

**DOCUMENT OF THE EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT**

Approved by the Board of Directors on 22 July 2026¹

KAZAKHSTAN

ALATAU ZHARYK GRID REINFORCEMENT

[Redacted in line with the EBRD's Access to Information Policy]

[Information considered confidential has been removed from this document in accordance with the EBRD's Access to Information Policy (AIP). Such removed information is considered confidential because it falls under one of the provisions of Section III, paragraph 2 of the AIP]

¹ As per section 1.4.8 of EBRD's Directive on Access to Information (2024), the Bank shall disclose Board reports for State Sector Projects within 30 calendar days of approval of the relevant Project by the Board of Directors. Confidential information has been removed from the Board report.

For the avoidance of any doubt, the information set out here was accurate as at the date of preparation of this document, prior to consideration and approval of the project.

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ABBREVIATIONS / CURRENCY CONVERSIONS

AEB	Agreement Establishing the Bank	ISO	International Organization for Standardization
AESR	Annual Environmental and Social Report	JSC	Joint-Stock Company
AZhC	Alatau Zharyk Company JSC	KEGOC	Kazakhstan Electricity Grid Operating Company
BESS	Battery Energy Storage System	KZT	Kazakh tenge
CAPEX	Capital expenditures	LLP	Limited Liability Partnership
CHP	Combined Heat and Power Plant	NME	Natural Monopoly Entity
CIT	Corporate Income Tax	OECD	Organisation for Economic Co-operation and Development
CO ₂ e	Carbon Dioxide Equivalent	OGC	Office of the General Counsel
CT	Country Transition	PC	Project Complexity
DM	Debt Mobilisation	PIA	Project Implementation Adviser
DSCR	Debt Service Coverage Ratio	PIS	Project Implementation Support
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation	PPR	Procurement Policies and Rules
EBRD	European Bank for Reconstruction and Development	PPA	Power Purchase Agreement
ECEPP	EBRD Client E-Procurement Portal	PPAD	Procurement Policy and Advisory Department
EPC	Engineering, Procurement and Construction	PPE	Property, Plant and Equipment
ESAP	Environmental and Social Action Plan	QGP	Qazaq Green Power PLC
ESDD	Environmental and Social Due Diligence	RAB	Regulated Asset Base
EUR	Euro	RES	Renewable Energy Sources
FiT	Feed-in Tariff	SMART	SOEs Management Assistance Reform and Transformation
FRM	Final Review Memorandum	SSF	Shareholder Special Fund
FSC	Financial Settlement Centre	STBs	Second-Tier Banks
FX	Foreign Exchange	STEM	Science, Technology, Engineering and Mathematics
GBVH	Gender-Based Violence and Harassment	TC	Technical Cooperation
GDP	Gross Domestic Product	TDD	Technical Due Diligence
GET	Green Economy Transition	TI	Transition Impact
GHG	Greenhouse Gas	TONIA	Tenge Overnight Index Average
GoK	Government of Kazakhstan	TSO	Transmission System Operator
HPP	Hydropower Plant	USD	United States Dollar
IFIs	International Financial Institutions	WPP	Wind Power Plant
IFRS	International Financial Reporting Standards	YoY	Year-on-Year

CURRENCY CONVERSIONS

KZT / EUR	561.05
KZT / USD	483.31

MEASURES

MW	Megawatt	MWh	Megawatt-hour
GW	Gigawatt	Gj/h	Gigajoules per hour
GWh	Gigawatt-hour	Gcal/h	Gigacalories per hour
kWh	Kilowatt-hour	kV	Kilovolt

PRESIDENT'S RECOMMENDATION

This recommendation and the attached Report concerning an operation in favour of Alatau Zharyk Company JSC (the “Company”, the “Borrower” or “AZhC”), a joint stock company incorporated in Kazakhstan, are submitted for consideration by the Board of Directors.

