

# PRINCIPLES AND GOALS OF SUSTAINABLE DEVELOPMENT

3 GOOD HEALTH AND WELL-BEING



## HUMAN CAPITAL DEVELOPMENT

- Human capital development, strengthening competence in new areas

🔗 [Our people](#)

🔗 [Annex 1. Commitment to the UN Sustainable Development Goals](#)

3 GOOD HEALTH AND WELL-BEING



## H&S BEST PRACTICES

- Striving for “zero injuries” and achieving LT IF of 0.14 (2023)
- Training of 100% of production personnel on safety culture (2023)

🔗 [Our people](#)

🔗 [Annex 1. Commitment to the UN Sustainable Development Goals](#)

5 GENDER EQUALITY



## CORPORATE GOVERNANCE

- ESG-rating of the Fund group (70 percentile by 2032)
- Increasing the proportion of women in the management bodies of the Fund’s companies

30% by 2030

- The share of independent directors in the composition of the Fund’s BoD and PC

Maintaining at 50%

🔗 [Our Approach to Sustainable Development](#)

🔗 [Annex 1. Commitment to the UN Sustainable Development Goals](#)

# SUSTAINABLE DEVELOPMENT GOALS



7 AFFORDABLE AND CLEAN ENERGY



## RESOURCE SAVING

- Reducing the energy intensity of production activities (-10% by 2027)

🔗 [Our response to global challenges](#)

🔗 [Environment](#)

🔗 [Annex 1. Commitment to the UN Sustainable Development Goals](#)

13 CLIMATE ACTION



## «GREEN» FINANCING

- Formation of a portfolio of offset projects (5.8 million tons of CO<sub>2</sub>-equiv. by 2032 )

- The share of renewable energy and hydroelectric power plants in electricity production

26% by 2032

🔗 [Strategy is translated into investments](#)

🔗 [Annex 1. Commitment to the UN Sustainable Development Goals](#)

13 CLIMATE ACTION



## DECARBONIZATION

- Reduction of direct and indirect greenhouse gas emissions (Scope 1 and Scope 2) > (-10%) by 2032
- Increasing the share of low-carbon generation in the purchase of electricity 45% by 2032

🔗 [Our response to global challenges](#)

🔗 [Strategy is translated into investments](#)

🔗 [Our Approach to Sustainable Development](#)

🔗 [Environment](#)

🔗 [Annex 1. Commitment to the UN Sustainable Development Goals](#)

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



## OPENNESS, TRANSPARENCY AND COMPLIANCE

- Certification of anti-corruption compliance systems for compliance with the requirements of international standards ISO 37001:2016 “Anti-bribery Management Systems” and ISO 37301:2021 “Compliance Management System”

- Increasing the share of women in the management bodies of the Fund’s companies

🔗 [About the Fund](#)

🔗 [Our approach to sustainable development](#)

🔗 [Annex 1. Commitment to the UN Sustainable Development Goals](#)

🔗 [Annex 4. Our approach to stakeholder engagement](#)

## Why is this important to us?

Many aspects of our business involve human rights, including the working conditions of our employees, health and safety, digital data, technology and the practices of our suppliers. Therefore, our behavior in the context of doing business and building business relationships can have a significant impact on society, both positive and negative. In addition, the growing expectations of our stakeholders confirm that human rights are a significant topic for the Fund.



## Our goals and objectives:

- Increasing wages for low-paid professions and positions in 2023-2027
- Gradual increase in the share of women in the Board and executive bodies of portfolio companies up to 30% by 2030
- Encouraging diversity of ages, gender and national balance in the Fund's group of companies

Material topics	Impact type	Direct impact
Human rights and anti-discrimination	+	●

**Impact type:** + positive – negative

## Materiality level:

- strong
- average
- low

# VALUE OF HUMAN RIGHTS AND ETHICAL CONDUCT



Indeed, the Code of Ethics of a civil servant does not apply to employees of the Fund Group. However, we are the largest representative of the quasi-state sector, the largest employer in the country, and we are under the close attention of the public, within the framework of the principles we ourselves have declared – openness and accountability.

