

MESSAGE FROM THE CHAIRMAN OF THE MANAGEMENT BOARD

DEAR COLLEAGUES, PARTNERS, AND SHAREHOLDERS,

The year 2024 marked an important milestone in the implementation of the Development Strategy of NC KazMunayGas JSC. We continued to develop a key sector of the national economy with consistency and commitment, upholding our responsibility to society and future generations. For us, sustainable development means making tangible investments: in modernization, environmental protection, employees' well-being, and regional resilience.

Every action we took in 2024 was aimed at creating long-term value – economic, environmental, and social. This report reflects our philosophy: to invest with consideration for societal interests and environmental protection.

People – at the core of our strategy



**At KazMunayGas,
sustainability begins with
the health and safety of
our employees.**

In 2024, we expanded our electronic medical check-up system: 63 new modules were installed, a standardized sanitary control program was approved, and a Health Improvement Action Plan for 2025–2027 was adopted.

Youth policy is a strategic priority. We are working with regional universities and implementing the “Zhas Maman”, “Intern”, dual education, and “KMGE School” programs to train a new generation of professionals.

Dialogue with 35 labor unions representing over 36,000 employees ensures social stability. In 2024, all commitments were fulfilled, and social support expenditures amounted to 25 billion tenge.

KazMunayGas is actively contributing to regional development. Projects completed include: the “Jaiyq Arena” sports complex in Uralsk, a support center for children with special needs in Atyrau, and a Palace of Schoolchildren with a tech park in Kyzylorda. Through the Samruk-Kazyna Trust fund, up to 10 billion tenge was allocated to support regions affected by the flooding.

Environment – at the core of sustainable growth

Environmental responsibility is a top priority. In 2024, 1,099 thousand tonnes of legacy oil waste were disposed of, and 172 hectares of land were remediated. Since 2018, a total of 4.5 million tonnes of waste have been processed. Notably, NC KazMunayGas JSC's subsidiary Karazhanbasmunay JSC has fully eliminated historical contamination within its contract area, having disposed of more than 518 thousand tonnes of oil-containing waste since 2021.

The beneficial utilization rate of raw gas reached 98.9%. Flaring volumes have decreased by 89% compared to 2017. This outcome reflects modernization efforts, adoption of best available technologies, and strict environmental oversight.

As part of water resource management efforts in Kenderli, construction of a seawater desalination plant (50,000 m³/day capacity) is ongoing, with commissioning planned in 2025. Karazhanbasmunay JSC has launched a formation water desalination plant with a daily capacity of 42,500 m³. Compared to 2022, the water intake was reduced by 4.07 million m³.

KazMunayGas supports the national goal of achieving carbon neutrality by 2060. The Company is currently designing a 1 GW wind power plant with storage systems in the Zhambyl region (KMG share – 20%) and construction of a hybrid power plant (247 MW) in the Mangystau region (Zhanaozen), combining both renewable energy sources and traditional electricity production from gas, is in full swing.

We are also assessing the potential for low-carbon hydrogen production, including the use of renewables and carbon capture technologies. A digital Water Resources Atlas has been developed to analyze the feasibility of producing green hydrogen in western regions of Kazakhstan.

Our subsidiaries and affiliates are actively implementing the action plan of the Low-Carbon Development Program, aimed at reducing the carbon footprint and improving energy efficiency. These efforts contribute not only to environmental safety but also serve as an example of effective environmental stewardship.

Responsibility for the Future

The world is changing, and KazMunayGas remains a key player in ensuring Kazakhstan's energy security. Yet true leadership is not defined solely by production, but by the value we create for society, nature, and the national economy.



By investing in sustainability – in technology, environment, people, and regions – we are laying the foundation for strong and prosperous Kazakhstan.

I would like to thank the KazMunayGas team, our partners, and shareholders for their cooperation and shared achievements. Together, we are building the sustainable energy system of tomorrow.

Sincerely,
Askhat Khassenov
*Chairman of the Management Board
of NC KazMunayGas JSC*