The facility will consist of a senior unsecured loan to the Company in the amount of up to KZT 105 billion (EUR 187 million equivalent). The operation will support the Company to implement its 2026-2028 investment programme under the Kazakhstan’s National Project “Modernisation of the Energy and Utilities Sectors”, which will comprise procurement of smart metering equipment, and upgrading the Company’s low and medium voltage electricity transmission and distribution infrastructure.

The operation will support digitalisation of the Company’s operations through the deployment of smart metering infrastructure and pilot smart grid technologies. In parallel, the operation will strengthen the Company’s economic governance in two key areas. First, it will support the development and further adoption of a distribution grid code, aimed at improving the regulatory framework governing network usage, standardising technical requirements, and enabling the large-scale deployment of digital solutions, with the ultimate objective of facilitating the diversification of Almaty’s energy mix through increased renewable energy integration. Second, it will support the development and adoption of a comprehensive digitalisation strategy for the Company, establishing an integrated smart grid architecture to enhance network resilience, operational efficiency, and real-time system controllability. The adoption of digital technologies will be complemented by technical assistance aimed at strengthening the Company’s cybersecurity framework and aligning it with international standards.

The expected transition impact of the project is through the *Green* quality, by contributing to climate change mitigation through reduced electricity losses and greenhouse gas emissions, and by the *Inclusive* quality, supported by the development of a formal Skills Strategy, market-relevant training programme for employees, and a nationally accredited technical training programme for students focused on digital solutions in electricity distribution, including smart grid management. Additionally, the Company will improve its existing dual learning programmes for students by ensuring that 30% of students taking the programmes are women. Modernisation of the distribution infrastructure is expected to achieve annual electricity savings of approximately 22 GWh and annual CO₂ emissions savings of approximately 12,000 tons. The Project’s GET share is 100%.

Pre-signing project preparation technical cooperation support for this operation has been provided by the EBRD Shareholder Special Fund (“SSF”).

I am satisfied that the operation is consistent with the Bank’s Strategy for Kazakhstan, the Energy Sector Strategy 2024-2028, the Gender Equality and Human Capital Strategy 2026-2030, EBRD Digital Approach 2026-2030, the Green Economy Transition Strategy 2026-2030, and with the Agreement Establishing the Bank.

I recommend that the Board approve the proposed loan substantially on the terms of the attached Report.

Odile Renaud-Basso

BOARD DECISION SHEET

KAZAKHSTAN – ALATAU ZHARYK GRID REINFORCEMENT – DTM 56504	
Transaction / Board Decision	Board approval ² is sought for a senior unsecured loan of up to KZT 105 billion (EUR 187 million equivalent) in favour of Alatau Zharyk Company JSC (the “Company”, the “Borrower”, or “AZhC”), a regional electricity distribution operator in Kazakhstan. The proceeds of the Bank’s loan will be used to finance the Company’s 2026-2028 investment programme (the “Project”) under National Project “Modernisation of the Energy and Utilities Sectors” (the “National Project”).
Client	AZhC is a regional electricity distribution company in Almaty city and Almaty region of Kazakhstan, covering over 79% of electricity transmission and 100% of electricity distribution demand in the region. [REDACTED] AZhC is owned by Samruk Energy JSC (“Samruk Energy”, BB+), the largest diversified energy holding in Kazakhstan, encompassing the entire production chain from electricity and heat generation to their distribution to end consumers as well development and operation of RES. [REDACTED]
Main Elements of the Proposal	<u>Transition impact</u> – <i>Primary Quality</i> – Green: The anticipated benefits of the investment programme implementation include 12,000 tons of CO2 emission savings enabled via losses reduction, driven by installation of smart metering equipment and rehabilitation of low and medium voltage distribution and transmission infrastructure. – <i>Secondary Quality</i> – Inclusive: The Project will support the Company in preparing its workforce for the digital transformation of electricity distribution by introducing (i) a formal skills strategy for the Company, (ii) a targeted training for employees, and (iii) upgrading a nationally-accredited training programme for students. <u>Additionality</u> <i>Financing structure:</i> The Bank provides long-term financing which is not available from local commercial banks (tenor, grace). <i>Standard-setting:</i> The Bank will support the Company in achieving higher standards that are above the current practice in the country through its conditionalities (e.g. Procurement Policies and Rules (“PP&R”) and Environmental and Social Action Plan (“ESAP”)). <i>Sound banking:</i> the Project is structured with consideration of financial, technical, and regulatory risks and includes adequate mitigations [REDACTED].
Key Risks	[REDACTED] The implementation risk is mitigated through the application of the Bank’s PP&R, complemented by strengthened project delivery arrangements, including the involvement of a Bank-supported Project Implementation Support Consultant.
Strategic Fit Summary	The Project is consistent with the Bank’s Strategy for Kazakhstan, the Energy Sector Strategy 2024-2028, the Gender Equality and Human Capital Strategy 2026-2030, EBRD Digital Approach 2026-2030, the Green Economy Transition Strategy 2026-2030, and with the Agreement Establishing the Bank.

