable to the Board of Directors and acting within its competence, as provided for in the Fund Charter./ The Fund's Supervisory Board monitors the efficiency of the Management Board, including implementation of the decisions of the Sole Shareholder and the Fund's Supervisory Board.		Not applicable

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
1.13	<p>The Fund and the Organizations should adhere to high ethical standards and implement the necessary procedures to ensure that these standards are constantly applied by all employees and partners of the Fund and the Organizations.</p> <p>Notifications of potential breaches should be sent directly to the IAS or the Board of Directors of the Fund and the Organisation./ The Executive Body and all its structural subdivisions, including the Security Service, should not impede the submission of notifications of potential breaches to the IAS or the Board of Directors.</p>	<p>The Supervisory Board approved the Code of Business Ethics by the decision of May 31, 2022 (Minutes No. 10/22). Employees of SK Ondeu LLP were familiarized with these amendments and confirmed their personal responsibility for the implementation of ethical standards. According to this Code, consideration of appeals of stakeholders may be carried out by the Supervisory Board of the Partnership.</p> <p>The Partnership corporate website contains information about the availability of a hotline (e-mail addresses, phone numbers), where stakeholders can apply. These applications are submitted directly to the Fund or to the Partnership (depending on the choice of the addressee), where they are registered for consideration and taking relevant decision. In 2023, 16 appeals on compliance with the Code of Corporate Ethics were registered. 98% of our Company's employees have been trained in compliance.</p>	Comply
1.14	<p>The Ombudsman should be appointed to comply with the principles of business ethics and resolve effectively social and labour disputes that may arise in the Fund and the Organizations.</p>	<p>Currently, the Ombudsman in the Partnership is not provided as an individual staff unit. In addition, according to sub-item 10) of the Corporate Governance Code of the Fund, the Ombudsman is a person appointed by the Board of Directors of the Fund, whose role is to advise employees of the Fund and organizations who have applied to him/her and to assist in resolving labor disputes, conflicts, problematic issues of a social and labor nature, as well as in compliance with the principles of business ethics by employees of the Fund and organizations.</p> <p>To settle labor disputes in the Partnership, there is the Conciliation Commission, which consists of representatives of the employer and employees. All employees of the Partnership are notified of the Hotline where they can apply.</p>	Not applicable
2. Interaction of the Fund and Organizations. The Role of the Fund as the National Managing Holding Company			
2.1	<p>The corporate governance systems in the Fund and the Organisations should provide governance of and control over the operations of the Fund and the Organisations in order to ensure growth in their long-term value and their sustainable development. The Fund, as the National Managing Holding Company, plays a strategic role in respect to its Companies./ Effectiveness, efficiency and transparency should be at the core of corporate governance./</p>	<p>The Fund interaction with SK Ondeu LLP is based on the well-established corporate governance system and in accordance with the Manual on Engagement with Portfolio Companies of Samruk-Kazyna JSC in the new version approved by the decision of the Management Board of Samruk-Kazyna JSC of December 26, 2019 (Minutes No.42/19).</p> <p>All decisions taken by SK Ondeu LLP are necessarily agreed with the Fund, by submitting them to the Sole Shareholder, the Supervisory Board, the Investment and Strategy Committee of the Fund and other bodies.</p>	Comply
2.2	<p>The corporate governance system of the Fund and the Organizations is a set of processes that ensure the management and control over the activities of the Fund and the Organizations, as well as a system of relationships between the Executive Body, the Board of Directors, shareholders and Stakeholders. The competence of the bodies and the procedure on decision-making should be clearly defined and enshrined in the Charter./</p>	<p>In SK Ondeu LLP, the corporate governance system provides for:</p> <ol style="list-style-type: none"> 1) compliance with the hierarchy of the issue consideration procedure and decision-making: all issues submitted to the Supervisory Board for consideration; 2) clear delineation of authorities and responsibilities between the Supervisory Board, the Management Board, and employees: the competencies, powers and responsibilities of the bodies, as well as the decision-making procedure are clearly defined and enshrined by the Charter, the Regulations on the Supervisory Board and the Management Board; areas of responsibility of members of the Management Board of SK Ondeu LLP are clearly delineated by the order of the Chief Executive Officer "On Distribution of Duties and Powers"; the structural units of SK Ondeu LLP carry out their activities based on the Regulations on Units; job descriptions have been developed for each position. 	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
2.3	<p>The Fund participates in the management of Companies through the implementation of functions of the Shareholder (Participant), as well as through the Board of Directors, in accordance with the procedure established by the Charter of Companies and this Code.</p> <p>The Fund annually sends the shareholder's expectations for the upcoming financial year to the Chairman of the Supervisory Board and representatives of the Fund on the Board of Directors of the company.</p> <p>The Board of Directors of companies have full independence in decision-making within their competence established by the Charter of Companies./</p> <p>The Fund's opinions on certain matters are expressed through its representatives on the Boards of Directors of the Companies./</p>	<p>The Fund participates in the management of SK Odeu through implementation of functions of the Sole Participant, as well as through the Supervisory Board, in accordance with the procedure established by the Charter of SK Odeu LLP. Three of four selected members of the Supervisory Board are the representatives of the Sole Participant on the Supervisory Board of SK Odeu LLP.</p> <p>The Supervisory Board have independence in decision-making within their competence established by the Charter.</p> <p>The Fund position on certain issues is communicated through the representatives of the Sole Participant on the Supervisory Board.</p>	Comply
2.4	<p>Taking into account the discussions held with Companies, the Fund forms uniform policies for companies, approves methodological recommendations and corporate standards for the Organizations.</p> <p>When making a decision on the application of the corporate standards on internal audit and internal control system approved by the Fund, the Organisation's Board of Directors should ensure these standards account for the features of the Organisation's business./</p>	<p>Given discussions held with companies, the Fund forms unified policies for Portfolio Companies, approves methodological recommendations and corporate standards, which are taken as the basis for the relevant IRDs of our Company.</p>	Comply
