

Report on payments to governments made by NC KazMunayGas JSC in 2024

Introduction

In an effort to comply with best international practices, JSC National Company KazMunayGas (KMG, the Company) publishes a report that provides a summary of payments made to government bodies by KMG in 2024, including its subsidiaries.

The report has been developed in accordance with the 2014 United Kingdom (UK) Rules for reporting on payments to governments (as amended in December 2015). These Rules are based on the provisions of Chapter 10 of the Act “On reports on payments to governments” of the Reporting Guidelines 2013, as amended. According to these Rules, oil, gas, mining and forestry companies registered in the UK must disclose annual information on payments to governments by countries and by projects.

About Company

JSC National Company KazMunayGas is Kazakhstan’s leading vertically integrated oil and gas company, operating assets across the entire production cycle from exploration and production of hydrocarbons to transportation, refining and provision of services. Established in 2002, the Company represents the interests of the Republic of Kazakhstan in the national oil and gas industry.

As at the end of 2024, the share capital of KMG is owned by Sovereign Wealth Fund Samruk-Kazyna Joint-Stock Company (“Samruk-Kazyna”, the “Fund”) (67.42%), Ministry of Finance of the Republic of Kazakhstan — 20%, the National Bank of Kazakhstan (“NBK”) (9.58%), and 3% is in free float.

In 2024, the Company retained its leading position in terms of oil production, transportation and refining in Kazakhstan.

KMG, realising that its activities are directly related to the use of natural resources, recognizes its responsibility to society for the rational use of these resources and the preservation of a favorable environment.

Reporting companies

This report includes information on payments to government made by the Company and by its Subsidiaries.

Reporting period and report coverage

The reporting period is 2024.

The use of the reporting system makes it possible to reflect information on contributions to governments, is aimed at increasing the transparency of the Company in the field of payments to governments, strengthening the responsibility of mining companies in matters of income from the sector, increasing public awareness of the Company's activities in the regions, and also makes it possible to compare the Company's reports with reports leading international companies in the oil and gas industry.

The Company publishes this report on allocations to governments in accordance with best disclosure practices.

The report examines the activities of the Company and its subsidiaries involved in the extraction, transportation, processing of hydrocarbons, as well as oilfield services.

Government/State

For the purposes of the Report, the term "Government" means any authority authorized to collect taxes, budgetary and other payments in accordance with the applicable law in force at the time the contribution or payment falls due. In the context of this Report, governments also include organisations, businesses and other legal entities that are authorised to collect taxes, fees and other payments to the governments.

Companies

Companies are understood to mean those entities whose data on cash contributions are included in this report.

Payments categories

The types of payments are categorised as follows:

Taxes

All taxes except mineral extraction tax.

Mineral extraction tax

The mineral extraction tax is a compulsory payment made by subsoil users separately for each type of mineral raw materials, oil, groundwater and therapeutic mud extracted.

The object of taxation on the extraction of minerals is the physical volume of crude oil, gas condensate and natural gas produced by the subsoil user during the tax period.

Signature bonus

The signature bonus is a one-time fixed fee paid by a subsoil user for obtaining the right to subsoil use in a contract area (subsoil plot), as well as for expanding a contract area (subsoil plot) in the manner prescribed by the legislation of the Republic of Kazakhstan.

Other payments

Other payments include all other payments to governments, including export customs duty.

Currency

This report is presented in Kazakhstani Tenge, which is the functional and presentation currency of the Company's financial statements. Transactions in foreign currencies are recorded in the functional currency at the prevailing exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies are converted to the functional currency at exchange rates effective at the reporting date.

Contact details

This report, along with additional information on the Company's activities, can be found on the corporate website at www.kmq.kz.

Questions or comments related to the information provided in this report should be sent to: Investor relations, 8 Konayev Street, Astana, the Republic of Kazakhstan, Z05H9E8.