² Article 27 of the AEB provides the basis for this decision.

ADDITIONAL SUMMARY TERMS FACTSHEET

EBRD Transaction	A senior unsecured loan of up to KZT 105 billion (EUR 187 million equivalent) in favour of Alatau Zharyk Company JSC to finance the Company's 2026-2028 investment programme to be implemented under the National Project "Modernisation of the Energy and Utilities Sectors" (the "National Project").
Mutual Reliance	No.
Existing Exposure	No existing exposure to the Borrower. Existing exposure of EUR 147 m to Samruk-Energy through 52821 Almaty CHP Coal Phase Out. Existing exposure of EUR 475 m to the Parent company of Samruk-Energy – JSC National Wealth Fund Samruk Kazyna.
Maturity / Exit / Repayment	[REDACTED]
Potential AMI eligible financing	[REDACTED]
Use of Proceeds - Description	The loan will support the Company's 2026–2028 investment programme, carried out under the National Project. Financing proceeds will be directed toward the deployment of smart metering equipment and smart grid technology, as well as the construction and rehabilitation of low and medium voltage power distribution and transmission infrastructure and technical supervision services.
Investment Plan	[REDACTED]
Financing Plan	[REDACTED]
Key Parties Involved	- Alatau Zharyk Company JSC (the "Company", the "Borrower", or "AZhC") - Samruk Energy JSC ("Samruk Energy")
Conditions to disbursement	[REDACTED]
Key Covenants	[REDACTED]
Other material agreements	N/A
Security / Guarantees provided by the client/sponsor and Donor guarantees for the benefit of the EBRD, client or co-financier	[REDACTED]
Other donor-supported instruments other than guarantees	[REDACTED]
[REDACTED]	

INVESTMENT PROPOSAL SUMMARY

1. STRATEGIC FIT AND KEY ISSUES

1.1 STRATEGIC CONTEXT

Kazakhstan's energy system, encompassing over 25.3 GW of installed generation capacity and spanning over 470,000 km of electrical grid, faces serious challenges due to a high level of infrastructure deterioration because of historic underinvestment. The country's energy sector remains heavily reliant on coal, which accounts for over 74% of electricity generation, thereby posing a major challenge to its decarbonisation goals. The country's commitment to carbon neutrality by 2060 will require a fundamental transformation of its energy system, including large-scale investments in renewable energy, grid modernisation, and the gradual decommissioning of aging coal-fired capacity.

Kazakhstan's transmission and distribution networks are highly inefficient due to outdated equipment and large distances, which lead to significant electricity losses. [REDACTED]At the same time, insufficient grid flexibility and resilience constrain integration of intermittent renewable energy sources and development of distributed generation.