2.5	<p>The Executive Bodies of the Fund and Companies should cooperate in a spirit of cooperation to ensure that the Development Plans of the Companies submitted for approval of the Boards of Directors of the Companies are sufficiently ambitious and realistic, as well as their compliance with the Development Strategy and Development Plan of the Fund.</p>	<p>The Fund presents the target parameters of long-term KPIs (financial and production) to ensure their achievement by the management of SK Odeu LLP.</p> <p>SK Odeu LLP maintains constant interaction with the Fund on implementation of the Development Strategy, including on long-term and medium-term planning, risk management, investment activities, HR management, etc. Managerial and financial reports are also submitted to the Fund on a regular basis.</p>	Comply
2.6	<p>Net income in favor of the Fund as the Shareholder is distributed in the form of dividends based on the formalized and transparent dividend policy.</p>	<p>The Fund approved the Dividend Policy in relation to Subsidiaries (decision of the Management Board of the Fund of October 02, 2012 (Minutes No.39/12).</p>	Comply
2.7	<p>The Organization's bodies should govern the Organizations in accordance with their competence and procedures stipulated in the Charter of the Organization. This principle also applies to the Organisations with more than one Shareholder (Participant)./</p>	<p>The competencies of the management bodies are defined by the Charter, the regulations on the Supervisory Board, and the Management Board.</p>	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
2.8	<p>The Fund, the Organizations and their executives are responsible for growth of the long-term value and Sustainable Development of the Fund and the Organizations, respectively, and decisions and actions/inaction taken, in accordance with the procedure established by the legislation of the Republic of Kazakhstan and internal documents.</p> <p>The key element in assessing the performance of the Fund, the Organisations and their Executive Bodies is the KPI system./ The Fund, through its representatives on the Boards of Directors, submits its expectations in terms of KPIs to the Companies./ The Company's list of KPIs and their target values shall be approved by its Board of Directors./</p> <p>In order to achieve the KPIs, the Companies should prepare relevant Development Plans./</p> <p>Achievement of KPIs by the Fund and the Organizations is assessed annually by comparing with the approved Development Plan. The assessment should influence the remuneration of the Head and members of the Executive Bodies and should be taken into account when re-selecting. The assessment may also form the basis for early termination of the Chairman and members of the Executive Body./</p>	<p>SK Odeu LLP and officials are responsible for decisions taken and actions/inaction in accordance with the legislation of the Republic of Kazakhstan, the Charter and other regulations. Increase in the long-term value of the Company is determined by the strategic direction of the activity of SK Odeu LLP. Growth of the long-term value of the company is defined in the specific target values of the long-term KPIs, the responsibility for achieving which is borne by SK Odeu LLP and its officials.</p> <p>The parameters of the long-term strategic KPIs for 2020-2024 were presented by the Sole Participant to ensure their achievement in the framework of development of the Business Plan of SK Odeu LLP for 2020-2024.</p> <p>Implementation of the Business Plan is monitored on a monthly and quarterly basis.</p> <p>Achievement of strategic KPIs is assessed within the framework of the Implementation Report of the Business Plan on a quarterly basis.</p> <p>The requirement that this assessment affects the remuneration of the Head and members of the Executive Bodies, is taken into account when they are re-elected, and may also be the basis for their early dismissal from office, is enshrined in the Rules for Executives Performance Evaluation of SK Odeu LLP.</p>	Comply
2.9	<p>The Board of Directors of a Holding company should ensure Effective Management, long-term value growth and sustainable development in all legal entities that are part of its group. The Holding Company's effective governance practices should result in improvements in their operational efficiency, quality of reporting and standards of corporate culture and ethics, greater transparency and disclosure, reduction of risks, and proper internal control systems./</p>	<p>The Supervisory Board of SK Odeu LLP exercises this control by consideration of monitoring reports on implementation of projects, and promptly brings the position and instructions of the Fund to the management of SK Odeu LLP</p>	Comply
3.Sustainable Development			
3.1.	<p>The Fund and the Organizations recognise the importance of their impact on the economy, environment and society and, seeking to grow their long-term value, should ensure its sustainable development meeting the balance of Stakeholders' interests. The principle of responsible, thoughtful and rational interaction with Stakeholders will contribute to the successful development of the Fund and the Organisations./</p>	<p>Sub-items 7 and 8 of the Sustainable Development Policy of the Partnership, approved by the decision of the Supervisory Board of April 07, 2020 (Minutes No.03/20), regulates the process of interaction with stakeholders, and describes the Stakeholders Map, which is divided into internal (SP, SB, Management Board, staff, Subsidiaries) and external (investors, partners, suppliers, public authorities, society, etc.) stakeholders who are distributed in the matrix of stakeholders, according to the degree of their influence and dependence on the activities of the Partnership.</p> <p>The Partnership, as necessary, updates the Plan for Interaction with stakeholders, in which each stakeholder is considered in terms of their contributions to activities of the Partnership, their interests, and describes measures that contribute to effective interaction, deadlines and responsible persons.</p>	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
3.2	The Fund and the Organizations should ensure the consistency of their economic, environmental and social goals for the sustainable development in the long term, which includes, among other things, the growth of long-term value for shareholders and investors. Sustainable Development of the Fund and the Organisation has three components: economic, environmental and social./	The strategic goals of SK Odeu LLP are reflected in the Development Strategy for 2023-2032. The mission of SK Odeu LLP is the development of the chemical industry in the Republic of Kazakhstan through rational and effective investments in chemical projects, as well as the formation of advanced competencies. Sustainable development is one of priorities of the activity of SK Odeu LLP. To implement this direction, SK Odeu LLP will make a voluntary contribution to the development of society, including the social, economic and environmental spheres, as well as adhere to high corporate management standards and implement ESG principles in the SKO group of companies. SK Odeu LLP approved the Sustainable Development Policy, which regulates the process of managing the impact of its activities on the environment, economy, and society and obliges to take decisions given interests of stakeholders.	Comply
3.3.	The Fund and the Organisations should analyse their activities and risks against the three aspects and strive not to admit or eliminate the negative impact of their operations on Stakeholders./	SK Odeu LLP annually analyzes its activities and risks in the field of sustainable development. The analysis of sustainable development activities in terms of three aspects is included in the integrated annual report of the Partnership.	Partially comply
3.4	The principles of the sustainable development are openness, accountability, transparency, ethical behavior, respect for the interests of stakeholders, legality, respect for human rights, intolerance to corruption, inadmissibility of conflicts of interest, personal example.	The Code of Corporate Ethics of SK Odeu LLP and the Sustainable Development Policy of SK Odeu LLP enshrine the following principles of sustainable development: openness, accountability, transparency, ethical behavior, respect for interests of stakeholders, legality, respect for human rights, intolerance to corruption, inadmissibility of conflicts of interest, personal example.	Comply