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Report by countries and companies in 2024 (in thousands of tenge)

Country/Company	Taxes	Mineral extraction tax	Signature bonus	Other	Total
Kazakhstan	856,178,212	69,780,853	347,627	153,439,124	1,079,745,817
JSC OzenMunaiGas	162,081,155	28,185,705	-	59,772,898	250,039,758
Pavlodar Refinery	142,800,874	-	-	438,786	143,239,660
Atyrau Refinery	154,325,074	-	-	575,032	154,900,106
JSC Embamunaigas	88,916,546	37,484,807	347,141	41,437,706	168,186,200
KMG Karachaganak	45,715,512	-	-	1,162,178	46,877,690
"KMG Kashagan B.V."	42,298,910	-	-	33,766,385	76,065,295
JSC KazTransOil	45,891,850	1,558	-	206,787	46,100,195
Others	174,148,291	4,108,783	486	16,079,352	194,336,912
Romania	750,786,182	-	-	7,325,460	758,111,642
KMG International N.V.	750,786,182	-	-	7,325,460	758,111,642
Bulgaria	40,106,294	-	-	44,584	40,150,878
KMG International N.V.	40,106,294	-	-	44,584	40,150,878
Moldova	80,847,564	-	-	1,377,425	82,224,989
KMG International N.V.	80,847,564	-	-	1,377,425	82,224,989
Georgia	39,362,907	-	-	-	39,362,907
KMG International N.V.	37,683,246	-	-	-	37,683,246
JSC KazTransOil	1,679,660	-	-	-	1,679,660
Switzerland	1,931,680	-	-	45,523	1,977,203
KMG International N.V.	1,931,680	-	-	45,523	1,977,203
Netherlands	9,363,588	-	-	-	9,363,588
KMG International N.V.	267,037	-	-	-	267,037
Cooperative KazMunaiGaz U.A.	6,525,286	-	-	-	6,525,286
Cooperative KMG EP U.A.	1,703,041	-	-	-	1,703,041
Others	868,224	-	-	-	868,224
Great Britain	1,289,664	-	-	-	1,289,664
Kazmortransflot (KMTF)	1,289,664	-	-	-	1,289,664
Azerbaijan	246,861	-	-	31,877	278,738
KMG Drilling & Services LLP	246,861	-	-	31,877	278,738
Russian Federation	9,029,266	-	-	-	9,029,266
CPC-R	9,025,931	-	-	-	9,025,931
Others	3,335	-	-	-	3,335
TOTAL	1,789,142,218	69,780,853	347,627	162,263,994	2,021,534,693

Report on contributions to governments in 2024 (in thousands of tenge)

Country/Company	Taxes	Mineral extraction tax	Signature bonus	Other	Total
Kazakhstan	856,178,212	69,780,853	347,627	153,439,124	1,079,745,817
National Fund of the Republic of Kazakhstan	204,694,616	69,780,853	347,141	237,233	275,059,843
Republican budget of the Republic of Kazakhstan	263,208,841	-	486	147,525,822	410,735,149
Local budgets of the Republic of Kazakhstan	388,274,755	-	-	5,676,070	393,950,825