Recognising the urgency of large-scale energy infrastructure modernisation, the Government of Kazakhstan launched the National Project “Modernisation of the Energy and Utilities Sectors” (the “National Project”) in 2024. The programme envisages investments of approximately KZT 13.6 trillion (c.EUR 21 billion) over 2025–2029, targeting more than 200 regulated utilities across the country. The National Project aims to reduce failure rates and asset wear (targeting a reduction to c.40%) while ensuring reliable and high-quality energy supply. The framework includes an interest rate support mechanism (KZT 1.48 trillion~ EUR 2.3 bn) designed to enable long-tenor local-currency financing for distribution utilities serving predominantly residential consumers.

The Bank has been actively engaged in the design and implementation of the National Project through policy dialogue and regulatory support, including proposals to enhance bankability, transparency and alignment with international standards. In 2026, the Bank signed a pilot transaction with Ontustik Zharyk Transit Company, establishing a precedent for financing distribution network investments under this framework. In parallel, the Bank supports Kazakhstan's broader energy transition agenda through country platform - Just Energy Transition Investment Platform (QaJET), signed in April 2026, which envisages over USD 20 billion in investments across renewable generation, storage and grid infrastructure.

The Project represents a continuation and deepening of the Bank's strategic engagement in Kazakhstan's power sector, demonstrating delivery across national, regional (Almaty city and region), and company levels.

National-level impact

At the national level, the Project anchors and deepens the Bank's strategic engagement with Samruk Energy, a key state stakeholder driving Kazakhstan's energy transition. This partnership has already proven instrumental in advancing the decarbonisation agenda of the power sector, most notably through the financing of the flagship Almaty CHP-2 coal-to-gas conversion project in 2022, which operationalised the transition pathway identified under the Bank-supported Low Carbon Pathway and enabled high-level policy dialogue with the Government. Building on this successful engagement, the Bank has further deepened its cooperation with Samruk Energy through the financing of the 1 GW wind power plant and 600 MWh battery storage system (Mirny Wind and BESS project), representing the country's largest renewable generation and storage initiative, in which Samruk Energy holds a strategic stake. As Kazakhstan's principal state-owned power generation company, Samruk Energy is mandated

by the Government to ensure energy security, with a pipeline encompassing three new CHP projects and over five gigawatts of renewable capacity. In this context, the Bank is well positioned to further leverage this partnership by piloting innovative decarbonisation solutions, including a planned renewable-based district heating project under the Bank-supported QaJET Country Platform.

The Project also contributes to strengthening cybersecurity resilience at the national energy system level. Through Bank-funded technical cooperation, Samruk Energy will be supported in aligning with international best practices, including gap analysis, development of internal policies and targeted staff training. This engagement represents a deepening of the Bank's cooperation with Samruk Energy on cybersecurity. Beyond the targeted technical cooperation, Samruk Energy, along with other key grid stakeholders such as KEGOC, will participate in a study tour focusing on international best practices in Operational Technology Security. Moreover, under the Mitigation Action Facility grant submission under the QaJet country platform, Samruk Energy is expected to play a key role in a dedicated cybersecurity exercise involving sector stakeholders, including KEGOC and Samruk Energy's subsidiaries such as AZhC, with the aim of enhancing national-level cyber resilience.

In addition, the Project supports the development of Alatau City as a strategic investment priority. The recently signed five-year Enhanced Partnership Framework Agreement (EPFA) between Kazakhstan and the EBRD identifies the development of the Alatau Economic Zone as a key priority. In this context, the reconstruction of the Zhetygen substation and the associated 110 kV transmission line serving the Alatau City area, included in the scope of the project, directly contributes to the delivery of the Bank's commitments under the EPFA by enabling reliable electricity supply to this flagship smart city development initiative.