3.5	The Fund and Organization should have a management system in the field of sustainable development, which includes, but is not limited to, the following elements: 1) commitment to the principles of the sustainable development at the level of the BoD, the Executive Body and employees; 2) Analysis of both the internal and external situation in three components (economy, ecology, and social issues);/ 3) Identification of risks in the field of Sustainable Development, across the economic, environmental and social components;/ 4) Development of the Stakeholders map;/ 5) Determination of the goals and KPIs for Sustainable Development, preparation of an action plan, and appointment of responsible persons;/ 6) integration of the sustainable development into key processes, including risk management, planning, human resource management, investment, reporting, operational activities and others, as well as into the development strategy and decision-making processes; 7) Development of qualifications for Officials and employees in the field of Sustainable Development;/ 8) Regular monitoring and evaluation of Sustainable Development activities, evaluation of performance against the goals and KPIs, taking remediation measures, and introducing a culture of continuous improvement./	The Charter, the Regulations on the Supervisory Board, the Regulations on the Management Board, and the Sustainable Development Policy set forth the competencies of the management bodies of SK Odeu LLP in the field of sustainable development. SK Odeu LLP approved a Sustainable Development Policy, which includes: <ul style="list-style-type: none"> • goals, principles, and objectives of sustainable development; • responsibility of management bodies, Subsidiaries and all employees of SK Odeu LLP for implementation of the principles of sustainable development; • risk-based approach to sustainable development; • process of creating an effective and transparent system of interaction with stakeholders; • process of forming the materiality matrix; • process of determining the relationship between sustainable development and the key processes of SK Odeu LLP. 	Partially comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
3.6	The Fund and the Companies annually publish the Sustainability Reporting to ensure clarity and transparency of its activities for Stakeholders, taking into account the protection of information constituting official, commercial and other legally protected secrets. The Board of Directors approves the Sustainability Reporting./	The Partnership publishes an integrated annual report on an annual basis, approved by the Supervisory Board. The Sustainability Report is included in the Annual Report for 2021, approved by the decision of the Supervisory Board and posted on the website of the Company (link to the website: http://o-sk.kz/for-investors/reporting/) The Internet resource of SK Odeu LLP contains a separate section “Sustainable Development”, which includes subsections of main aspects of sustainable development (link on the website: http://o-sk.kz/corporate-management/development/principles/)	Comply
3.7	The Fund and the Organisations should take steps to adopt and adhere to the principles of sustainable development in their relationships with Partners./	In its relations with partners, SK Odeu LLP strives to comply with the principles of sustainable development in accordance with the Sustainable Development Policy of SK Odeu LLP, approved by the decision of the Supervisory Board of April 07, 2020 (Minutes No. 07/20).	Partially comply
4. Shareholders’ (participants’) rights and fair treatment of shareholders (participants)			
4.1	Compliance with the rights of shareholders (participants) is a key condition for attracting investments in the Fund and the Organizations. An Organisation should ensure that its Shareholders (Participants) are able to exercise their rights./ An Organisation with more than one Shareholder should ensure that each Shareholder is treated fairly./	Samruk-Kazyna JSC is the Sole Participant of SK Odeu LLP. Rights of the participant are exercised in accordance with the legislation of the Republic of Kazakhstan, the Charter and the Corporate Governance Code.	Comply
4.2	The rights, responsibilities and competences of the Shareholders (Participants) are determined and are set forth in current legislation and the incorporation documents. The rights of the Shareholders (Participants) include, but are not limited, to receiving sufficient and timely information for decision-making in accordance with the procedures stipulated in legislation of the Republic of Kazakhstan, the Organization’s Charter and internal documents on information disclosure; participating in General Meetings of Shareholders (Participants) and voting on issues within their competence; determining the composition, the tenure of the Supervisory Board (the Supervisory Board and the Executive Body), appointing its members, terminating their powers, and determining the amount and conditions of their remuneration; receiving dividends in the amounts and within terms determined by the decision of the General Meeting of Shareholders (Participants), based on a clear and transparent dividend policy.	Rights, obligations and competencies of shareholders are enshrined in the Charter of SK Odeu LLP. In accordance with the Charter, as well as internal documents of the Fund, the participant receives the necessary information through the annual report, the website, information materials, briefings, through requests, etc. The interaction of the Sole Shareholder with SK Odeu LLP is regulated by the Manual on Engagement with Portfolio Companies of Samruk-Kazyna JSC. Decisions on issues referred by the legislation of the Republic of Kazakhstan and the Charter of SK Odeu LLP to the competence of the general meeting of participants are taken by the Sole Participant at its own discretion and are subject to execution in writing. Distribution of net income and payment of dividends by Companies, more than fifty percent of shares (interests) of which are owned by the Fund on the right of property or trust management, is carried out in accordance with the dividend policy approved by the Fund in relation to subsidiaries.	Comply
4.3	If there are several Shareholders (Participants) in the organization, including Minority Shareholders (Participants), the corporate governance system should ensure fair treatment of all Shareholders (Participants) and the exercise of their rights, which should be enshrined in the Charter of the organization.		Not applicable

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
5. Effectiveness of the Supervisory Board and the Executive Body			
5.1	<p>The BoD is the management body accountable to the general meeting of shareholders, providing strategic management of the organization and control over the activities of the executive body. The BoD should ensure the implementation of all provisions of the Code.</p> <p>The Executive Body is accountable to the Board of Directors, it manages the daily operations of the Organization and ensures that the Organization complies with its Strategy, Development Plan and decisions taken by the General Meeting of Shareholders and the Board of Directors.</p>	These functions are enshrined in the Charter of SK Ondeu LLP and the Regulations on the Supervisory Board.	Comply
