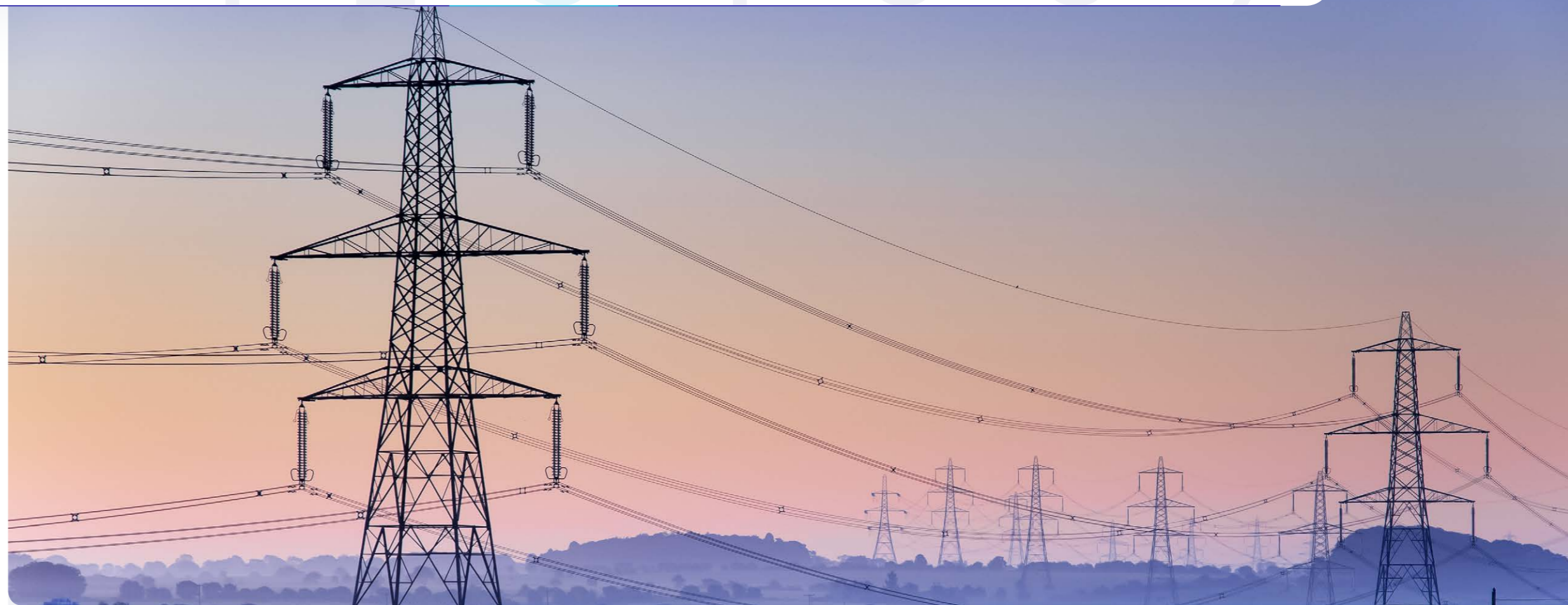
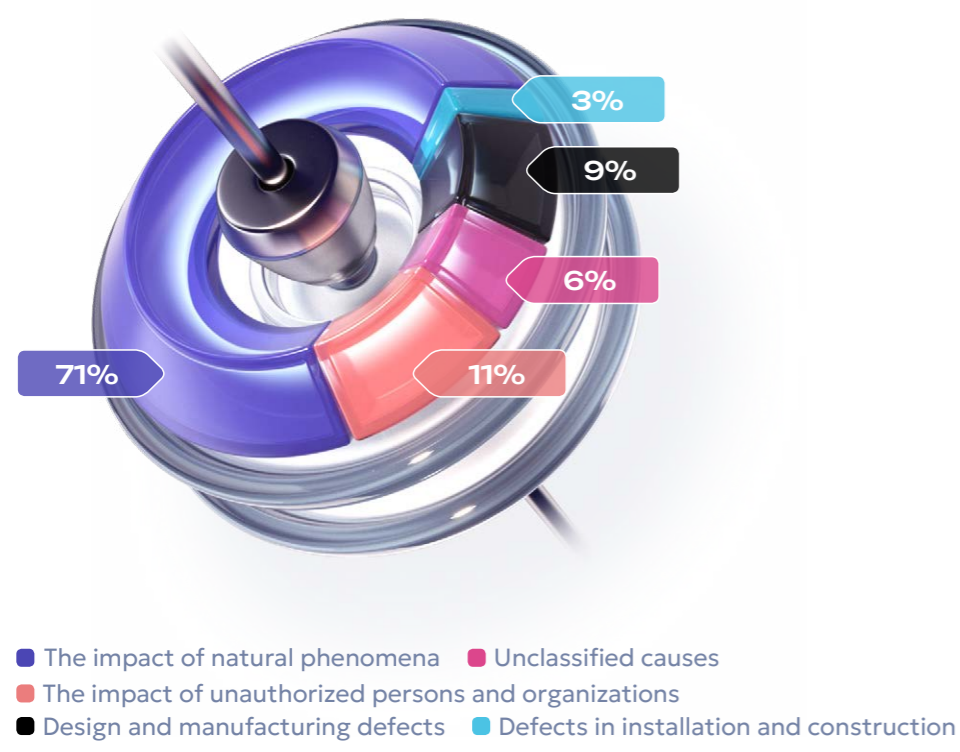