Country/Company	Taxes	Mineral extraction tax	Signature bonus	Other	Total
Romania	750,786,182	-	-	7,325,460	758,111,642
State budget	750,786,182	-	-	6,798,425	757,584,607
State social insurance budget	-	-	-	-	-
Budget of administrative-territorial units	-	-	-	527,035	527,035
Bulgaria	40,106,294	-	-	44,584	40,150,878
State budget	39,763,698	-	-	-	39,763,698
State social insurance budget	293,788	-	-	-	293,788
Centralized budget of administrative-territorial entities	48,808	-	-	44,584	93,393
Moldova	80,847,564	-	-	1,377,425	82,224,989
State budget	78,813,575	-	-	-	78,813,575
State social insurance budget	2,033,520	-	-	-	2,033,520
Budget of administrative-territorial units	469	-	-	1,377,425	1,377,894
Georgia	39,362,907	-	-	-	39,362,907
State budget	38,735,439	-	-	-	38,735,439
Private (Non-State) Pension Fund	627,467	-	-	-	627,467
Budget of administrative-territorial units	-	-	-	-	-
Switzerland	1,931,680	-	-	45,523	1,977,203
Federal budget	1,931,680	-	-	45,523	1,977,203
Cantonal budget	-	-	-	-	-
Municipal budget	-	-	-	-	-
The budget of private institutions (regulated by federal law)	-	-	-	-	-
Netherlands	9,363,588	-	-	-	9,363,588
State budget	9,150,943	-	-	-	9,150,943
Non-state pension fund	208,843	-	-	-	208,843
Budget of administrative-territorial units	3,803	-	-	-	3,803
Great Britain	1,289,664	-	-	-	1,289,664
Her Majesty's Income and Customs	1,289,664	-	-	-	1,289,664
Azerbaijan	246,861	-	-	31,877	278,738
General state budget	246,861	-	-	31,877	278,738
Russian Federation	9,029,266	-	-	-	9,029,266
Federal budget	9,029,266	-	-	-	9,029,266
Subject budgets	-	-	-	-	-
Local budgets	-	-	-	-	-
Germany	-	-	-	-	-
Federal budget	-	-	-	-	-
TOTAL	1,789,142,218	69,780,853	347,627	162,263,994	2,021,534,693

Country Report for 2024, according to OECD (BEPS Action 13 Country-by-Country reporting) and GRI 207: Tax (in thousands of tenge)

Tax jurisdiction	Number of full-time employees	The amount of income from transactions with third parties	The amount of income from transactions with related parties and intragroup transactions	The amount of profit / loss before tax	Total assets, excluding intangible assets and cash and cash equivalents	Income tax paid (cash basis from the cash flow statement)	The amount of accrued income tax, CIT amount	Authorized capital	Accumulated profit / loss
Kazakhstan	36,733	2,228,545,339	2,018,161,777	1,357,630,388	3,260,846,778	111,643,531	(168,527,204)	2,692,659,440	645,168,561
Netherlands	21	1,291,602,168	2,636,502	(260,042,191)	-	2,000,352	(525,775)	2,919,639,509	(1,781,184,756)
Romania	3,938	1,717,033,517	1,091,817,285	(14,799,108)	738,126,427	2,161,828	(2,898,281)	605,392,515	(689,691,533)
Bulgaria	82	124,516,413	-	(1,043,921)	24,327,181	-	-	17,107,382	(14,406,030)
Moldova	1,028	113,226,298	-	301,981	7,598,890	-	(81,133)	622,854	9,376,225
Georgia	1,995	94,606,084	1,464,035	1,167,624	52,475,002	-	-	2,844,249	11,804,625
Great Britain	8	-	1,025,100	(21,313)	4,261	5,965	(426)	4,992,177	(5,520,222)
United Arab Emirates	14	3,860,104	-	252,663	19,173	-	(74,134)	25,610,306	(14,648,400)
Turkey	-	43,182	138,832	-	3,726,687	-	-	2,590,696	(3,642,692)
Marshall Islands	2	-	3,849,026	514,680	27,154,508	-	-	426	7,689,105
Azerbaijan	-	6,392,852	-	537,230	323,424	-	-	-	(3,744,128)
Russian Federation	-	-	-	(12,087)	684,464	-	-	-	-
Isle Of Man	1	2,776,633	31,607,687	(2,518,867)	409,018	-	-	1,331	(2,025,489)
Bermuda	1	320,823	-	188,319	-	-	-	-	7,476,075
Libya	2	469,826	-	165,762	-	-	-	-	-
Switzerland	21	1,993,562,370	1,147,480,488	9,219,970	139,522	856,381	(962,589)	372,973	54,984,536
TOTAL:	43,846	7,576,955,609	4,298,180,733	1,091,541,132	4,115,835,334	116,668,057	(173,069,543)	6,271,833,858	(1,778,364,124)