City-level and regional impact

At the regional level, the Project will improve the reliability and resilience of electricity supply in Almaty city and the region. It will contribute to renewal of the Company's obsolete asset base, thereby lowering the probability of system failures in a rapidly growing urban centre. The vulnerability of the southern part of the grid, as evidenced by the January 2022 Central Asia blackout, highlights the systemic risks posed by insufficient distribution network backup capacity and outdated infrastructure. By strengthening network reliability and operational performance, the Project will ensure a more stable and secure electricity supply to consumers. It also represents a continuation of the Bank's support to Almaty's decarbonisation and reliable power supply, following the CHP-2 coal to gas conversion project.

The Project will also enable renewable energy integration in the Almaty region by modernising the transmission and distribution grid, which is a necessary precondition for scaling-up of renewable generation. It will enhance network flexibility, reduce bottlenecks and support absorption of a growing renewable energy base, currently at approximately 400 MW of installed capacity, with an additional pipeline of approximately 1.2 GW, primarily in hydropower and wind. It will also facilitate the deployment of rooftop solar and other distributed solutions, which remain constrained by inadequate regulatory frameworks, network limitations and current operational practices.

In parallel, the Project will support the development of a unified distribution grid code, which is currently absent. Technical assistance under the SMART programme will support the Company in strengthening sector regulation through the development of grid code, standardising technical and operational requirements to ensure system stability, particularly for the integration of intermittent renewable energy, while incorporating provisions on cybersecurity and digital technologies.

Furthermore, the Project will support the development of a strategy for the rollout of smart grid and digital solutions in Almaty. Through piloting of smart grid technologies, the Project will support transition to an actively managed distribution network, addressing existing constraints in managing intermittency, which currently limit integration of both utility-scale and distributed renewable energy.

Technical assistance will support the development of a comprehensive smart grid deployment concept, including an investment plan to ensure financial and operational feasibility, thereby providing the framework for wider deployment across the regional network.

Company-level impact

The Project will strengthen human capital and operational capabilities required for the digital grid transition. Utilities need to equip their workforce with digital skills which underpin modern grid operations and effective Smart Grid introduction. The Project will address the Company's need for strategic approach to the workforce development, as well as build a pipeline of market-relevant digital skills for the entire sector. This will be achieved by introducing a formal skills strategy and plan for upskilling the workforce and pilot it through introducing a training programme for at least 70 employees. The Project will also support the Company in increasing access to market-relevant digital skills for youth by upgrading a nationally accredited training programme for approximately 120 students per year in partnership with a local educational institution.

In addition, the Project will promote increasing women's participation in the energy sector by supporting the Company in ensuring that at least 30% of students under the dual learning programmes are young women. This will be achieved by developing guidance, plan and a toolkit for targeted communications and promotion of the dual learning programmes among female students.

The Project is expected to deliver on all SCF priorities of Green, Economic Governance and Human Capital development amplifying impact directly via digitalisation of operation and enabling investment in 1.2 GW of new renewable capacity in Almaty region.

The operation is consistent with the Bank's Strategy for Kazakhstan, the Energy Sector Strategy 2024–2028, EBRD Digital Approach 2026-2030, Green Economy Transition Strategy 2026-2030, the Gender Equality and Human Capital Strategy 2026-2030, and the Agreement Establishing the Bank. The Project is 100% GET.

1.2 TRANSITION IMPACT

Primary Quality: Green

Obj. No.	Objective	Details
1.1	<i>The percentage of EBRD use of proceeds that supports a green economy transition and therefore qualifies as GET finance exceeds 50%.</i>	The share of GET-compliant EBRD proceeds is 100%. The Project will contribute to reduction in the electricity losses estimated in the amount of 22 GWh/year, translating into reduction of GHG emissions in the amount c.12,000 tons/year.
1.2	<i>This project involves a good policy engagement, which is new and aims to deliver institutional reform and lead to structural changes across sectors/markets.</i>	Development of the distribution code for the Borrower is the significant policy engagement item. Currently, there is no unified rules for operation of distribution grid in Kazakhstan. Each utility has a separate set of rules agreed with local authorities and the TSO. This creates a discrepancy in distribution level standards across distribution utilities. Secondly, the lack of rules and standards for deployment of digital smart grid solutions, including smart metering, automation, and data exchange protocols hinder large-scale rollout of digital solutions in distribution grid.