5.2	<p>The BoD should have sufficient authorities to manage the Organization and control over the activities of the Executive Body. The BoD performs its functions in accordance with the Charter and pays special attention to the following issues:</p> <ol style="list-style-type: none"> 1) defining the Development Strategy (directions and results); 2) setting and monitoring the key performance indicators of the Development Plan; 3) Organising and controlling the effectiveness of risk management and internal control systems;/ 4) approval and monitoring of the effective implementation of major investment projects and other key strategic projects within the competence of the Supervisory Board; 5) Electing the Head and members of the Executive Body, approving their remuneration, overseeing their activities and planning their succession;/ 6) Overseeing corporate governance and ethics;/ 7) Ensuring compliance in the Organisation with the provisions of this Code and the corporate standards of the Fund in the field of business ethics (Code of Business Ethics)./ 	These functions are enshrined in the Charter of SK Ondeu LLP and the Regulations on the Supervisory Board.	Comply
5.3	<p>The members of the Supervisory Board should properly perform their duties and ensure growth of the long-term value and sustainable development of the organization. The Board of Directors of the organization is accountable to shareholders. This accountability is implemented through the mechanism of the general meeting of shareholders./</p>	This function is enshrined in the Regulations on the Supervisory Board of SK Ondeu LLP.	Comply
5.4	<p>The Board of Directors and its Committees should maintain a balance of skills, experience and knowledge that ensures the adoption of independent, objective and effective decisions in the interests of the organization and given fair treatment of all shareholders and the principles of the sustainable development.</p>	This function is enshrined in the Regulations on the Supervisory Board of SK Ondeu LLP.	Comply
5.5	<p>It is necessary to ensure diversity in the composition of the Board of Directors in terms of experience, personal characteristics and gender composition. The Board of Directors should include Independent Directors, in the amount sufficient to ensure the independence of decisions taken and fair treatment of all shareholders. The recommended number of Independent Directors on the Company's Supervisory Board is up to fifty percent of the total number of members of the Supervisory Board.</p>	<p>These requirements are enshrined in the Regulations on the Supervisory Board of SK Ondeu LLP. As of March 01, 2023, the Supervisory Board of SK Ondeu LLP consists of 4 members: the Chairman of the Supervisory Board and three members of the Supervisory Board. The share of women in the Supervisory Board is 25%</p> <p>In accordance with the Charter, the Supervisory Board consists of at least three members. The Regulations on the Supervisory Board stipulate that the numerical composition of the Supervisory Board is set individually, taking into account the scope of activities, business needs, current tasks, development strategy and financial capabilities.</p>	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
5.6	The General Meeting of Shareholders elects the members of the Board of Directors based on the clear and transparent procedures, considering the competencies, skills, achievements, business reputation and professional experience of the candidates. When re-electing individual members of the Supervisory Board or its full composition for a new term, their contribution to the effectiveness of the Supervisory Board of the organization is taken into account.	<p>The Chairman of the Supervisory Board is elected by the decision of the Supervisory Board. In the Charter of SK Odeu LLP, the powers on electing the Chairman of the Supervisory Board are assigned to the Sole Participant.</p> <p>The tenure of members of the Supervisory Board coincides with the tenure of the entire Supervisory Board and expires at the moment when the Sole Participant takes decision on the election of a new composition of the Supervisory Board.</p> <p>Members of the Supervisory Board are elected for a term of up to three years, and in the future, subject to satisfactory performance, they may be re-elected for a term of up to three years.</p> <p>Any membership in the Supervisory Board for more than six successive years (for example, two three-year terms) is subject to special consideration in view of the need to improve the quality of the Supervisory Board.</p> <p>An Independent Director may not be a member of the Supervisory Board for more than nine successive years. In exceptional cases, election for more than nine year is permitted; election of the Independent Director to the Supervisory Board shall be held annually and be supported with a detailed justification of the necessity in selection of this member of the Supervisory Board and the influence of this fact on the decision-making independence.</p> <p>No one should participate in any decision-making concerning his/her own nomination, election or re-election./</p>	Comply
5.7	The Board of Directors approves the Induction Program for Newly Elected Members of the Supervisory Board and the professional development program for each member of the Board of Directors. The Corporate Secretary ensures these programmes are implemented./	The Induction Program for the newly elected members of the Supervisory Board of Samruk-Kazyna Odeu LLP was approved by the decision of the Supervisory Board of December 28, 2016 (Minutes No.10/16). The Corporate Secretary ensures this programme is implemented./	Comply
5.8	The Chairman of the Board of Directors is responsible for the overall management of the Board of Directors, ensures the full and effective implementation of key functions by the Board of Directors and establishing a constructive dialogue between the members of the Board of Directors, major shareholders and the Executive Body.	These requirements are enshrined in the Charter and the Regulations on the Supervisory Board.	Comply
5.9	The role and functions of the Chairman of the Board of Directors and the Head of the Executive Body should be clearly distinguished and enshrined in the Charter of the organization, the Regulations on the Board of Directors and the Executive Body.	These requirements are enshrined in the Charter and the Regulations on the Supervisory Board.	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
5.10	<p>The level of remuneration of the members of the Supervisory Board should be sufficient to attract, retain and motivate each member of the Supervisory Board at the level required for the successful management of the organization. The remuneration of the member of the Supervisory Board of the organization is determined in accordance with the methodology developed by the Fund, while the expected positive effect for the Organization from the participation of this person in the Supervisory Board should be taken into account. In organizations with several shareholders, the relevant Rules for Remuneration of the Members of the Supervisory Board are developed on the basis of the Fund's methodology and approved by the general meeting of shareholders. The Nomination and Remuneration Committee of the Supervisory Board of the organization makes proposals on the amount of remuneration for candidates for Independent Directors.</p>	<p>In practice, the members of the Supervisory Board are appointed by the decision of the Sole Participant.</p> <p>No one participate in any decision-making concerning his/her own remuneration.</p> <p>These requirements are enshrined in the Rules for the formation of the composition of the Supervisory Board of Samruk-Kazyna JSC companies.</p>	Comply