Network reliability

FOR THE REPUBLIC OF KAZAKHSTAN, THE ELECTRIC POWER INDUSTRY IS IMPORTANT BECAUSE THE COUNTRY'S KEY INDUSTRIES, SUCH AS METALLURGY AND OIL AND GAS PRODUCTION, ARE CHARACTERIZED BY HIGH ENERGY INTENSITY. ACCORDINGLY, THE COMPETITIVENESS OF THE INDUSTRY OF THE REPUBLIC OF KAZAKHSTAN AND THE QUALITY OF LIFE OF THE POPULATION LARGELY DEPEND ON RELIABLE AND HIGH-QUALITY ENERGY SUPPLY TO CONSUMERS.

In 2023, the Company recorded and investigated 65 technological violations, of which 5 failures of the 1st degree and 60 failures of the 2nd degree, including: 53 technological violations occurred on power lines, 12 technological violations occurred at substations. There were no accidents. Compared to 2022, the indicator has deteriorated by 23%, due to the impact of adverse weather conditions.

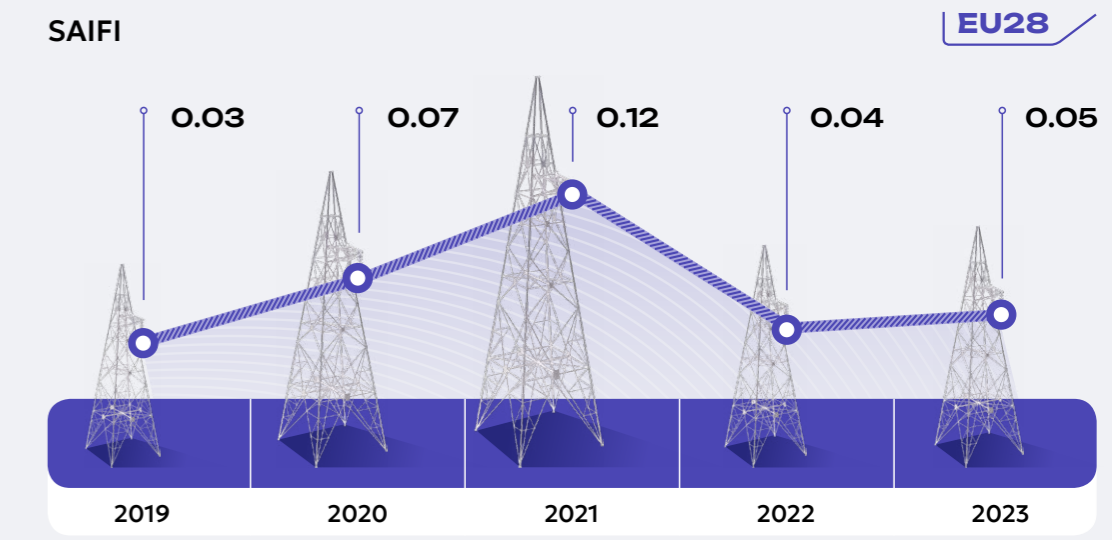
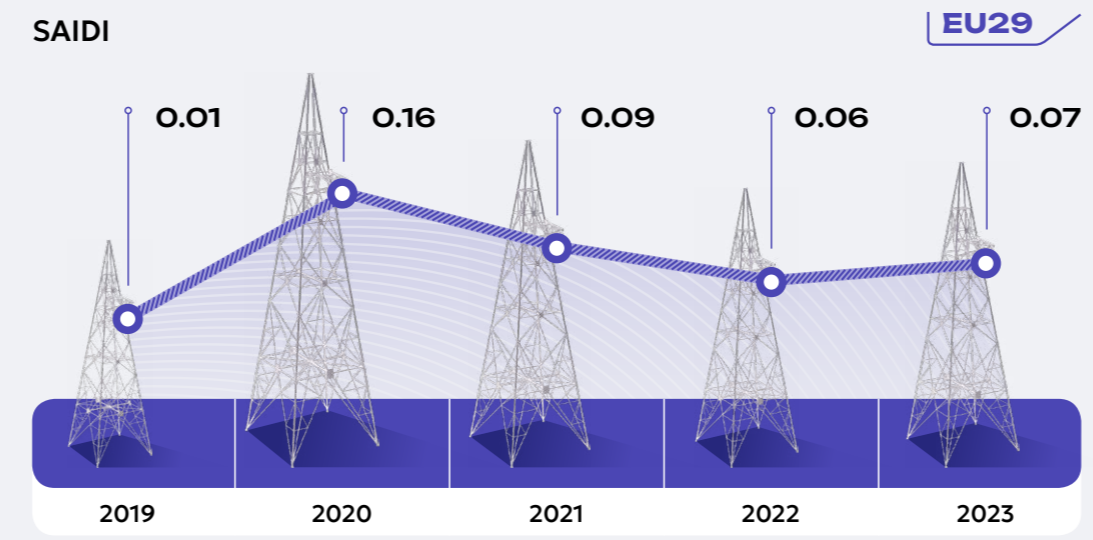
Distribution of technological violations by classification criteria



To assess the level of network reliability in international practice, indicators are used:

SAIDI (System Average Interruption Duration Index — average duration of shutdown) — characterizes the average duration of one shutdown in the system per year in minutes.