Secondary Quality: Inclusive

Obj. No.	Objective	Details
2.1	<i>EMPLOYABILITY: The Project broadens access to market-relevant skills and training opportunities, boosting the supply of human capital with demonstrably high need and outstanding effectiveness</i>	The Project will support the Company in developing a new training programme for at least 70 employees to obtain digital skills required by introduction of smart metering and Smart Grid technology. The training programme will be identified and tailored as a result of introduction of the Skills Strategy for the Company.
2.2	<i>EMPLOYABILITY: The Project broadens access to market-relevant skills and training opportunities, boosting the supply of human capital with demonstrably high need and outstanding effectiveness</i>	The Project will also upgrade a nationally-accredited training programme in partnership with a local educational institution that will equip at least 120 students with market-relevant digital skills. The training programme will be identified and developed as a result of introduction of the Skills Strategy.
2.3	<i>EMPLOYABILITY: The Project delivers inclusive business policies, practices or standards at the client level with verifiable commitment within 1-2 distinct behavioural change areas</i>	The Project will support the Company in introducing a formal Skills Strategy to effectively plan upskilling the current workforce and inform training programmes for employees. The skills strategy will also identify the training programme for development in partnership with a local educational institution to improve the pipeline of skills of future workforce. It will also ensure that the existing dual learning programmes for approx. 175 students per year are gender-responsive and ensure that at least 30% of students, 50 students each year, are women.
2.4	<i>EMPLOYABILITY: The Project delivers inclusive business policies, practices or standards at the client level with verifiable commitment within 1-2 distinct behavioural change areas</i>	The Project will support the Company in strengthening partnerships with local educational institutions to implement upgrade of a nationally-accredited training programme for students to address digital skills gaps.

Delivery risks: The Risk to Transition Impact stems from Client's inability to implement the investment program and buy-in to integrate the recommendations from the developed Action Plan. The risk is mitigated by AZhC's track record and engagement of a consultancy support under the GEI TC FW to provide strategic advisory services and build institutional capacity to implement the Action Plan to ensure sustained impact.

Digital Approach: The project is aligned with the Adaptation area of intervention outlined in the EBRD Digital Approach 2026-2030, as it will support the Company's digitalisation journey in helping the Company developing a strategic and operational roadmap for the deployment of smart meter devices and technologies including investment planning and financial modelling, which in turn are supportive of the green transition of the Company and the country's electricity network more broadly. It will also strengthen the parent company's cybersecurity governance through conducting a gap analysis to ascertain the Company's cybersecurity posture, followed by a targeted roadmap to enhance cybersecurity capabilities across people, processes and technologies. The above mentioned digital and cybersecurity components of the Project are in support of the Green Transition Quality as outlined above as well as of the Resilient Transition Quality[REDACTED].

1.3 ADDITIONALITY

Identified triggers	Description
A subsequent/consecutive transaction (issuance) with the same client/group either with the same use of proceeds or in the same destination country (repeat transaction).	The operation is the first transaction of the Bank with the Company. The parent, Samruk Energy, is the existing client of the Bank under Almaty CHP-2 project and Mirny WPP and BESS project. The proposed transaction represents the next phase following the financing of the coal-to-gas conversion of Almaty's primary power and heat supply. It aims to support modernization of the electricity grid infrastructure to ensure reliable and clean supply of electricity to Kazakhstan's largest city, while enabling integration of renewable energy sources into the network in line with the country's energy transition objectives.