5.11	<p>The Committees of the the Board of Directors contribute to the in-depth and thorough consideration of issues referred to the competence of the Supervisory Board and improvement of the quality of decisions taken, especially in such areas as audit, risk management, proper and effective application of the Procurement Rules for Goods, Works and Services of the Fund and the Organizations, appointment and remuneration of members of the Supervisory Board and the Executive Body, Sustainable Development, including occupational health and safety and the environment. The existence of Committees does not release the members of the Supervisory Board from responsibility for the decisions taken within the competence of the Supervisory Board.</p>		Not applicable
5.12	<p>The preparation and holding of meetings of the Supervisory Board should contribute to the maximum effectiveness of its activities. To perform their duties, members of the Supervisory Board should have access to complete, up-to-date and timely information.</p>	<p>These requirements are enshrined in the Regulations on the Supervisory Board.</p> <p>The Supervisory Board meets regularly in order to perform its functions effectively. Meetings of the Supervisory Board are held in accordance with the work plan approved prior to the beginning of the calendar year. Meetings of the Supervisory Board are held in the in-presence or absentee form, at that the number of absentee meetings was minimised. Issues of great importance and of a strategic nature are considered and approved only at the in-presence meetings of the Supervisory Board.</p> <p>Meetings of the Supervisory Board should be properly minuted by the Corporate Secretary and should contain the full results of discussions and decisions taken.</p>	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
5.13	The Supervisory Board, Committees and members of the Supervisory Board should be evaluated on an annual basis within the framework of a structured process approved by the Board of Directors of the organization. This process should comply with the Fund’s methodology./ At least once every three years, the assessment should be carried out by an independent professional organisation./	SK Odeu LLP follows the process of evaluating the performance of the Supervisory Board. Methodological recommendations for performance evaluation of the Supervisory Board, the Chairman, members of the Supervisory Board and the Corporate Secretary of organizations of Samruk-Kazyna JSC, developed in accordance with the Corporate Governance Code were approved by the decision of the Management Board of Samruk-Kazyna JSC of December 14, 2017 (Minutes No.44/17). The Methodology for performance evaluation of the Supervisory Board, the Chairman, members of the Supervisory Board and the Secretary of the Supervisory Board of SK Odeu LLP was approved by the decision of the Supervisory Board of May 04, 2018 (Minutes No.03/18). The self-evaluation plan for the Chairman, members of the Supervisory Board and Corporate Secretary for 2022 was approved by the decision of the Supervisory Board of December 15, 2022 (Minutes No.23/22)	Comply
5.14	The evaluation should help determining the contribution of the Supervisory Board and each of its members to growth of the long-term value and Sustainable Development of the organization, as well as identifying areas and recommending measures for improvement. The results of the evaluation are taken into account when re-electing or early termination of the authorities of members of the Supervisory Board.	The report on performance self-evaluation of the Supervisory Board, the Chairman, members of the Supervisory Board and the Corporate Secretary of Samruk-Kazyna Odeu LLP for 2022 was approved by the decision of the Supervisory Board. As part of the self-evaluation, the members of the Supervisory Board conducted a mutual performance evaluation (360 questionnaire survey) according to the questionnaires. The questionnaire survey was conducted in accordance with the form approved by the Methodology for Performance Evaluation of the Supervisory Board, the Chairman, Members of the Supervisory Board and the Secretary of the Supervisory Board of Samruk-Kazyna Odeu LLP, approved by the decision of the Supervisory Board of the Partnership of May 04, 2018 (Minutes No.03/18). According to the questionnaire survey results, the members of the Supervisory Board have sufficient knowledge, skills, experience and personal qualities to perform their functions. All members of the Supervisory Board are well prepared for meetings and are ready for teamwork. Detailed information about the evaluation is described in the section of the annual report – Corporate Governance – Performance Evaluation of the Supervisory Board.	Comply
5.15	The Board of Directors appoints the Corporate Secretary to effectively organize the activities of the Supervisory Board and the interaction of the Supervisory Board, the Executive Body with shareholders.	These requirements are enshrined in the Charter, the Regulations on the Supervisory Board, and the Regulations on the Corporate Secretary. The Corporate Secretary is accountable to the Supervisory Board. The main duties of the Corporate Secretary include assistance in timely and high-quality corporate decision-making by the Supervisory Board, the Sole Shareholder, acting as an adviser to the Supervisory Board members on all issues of their activities and the application of provisions of the Code, as well as monitoring implementation of this Code and participating in the improvement of corporate governance in the Fund and organizations. The Corporate Secretary also prepares a report on compliance with the principles and provisions of this Code, which is included in the Annual Report of SK Odeu LLP.	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
5.16	The collegial Executive Body is established in Companies, in other organizations, as well as in the case of a joint venture company, it can be a collegial or sole, depending on the discretion of shareholders (participants). The Head and members of the Executive Body should possess high professional and personal characteristics, as well as have an impeccable business reputation and adhere to high ethical standards./	According to the Charter of SK Ondeu LLP, current activities are governed by the executive body of SK Ondeu LLP - the Management Board.	Comply
5.17	The Executive Body is accountable to the Board of Directors and manages the daily activities of the organization, is responsible for the implementation of the strategy, Development Plan and decisions taken by the Board of Directors and the General Meeting of Shareholders.	These requirements are enshrined in the Charter of SK Ondeu LLP.	Comply
5.18	The Supervisory Board elects the Head and members of the Executive Body, determines the terms of office, the amount of the official salary, and the terms of payment for their work. The Nomination and Remuneration Committee of the Supervisory Board of the organization plays a key role in the process of searching and selecting candidates for the Executive Body, determining their remuneration.	The CEO and members of the Management Board of SK Ondeu LLP are appointed by a decision of the Management Board of the Fund with indication of their tenure. The Chairman of the Supervisory Board signs an employment contract with the Chief Executive Officer. The Supervisory Board determines the size of official salaries of the CEO and members of the Management Board of SK Ondeu LLP.	Comply
5.19	The candidacy for the position of the CEO of the company is approved by the President or the Executive Office of the President of the Republic of Kazakhstan in the case of inclusion of the company in the relevant list approved by the Decree of the President of the Republic of Kazakhstan.		Not applicable
5.20	The Board of Directors evaluates the Head and members of the Executive Body. The main criterion used for the assessment should be the achievement of KPIs./	This provision is enshrined in the Regulations on the Supervisory Board of SK Ondeu LLP. The KPI Performance Report of the Chief Executive Officer and members of the Management Board is revised by the Supervisory Board annually.	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