SAIFI (System Average Interruption Frequency Index — the average frequency of damage in the system) — characterizes the average frequency of power supply interruptions consumers.



Due to the impact of natural phenomena, 46 technological violations occurred (71% of the total).

Climate change is causing an increasing number of serious and extreme weather events that pose a danger to our facilities, including days of strong winds and rains, hail, hurricanes, cyclones, droughts, as well as the risk of fires and floods, among others. Extreme weather conditions and changes in air temperature can lead to a load on the system, reduced efficiency and possible interruptions in customer service.

The main adverse meteorological factors are strong wind, thunderstorm overvoltages, formation and discharge of icy-frost deposits on overhead line wires and lightning cables. The Company has developed a risk register that takes into account climatic factors, during the development of which potential scenarios that KEGOC JSC may face were analyzed, including variability of weather conditions, as well as an increase in the severity and frequency of extreme weather events. The consequences of the realization of this risk may be:

- Failure of substations and power line equipment;
- Reduction in the volume/quality of electricity supplies to consumers;
- Under-discharge of electricity.

The risks associated with climate change are reflected in the Company's Risk Register, which is used to manage changes.

Thus, the risk of failure of production assets may arise due to climatic factors such as the impact of natural phenomena. To mitigate this risk, the Company conducts the following activities:

- raining of personnel in the skills of emergency recovery operations;
- ensuring the readiness of vehicles and special equipment for emergency recovery operations;
- staffing of branches with emergency supplies;
- insurance of PS equipment;
- conducting emergency training;
- development of proposals for the introduction of innovations to reduce the impact of natural phenomena on the Company's production assets.

Climate change, namely natural factors (floods, hurricanes, earthquakes, epidemics) create the risk of an emergency. To mitigate this risk, the Company conducts emergency response training in accordance with the annual schedule according to approved topics; participates in the annual republican command and staff exercises 'Koktem', 'Kys', 'Zher' where measures are being worked out to eliminate the consequences of natural disasters (floods, hurricanes, earthquakes), as well as purchases personal protective equipment.

In addition, to ensure the reliability of the network in order to reduce the key risk of failure of production assets in 2023, the Company carried out:

- replacement of high-voltage inputs of power electrical equipment;
- technical inspection of substations and power line equipment with the involvement of expert organizations;
- technical expertise of the condition of the substations and power line equipment with the involvement of expert organizations;
- modernization and reconstruction of assets;
- analysis of technological failures in electrical networks. etc.

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As part of ensuring business continuity for the business process of uninterrupted production activities for the elimination of large-scale emergencies, accident response plans (ARP) and an action plan for the elimination of emergencies (PEE), characteristic of the Company's activities, have been developed.

ARP establishes the object, scope and sequence of actions in case of an emergency, as well as responsibility for their provision and implementation. The boards are tested in the form of regular fire and emergency training.

PEE reflects the activities carried out in case of a threat of occurrence and elimination of the consequences of an emergency, indicating the timing and time of work. The most common type of emergency at the Company's facilities can be a fire due to non-compliance with fire-fighting measures, the occurrence of emergency situations. PEE also includes measures in case of a threat of terrorist acts that create a danger of loss of life, causing significant property damage, or other serious consequences. For timely notification of the Company's employees in the event of an emergency and its liquidation, Communication and notification Plans, a Fire Extinguishing Plan, which are part of PEE, are put into effect.

To check readiness for actions to eliminate possible emergencies, the Company participates in annual republican command and staff exercises, conducts object training and seismic surveys in areas with a high risk of earthquakes (South, East, West). These exercises check the completeness of the development of plans, the coherence of civil protection units, the action of forces and means during emergency recovery work at thermal power plants.

The following efficiency indicators are defined for achieving strategic Goal 1:

- Grid Availability (657 or The availability of the electric grid, measured in % for the reporting year)
- AIT (Average Interruption Time — the average interruption time, in minutes).

By the end of 2023, the Company's planned strategic efficiencies of KEGOC JSC have been achieved and exceeded.

Indicators of the implementation of the Goal 1

KPI Name	2019 Fact	2020 Fact	2021 Fact	2022 Fact	2023 Goal	2023 Fact
GA, %				99.99987	99.99877	99.99988
The indicators were determined in December 2021						
AIT, min.				0.682	6.476	0.657