**The Chief Executive Office of the Fund**

The Republic of Kazakhstan is a State governed by the rule of law, the highest values of which are a person, his life, rights and freedoms. According to item 2 of Article 14 of the Constitution of the Republic of Kazakhstan, no one may be subjected to any discrimination based on origin, social, official and property status, gender, race, nationality, language, attitude to religion, beliefs, place of residence or any other circumstances.

And we, as the Sovereign Wealth Fund, strictly honor fundamental human rights. We recognize the indisputable importance of granting equal rights to everyone. [GRI 2-23](#)

Our Code of Conduct, approved by the Board of Directors in 2017, prohibits discrimination and harassment on any grounds. [GRI 2-23](#) The Code establishes general standards of conduct for all employees, regardless of their position, and reflects the basic values and ethical principles of work in the Fund. The Code applies not only to employees of the Fund, officials and directors of the Fund, but also to the member

companies of the Fund Group. Business partners, suppliers and other third parties who work with the Fund or represent the Fund are recommended to adhere to the provisions of this Code.

From year to year, our position on basic human rights remains unshakable and unchanged: we do not use child labor, do not practice forced labor, and recognize the equal rights of all employees and contractors, regardless of their race, religion and gender. However, we are aware of their exceptional importance for society as a whole, and therefore we recognize the above aspects as material for the Fund.

[GRI 406-1](#), [GRI 408-1](#), [GRI 409-1](#), [GRI 2-23](#)

Familiarization with the Code is mandatory for all employees. The Code of Conduct is available to the stakeholders on our official website in three languages – Kazakh, Russian and English. [GRI 2-23](#)

# INTOLERANCE TOWARDS CORRUPTION

We follow the principle of absolute intolerance to corruption in any form. The main internal documents regulating anti-corruption issues in the Company are:

- Code of Conduct;
- Anti-corruption policy;
- Whistleblowing policy.

The Anti-Corruption Policy approved by the Board of Directors in 2021 includes principles in relation to corruption, gift giving and acceptance, fraud and other illegal actions. [GRI 3-23](#)

One of the key principles of this Policy is “the commitment of senior management and the establishment of a “Tone at the Top”. The first head of the Fund Group company is personally responsible for corruption offenses of subordinates. These changes have already been approved for the entire Group of companies of the Fund. [GRI 3-3](#)

## Why is this important to us?

Corruption is an illegal business practice and one of the major compliance risks. It undermines social and economic development and destabilizes the business environment. This is contrary to our values and affects the trust of our stakeholders. Corruption is unacceptable in the Fund in any manifestations, therefore we have developed a number of internal documents regulating the issues of combating corruption in the Company.



## Our goals and objectives:

- Effective and close interaction with the anti-corruption service, financial monitoring bodies and the prosecutor's office
- Certification of anti-corruption compliance systems for compliance with the requirements of international standards ISO 37001:2016 «Anti-bribery management systems» and ISO 37301:2021 «Compliance management system»

Material topics	Impact type	Direct impact
Combating corruption	+	●●

**Impact type:** + positive – negative

## Materiality level:

- strong
- average
- low

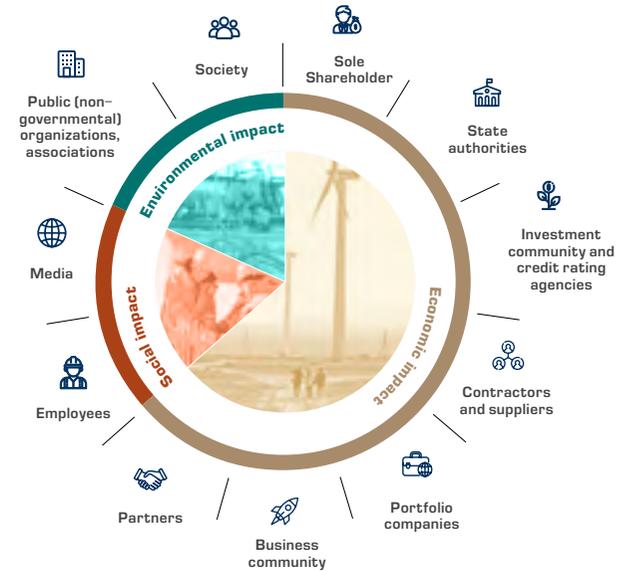
According to our Policy, the Fund, as well as officials and employees, do not finance political parties, public associations in order to obtain or maintain an advantage in their activities. The Fund also does not finance charitable and sponsorship projects in order to obtain or maintain an advantage in its activities. [GRI 415-1](#) The Policy is posted on the corporate website of the Fund in Kazakh, Russian and English to provide full access to all employees, as well as to all stakeholders. [GRI 205-2](#)