5.21	<p>The Head of the Executive Body should bring cases of violation of the standards of the Code of Business Ethics by members of the Executive Body to the attention of the Supervisory Board.</p> <p>A member of the Executive Body who has breached the Code of Business Ethics may not be a member of the Executive Body of any other Organisation./</p>	<p>Employees have the right to report violations on the part of the Management Board to the Compliance Officer, the Ombudsman (after being appointed by the Fund) and the Supervisory Board.</p>	Comply
5.22	<p>In the event of corporate conflicts, the participants seek ways to resolve them through negotiations to ensure effective protection of the interests of the organization and Stakeholders.</p> <p>The Chairman of the Supervisory Board of the organization considers the corporate conflicts with the assistance of the Corporate Secretary. If the Chairman of the Supervisory Board is involved in a corporate conflict, such cases are considered by the Nomination and Remuneration Committee.</p>	<p>This provision is enshrined in the Regulations on the Supervisory Board of SK Ondeu LLP.</p>	Comply
6. Risk management, internal control and audit			
6.1	<p>The Fund and Organizations should have an effectively functioning risk management and internal control system aimed at providing reasonable confidence in the achievement of their strategic and operational goals by the Fund Organizations, and representing a set of organizational policies, procedures, standards of conduct and actions, methods and management mechanisms created by the Board of Directors and the Executive Body of the Fund and Organizations to ensure:</p> <ul style="list-style-type: none"> - optimal balance between the growth of the organization's value, profitability and the risks associated with them; - efficiency of financial and economic activity and achievement of financial stability of the company; - soundness of assets and efficient use of the company's resources; - completeness, reliability and truthfulness of financial and management reports; - compliance with the requirements of the legislation of the Republic of Kazakhstan and internal documents; - proper internal control to prevent fraud and ensure effective support for the functioning of the main and auxiliary business processes and analysis of the results of activities. 	<p>Risk management and internal control in SK Ondeu LLP on a consolidated basis is carried out by introducing the Corporate Risk Management System (hereinafter -CRMS) at all levels of SK Ondeu LLP.</p> <p>The structure of the risk management system in SK Ondeu LLP is represented by risk management at several levels involving the following bodies and subdivisions of SK Ondeu LLP: the Supervisory Board, the Management Board, the Risk Management Committee, the structural subdivisions responsible for risk management, the Audit Commission, the Compliance Officer, and other structural subdivisions.</p> <p>The Supervisory Board of SK Ondeu LLP approved the documents defining the principles and approaches to the organization of an effective risk management and internal control system, demonstrating the company's commitment to best practices in the field of risk management and internal control. The Risk Management Policy approved by the Supervisory Board has been developed in accordance with the Development Concept of the Corporate Risk Management System of SK Ondeu LLP (hereinafter - CRMS) and the methodology of the Sole Shareholder.</p> <p>The Regulations on the Internal Control System was amended by the decision of the Management Board of March 07, 2018, to include the provision of reports on the state of the internal control system (hereinafter - ICS) in the functions of the subdivision.</p> <p>SK Ondeu LLP supervises the process of introducing the risk management system in its subsidiaries, provides methodological and consulting support, and coordinates development and improvement of the CRMS in SK Ondeu LLP.</p> <p>According to the Risk Management Policy of SK Ondeu LLP, the Audit Commission evaluates performance of the risk management system on an annual basis. The Audit Commission evaluates performance of the risk management system in accordance with the Methodology for Corporate Risk Management System Evaluation. In addition, an independent company evaluates performance of the CRMS once every three years.</p>	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
6.2	The Board of Directors of the Fund and Organizations should determine the principles and approaches to the organization of the risk management and internal control system, based on the objectives of this system and given best practices and methodology of the Fund in the field of risk management and internal control.	<p>In determining main principles and approaches to the corporate risk management and internal control system organization, SK Oudeu LLP is guided by the Risk Management and Internal Control Policy developed in accordance with the Risk Management and Internal Control Policy of Samruk-Kazyna JSC, the Corporate Governance Code/Internal Documents of the Company, recommendations of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and other best practices in the field of risk management and internal control.</p> <p>The Supervisory Board of SK Oudeu LLP approved the Risk Management and Internal Control Policy of SK Oudeu LLP approved by the decision of the Supervisory Board of December 06, 2019 (Minutes No. 11/19), defining the principles and approaches to the organization of an effective risk management and internal control system, demonstrating the Company's commitment to the best practices in the field of risk management and internal control. SK Oudeu LLP identifies and assesses risks on an annual basis, and the Risk Register and Risk Map are compiled on the basis of risk identification and assessment. At that, the Risk Register and Risk Map may be revised or supplemented during the year as information about the risks provided by the structural subdivisions of SK Oudeu LLP when identifying new or changing the status of existing risks, including due to changes in the internal and external market, becomes available.</p>	Comply
6.3	The Executive Bodies of the Fund and the Organisations should ensure the creation and maintenance of an effective risk management and internal control system. The risk management process should be integrated with the planning processes (strategy and Development Plans, annual budget) and evaluation of the organization's performance (management reporting).	<p>The Risk Management Policy defines the functions of the bodies and subdivisions.</p> <p>Risk management processes are integrated with planning processes (strategy and development plans, annual budget). The objectives of SK Oudeu LLP are defined at the strategic level, and set the basis for development of operational objectives. The process of developing strategic plans, including the identification and analysis of risks that can affect the achievement of strategic goals.</p> <p>To ensure horizontal communication and effective CRMS introduction, the Risk Management Committee is operating, which is an advisory body under the Management Board of SK Oudeu LLP, which develops proposals in terms of risk management.</p> <p>Information on risks is provided to the Supervisory Board as part of the quarterly risk management report, and to the Executive Body as part of the quarterly risk management report and the monthly report on monitoring key risk indicators.</p>	Comply