Additionality sources	Evidence of additionality sources
Financing structure EBRD offers financing that is not available in the market from commercial sources on reasonable terms and conditions, e.g. a longer grace period. Such financing is necessary to structure the project.	The Bank will provide local currency financing with a longer tenor and grace period than currently available in the market from commercial lenders. Kazakhstan's banking system is relatively small and bank-dominated, with bank credit representing around 20% of GDP and banks increasingly focusing on high-margin retail lending amid high interest rates.
Risk mitigation EBRD provides comfort to client, financial or strategic, by mitigating non-financial risks, such as regulatory or project risks.	The Bank has played a leading role in financing the National Project, including through a recently signed EUR 100 million equivalent loan to the Grid Enhancement Project: Ontustik Distribution project. Through this engagement, the Bank has developed significant expertise in structuring key elements of the National Project's support mechanism, in close coordination with government authorities. More broadly, the Bank's extensive track record in Kazakhstan having financed approximately EUR 11 bn of projects, underpins a well-established relationship with the Government, providing the Company with comfort in addressing potential regulatory matters.
Standard-setting: helping projects and clients achieve higher standards Client seeks/makes use of EBRD expertise on higher environmental standards, above 'business as usual' (e.g. adoption of emissions standards, climate-related ISO standards etc.).	The Bank will require the Borrower to comply with the EBRD environmental and social standards[REDACTED].
Standard-setting: helping projects and clients achieve higher standards Client seeks/makes use of EBRD expertise on best international procurement standards.	The Company will apply EBRD PP&R to procure Goods, Works and Services under the Project. The Bank is also providing the Project Implementation Support that ensures the use of international procurement standards and is also designed to strengthen the Company's procurement and implementation capacity.
Standard-setting: helping projects and clients achieve higher standards	The Project will support the Company in ensuring that at least 30% of students taking current dual learning programmes, at least 50 students each year, are women. This will be achieved by targeted communications promoting the programmes among female students of the partner educational institutions. The communications package will include a

Gender SMART: The client seeks use of EBRD expertise for the adoption of higher standards for gender equality.	guidance, a plan and a toolkit for promoting the existing dual learning programmes of the Company.
Knowledge, innovation, and capacity building EBRD provides expertise, innovation, knowledge and/or capabilities that are material to the timely realisation of the project's objectives, including support to strengthen the capacity of the client.	The targeted cybersecurity technical cooperation will provide expertise, knowledge, and capacity-building support to Samruk Energy to strengthen its group-wide cybersecurity governance. The assignment will evaluate the IT Hub's capabilities in overseeing cybersecurity across subsidiaries, including AZhC, against international standards such as ISO 27001 and CIS Critical Security Controls. Through this assessment, the TC will identify gaps and support alignment with international best practices to support the timely development of a unified cybersecurity framework across people, processes, and technologies. In addition, the TC may deliver tailored training and capacity-building activities to enhance internal capabilities and ensure sustainable implementation of strengthened cybersecurity practices across the group.