# OPENNESS, TRANSPARENCY AND ACCOUNTABILITY

The successful development of the Fund, a key player in the national economy, largely depends on how the interaction with stakeholders is built. We believe that dialogue and direct participation of stakeholders are the key to ensuring sustainable economic development and creating long-term value. We build relationships based on mutual trust, transparency and honesty. The system of regular interaction with stakeholders implies the provision of meaningful and reliable information, ensuring the possibility of a bilateral dialogue, awareness of environmental hazards and risks associated with the activities of portfolio companies, the development of a flexible complaint mechanism.

To regulate the main aspects of the dialogue with stakeholders, a PR strategy and an Action Plan for 2022 were developed, and a Policy on interaction with portfolio companies is in effect. In the reporting year, the Policy was amended – unnecessary links were optimized and eliminated, additional mechanisms were created to increase the efficiency of interaction for the efficiency of implementation of the Fund's business processes. [GRI 2-29](#)

FIGURE № 1. STAKEHOLDER MAP [GRI 2-29, GRI 413-1](#)



A Public Council has been working to exercise public control over the activities of the Fund and its portfolio companies since December 2021. The Council was established through an open competitive selection of candidates. It consists of ten people: seven representatives of civil society and three representatives of the Fund. Its own information resources cover each meeting of the Fund's Public Council, as well as various media are invited, events are covered both in online publications and on television. A page of the Fund's Public Council has been created on the corporate website, where all recommendations issued by it are published.

In 2022, 13 meetings were held (involving 230 external experts) – these are decision-makers, public figures, industry experts, representatives of associations and non-governmental organizations for comprehensive and expert consideration of issues. 118 recommendations were given.

In addition, press briefings of the Fund's Group heads are regularly held, where they answer questions from the media and the public. The Fund actively talks about its work in social networks, including in the telegram channel @samrukazynaofficial. Another new form of interaction with society is open meetings with citizens as part of the IPO campaign. In September, representatives of the Fund and experts traveled all over Kazakhstan and held more than 130 seminars with residents of cities and villages about the placement of shares of JSC NC KazMunayGas. More than 150 thousands of people attended these meetings. We are ready to strengthen further the transparency of our activities in order to work and develop in harmony with society.

☺ [More detailed information about our interaction is provided in the Annex.](#)

## CONFLICT OF INTEREST PREVENTION

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The Fund is an employer for a quarter of a million people. Each of them should have the opportunity to address their questions to the Manager of any level. And the most importantly to receive comprehensive, quality explanations. It is important for people to understand that they will be heard.

**Chief Executive Officer of the Fund**

Considering the different nature of our stakeholders, we have developed a Stakeholder Map (see Annex No. 4), which takes into account a number of mechanisms for continuous interaction with each of them, such as:

- official website (feedback window on the official website sk.kz);
- e-mail of the Public Relations Department;
- official accounts of Telegram Samruk-Kazyna official, Instagram samrukazyna\_official and Facebook of the Fund with the ability to comment on the information posted;
- The Fund's press center, where emergency (on urgent issues of concern to stakeholders) and weekly briefings are regularly held, first heads report on the activities of the Fund, etc. All performances are broadcast online with the opportunity to ask questions via video link, thus providing an opportunity for everyone to participate without territorial restrictions (online);
- Feedback systems Hotline (for reporting corruption and other violations) and Nysana (for employee appeals);
- unified platform for receiving and processing all citizens' appeals E-Otinish.

Each employee of the Fund Group or any third party, including procurement suppliers, can report any violations of the Code of Conduct, including corruption, discrimination, unethical behavior and other violations, by contacting an independent centralized Hotline in case of any doubts about the legality of the actions of any of the employees, contractors or other persons whose activities are related to the Fund. Anonymity and protection from harassment of applicants is guaranteed by the Whistleblowing Policy. Information about the email address and Hotline numbers is available on our corporate website and on the websites of all our portfolio companies. [GRI 2-26](#)