6.4	The risk management and internal control system of the Fund and the Organizations should be based on a high culture of risk management conducted by the Executive Body, which provides for mandatory procedures for identifying, evaluating and monitoring all significant risks, as well as taking timely and adequate measures to reduce the level of risks that may negatively affect the achievement of strategic goals, the implementation of operational tasks and the reputation of the company.	<p>In general, the risk management process in SKO Group is carried out by analyzing significant functional areas, business processes and structural units separately, and identifying the main risks affecting the achievement of business objectives within each unit through the Risk and Control Matrix.</p> <p>As a result, the Risk Matrix provides senior management, structural units and field employees (including at the level of each subsidiary dependent organization of the Group) with a qualitative understanding of the main risks that need to be controlled. If new activities/business processes emerge at the level of the SKO Group/Subsidiaries, the risk management process is integrated to harmonize the applicable ICS procedures.</p>	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
6.5	The Fund and the Organizations should develop, approve, formalize and document control procedures in three key areas: operational activities, preparation of financial statements and compliance with the requirements of the legislation of the Republic of Kazakhstan and internal documents.	SK Onda LLP has a map of business processes, within the framework of operational activities, of individual structural subdivisions. As part of these maps, the main business processes and control points for operational processes are fully specified. There are also Rules for the Investment Projects Development and Consideration. In terms of financial statements, there are Corporate Regulations for Preparation of Consolidated Financial Statements and Regulations on the Accounting Department. In terms of compliance with the requirements of the legislation of the Republic of Kazakhstan and internal documents, there is documentation where all the main business processes of SK Onda LLP are formalized.	Comply
6.6	The Fund and the Organizations should implement transparent principles and approaches in the field of risk management and internal control, the practice of training employees and officials about the risk management system, as well as the process of identifying, documenting and timely communicating the necessary information to executives.	SK Onda LLP approved internal documents regulating the field of risk management, based on transparent principles and approaches, in accordance with the standard documents of the Sole Shareholder. To maintain and increase the risk culture, training is conducted to familiarize new employees and periodically familiarize all employees of SK Onda LLP (at least on an annual basis) with the current CRMS. As part of the process of improving the corporate governance system, the structural unit responsible for risk management conducts training and testing in the field of risk management for SK Onda LLP employees and risk coordinators of subsidiaries every six months (and more often, if necessary).	Comply
6.7	The Board of Directors of the Fund and the Organizations should take appropriate measures to ensure that the current risk management and internal control system complies with the principles and approaches to its organization defined by the Board of Directors and functions effectively. Risk Reports should be submitted to the meetings of the Supervisory Board at least once a quarter and discussed properly in full.	SK Onda LLP developed the Methodology for CRMS Evaluation, as well as the Methodology for ICS Evaluation. The methodology of CRMS evaluation and establishes the main approaches to assessing the effectiveness of CRMS. This evaluation includes the analysis and assessment of factors affecting the effectiveness of the risk management system in terms of each of its five components: 1) organization of risk management processes; 2) risk identification; 3) risk assessment; 4) risk management; 5) monitoring. The results of the CRMS effectiveness assessment were reviewed by the SB of SK Onda LLP in 2023 on a quarterly basis. The ICS assessment methodology includes analysis and assessment of factors affecting ICS effectiveness in terms of each of its five components: 1) Control environment; 2) Risk assessment; 3) Control procedures; 4) Information and its transfer; 5) Monitoring.	Comply
6.8	The IAS should be established in the Fund and the Organizations for a systematic independent assessment of the reliability and effectiveness of the risk management and internal control system and corporate governance practices.	SK Onda LLP has established the Audit Commission for a systematic independent assessment of the reliability and effectiveness of the risk management and internal control system and corporate governance practices. This requirement is enshrined in the Charter, the Regulation on the Audit Commission of SK Onda LLP.	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
6.9	Internal audit in the Fund and the Organizations should be carried out by creating a separate structural subdivision – the IAS (in organizations in the form of limited liability partnerships, the internal audit functions should be assigned to the audit commission/auditor, functionally accountable to the Supervisory Board; at the same time, the goals, functions and tasks of the audit commission/auditor, the procedure for its interaction with the bodies of the Organization should be established given the principles set out in this Code in relation to the Internal Audit Service). The goals, authorities and responsibilities of the IAS, qualification requirements (requirements for the professionalism of internal auditors) should be set forth in the internal document of the Company (the IAS Regulations)./ The IAS Regulations should be developed and approved given the requirements of the International Professional Standards of Internal Audit and the Fund’s corporate standards of internal audit./	The Regulations on the Audit Commission of SK Ondeu LLP have been approved, which establishes the objectives, powers and responsibilities of the Audit Commission, qualification requirements. The Regulations on the Audit Commission have been developed given the requirements of the International Professional Standards of Internal Audit and the Fund's corporate standards in the field of internal audit.	Comply
6.10	To ensure the independence and objectivity of the internal audit, the IAS should be organizationally subordinate and functionally accountable to the Board of Directors. The Supervisory Board takes decisions on approving the plans and strategy of the IAS activities, the IAS budget, determines the quantitative composition, size and conditions of remuneration and bonuses for IAS employees.	In accordance with the Regulations, the Audit Commission is functionally and organizationally accountable to the Supervisory Board of SK Ondeu LLP. The organizational subordination and functional accountability of the Audit Commission to the Supervisory Board means: 1) approval by the Supervisory Board of the regulations and other policies in the field of internal audit that regulate the goals, objectives, functions and procedures of the Audit Commission; 2) approval by the Supervisory Board of the risk-oriented annual audit plan; 3) submitting the Supervisory Board with quarterly implementation reports of the annual audit plan and other information on the activities of the Audit Commission; 4) taking by the Supervisory Board of decisions on remuneration of the Chairman and members of the Audit Commission; 5) approval by the Supervisory Board of the budget of the Audit Commission (as part of the Partnership development plan); 6) consideration by the Supervisory Board of significant restrictions on the powers of the Audit Commission or other restrictions that may adversely affect the implementation of internal audit.	Comply
6.11	The Head of the IAS in organizations should develop internal documents regulating the activities of the subdivision based on the Fund's corporate standards in the field of internal audit and ensure their consideration and approval by the Audit Committee and the Board of Directors.	Internal documents regulating the activities of the Audit Commission of SK Ondeu LLP are developed in accordance with the corporate standards of the Fund and approved by the Supervisory Board.	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
6.12	The IAS operates on the basis of a risk-based annual audit plan approved by the Board of Directors. The results of audit reports and key findings are submitted quarterly for consideration of the Supervisory Board.	The annual audit plan of the Audit Commission includes priority audits in accordance with the goals of the Partnership and is developed taking into account the instructions of the Sole Shareholder and the Supervisory Board of SK Ondeu LLP, the priorities of the executive body of the Partnership, as well as business processes and activities that involve the most significant risks in accordance with the Risk Map and the Risk Register of the Partnership. The results of audit reports and key findings are submitted quarterly for consideration of the Supervisory Board.	Comply
6.13	In carrying out its activities, the IAS should evaluate the performance of the internal control and risk management systems, assess corporate governance using generally accepted standards of activity in the field of internal audit and corporate standards and recommendations of the Fund in the field of corporate governance assessment, performance evaluation of the internal control and risk management system.	The Audit Commission of SK Ondeu LLP, in carrying out its activities, evaluates the performance of the internal control and risk management systems, assess corporate governance using generally accepted standards of activity in the field of internal audit and corporate standards and recommendations of the Fund in the field of corporate governance assessment, performance evaluation of the internal control and risk management system.	Comply
6.14	The Head of the IAS should develop and maintain a quality assurance and improvement program covering all types of internal audit activities, and providing for mandatory internal and external evaluation of the IAS activities.	The program for ensuring and improving the quality of the Audit Commission of SK Ondeu LLP was approved by the decision of the Supervisory Board of SK Ondeu LLP. This program covers all types of internal audit activities, and provides for mandatory internal and external evaluation of the activities of the Audit Commission.	Comply
7. Transparency			
7.1	The Fund and the Organizations promptly and reliably disclose information about all important aspects of their activities, including financial condition, results of operations, ownership and management structure to comply with the interests of stakeholders.	Disclosure of information about SK Ondeu LLP is carried out in accordance with the legislation of the Republic of Kazakhstan, internal documents of SK Ondeu LLP.	Comply
7.2	The Fund and the Organizations promptly disclose information provided for by the legislation of the Republic of Kazakhstan and internal documents. The Fund and the Organisations should approve internal documents defining the principles and approaches to information disclosure and protection, and information to be disclosed to the Stakeholders./ The Fund and the Organisations determine the procedure on classifying information into access categories, the rules for its storage and use, and the list of persons who may be granted access to commercially sensitive or officially secret information. The Fund and the Organisations should take measures to protect this information./	Disclosure of information about SK Ondeu LLP is carried out in accordance with the legislation of the Republic of Kazakhstan, internal documents of SK Ondeu LLP.	Comply

No.	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Compliance status
7.3	The Fund, the Company and the Organizations whose shares or bonds are traded on a stock exchange should promptly publish on their corporate websites audited annual financial statements prepared in accordance with International Financial Reporting Standards (hereinafter - IFRS), as well as financial statements prepared in accordance with IFRS for Q1, six months and first nine months of the reporting period. The Fund, the Company and the Organisations whose shares or bonds are traded on a stock exchange are recommended to disclose additional information about their financial condition in addition to the basic forms of financial statements./	In accordance with the established terms of the Corporate Governance Code, SK Ondeu LLP publishes its consolidated financial statements on a quarterly basis on the Internet resource within 60 days from the end of the reporting period. The annual audited financial statements must be published within 120 days of the end of the reporting period. In addition, the financial statements are posted on the Internet resource after receiving an extract of the decision on the approval of the annual financial statements by the Sole Shareholder.	Comply
7.4	The Fund and the Organizations should conduct an annual audit of financial statements by engaging an independent and qualified auditor who, as a third party, provides an objective opinion to Stakeholders about the reliability of the financial statements and their compliance with the requirements of IFRS. The requirement to have annual financial statements audited only applies if it is set forth in legislation of the Republic of Kazakhstan and / or in internal documents./	SK Ondeu LLP conducts an annual audit of the consolidated financial statements by engaging an independent and qualified auditor (the service period is 3 years). The external auditor is selected based on the open tender in accordance with the Rules for selection of the audit organization for Samruk-Kazyna JSC and organizations, more than fifty percent of voting shares (interests) of which are directly or indirectly owned by Samruk-Kazyna JSC on the right of property or trust management. The Chairman of the Supervisory Board is a member of the competition commission. Information about the external auditor is disclosed on the website, as well as in the Annual Report.	Comply
7.5	The Fund, the Companies and the Organizations whose shares are traded on the stock exchange should prepare an annual report in accordance with the provisions of this Code and the best practices of information disclosure. Annual Reports shall be approved by the respective Boards of Directors./	SK Ondeu LLP prepares an annual report on an annual basis, with an integrated report in the field of sustainable development for a wide range of stakeholders. In accordance with the Charter of SK Ondeu LLP, the Annual Report is approved by the decision of the Supervisory Board. The Annual Report for 2022 was approved by the decision of the SB of July 05, 2023 (Minutes No. 12/23) and published on the website of SK Ondeu LLP.	Comply
7.6	The Internet resource should be well structured, easy to navigate and contain information necessary for Stakeholders to understand the activities of the Fund and the Organizations.	1) The corporate website of SK Ondeu LLP contains a significant part of information provided for by best practices. Key information is published in Kazakh, Russian and English. 2) Updating of the Internet resource is carried out as necessary, on a regular basis. 3) All significant corporate events of SK Ondeu LLP are accompanied by the publication of press releases. 4) Disclosure of information on the website of SK Ondeu LLP is carried out in accordance with the internal documents of SK Ondeu LLP.	Comply