1.4 SOUND BANKING - KEY RISKS

Risks	Probability / Effect	Comments
Cap on total amount of interest rate support	Low /Medium	Under the National Project rules, the total amount of interest rate support must not exceed the total principal loan repayment amount. Given that the project financing cost is linked to TONIA, upward movements in TONIA would increase the level of interest rate support required. In the event that the cap is reached, any excess interest costs beyond the available support would need to be borne by the Borrower, which could adversely affect its debt service capacity. [REDACTED]
End-user tariff affordability risk	Medium /High	The Borrower's profitability depends on regulatory approval of tariff increases. While tariffs are set under a cost-plus framework, affordability considerations and social sensitivity may constrain the pace and scope of such adjustments. Key upward pressures on end-user tariffs include (i) debt service from the increased leverage of the Borrower to finance the extensive investment programme; (ii) the incorporation of higher renewable energy tariffs relative to legacy generation sources; (iii) high inflation environment affecting operating costs, ultimately passed through to tariffs. <i>Mitigation:</i> The regulatory framework, based on cost-recovery principles, provides for the inclusion of justified costs, including debt service. In addition, several factors mitigate the potential impact on affordability: (i) the effect of new borrowings on tariffs is moderated by interest rate support, with eligible interest expenses capped at 10%; (ii) recent market consolidation, including the removal of intermediary "shell" companies, has contributed to a reduction in end-user tariffs; (iii) the electricity distribution tariff, which incorporates AZhC's debt service, represents approximately 41% of the end-user tariff over the forecast period, thereby limiting the overall pass-through effect; and (iv) electricity prices are expected to stabilise over time, supported by reduced reliance on peak-hour imports from Russia and a gradual shift towards domestic generation with more predictable cost structures.
Termination of interest rate support	Medium /High	The proposed tariff increases are calculated based on inclusion of a capped 10% interest rate, (vs total financing rate of TONIA + KZT funding spread, together (18.2% as of June 2026 + Total Margin, which as of June 2026 totals 21.2%). Under the support scheme approved under the National Project, the interest rate remainder (excess of 10%) will be financed from the state budget and the payments to be facilitated through JSC Baiterek National Investment Holding (BBB by Fitch), designated as the financial operator under the National Project. Suspension or termination of the interest support mechanism will have an adverse effect on the Borrower's financial standing.

		<i>Mitigation:</i> comfort is being provided from the fact that the National Project is approved on the Government level setting criteria for loans to be supported, with which the transaction is in full compliance. The Government support for the National Project, which was developed to maintain tariff affordability while incentivizing urgently needed grid investments, remains strong[REDACTED].
Cybersecurity risk	Medium/ Medium	<i>Mitigants:</i> the identified cybersecurity gaps will be addressed through the post-signing TC on Cybersecurity Capacity Building that will support both Samruk Energy and the Company. The Samruk Energy's IT Hub is responsible to IT governance and cybersecurity for the group, including AZhC. The TC aims to examine Samruk Energy's current capabilities in line with international standards such as ISO27001 and CIS18. Identified gaps will be rectified through the action plan aimed at strengthening cybersecurity governance. Additionally, the Digitalisation maturity assessment and road-map TC (under Transformation Support Program (DTSP)) will be launched to secure cybersecurity risks at the project level. This TC will support the digital resilience of the company and enable cyber-secure large-scale deployment of smart grid technologies.

2. MEASURING / MONITORING SUCCESS

Transition Impact Monitoring Indicators

Primary Quality: Green

Obj. No.	Monitoring indicator	Details	Baseline	Target	Due date
1.1	CO2 emissions reduced	The loss reduction contributes to reduction in CO2 emissions	0	12,000	[REDACTED]
1.2	New regulatory instruments (e.g. model law, guidelines)	The distribution code will be developed with support from the Bank and adopted by the Company. It will be proposed to use this distribution code as a template for all distribution companies in the country and to approve by the regulator.	N	Y	[REDACTED]

Secondary Quality: Inclusive

Obj. No.	Monitoring indicator	Details	Baseline	Target	Due date
2.1	Training programme developed and implemented	Under this transaction, the Company will develop a new training programme for at least 70 employees to obtain digital skills required by introduction of smart metering and Smart Grid technology	0	70	[REDACTED]
2.2	Training programme developed and implemented	Under this transaction, the Client will upgrade a nationally-accredited training programme in partnership with a local educational institution that will equip at least 120 students with market-relevant digital skills	0	120	[REDACTED]
2.3	Practices of the relevant stakeholder improved (skills development)	Under this transaction, the Company will introduce a formal Skills Strategy to effectively plan upskilling the current workforce; and define new areas for partnership with educational institutions to improve the pipeline of skills of future workforce. It will also ensure that the existing dual learning	N	Y	[REDACTED]

		programmes for students are gender-responsive and ensure that at least 30% of students, 50 students each year, are women.			
2.4	Partnership between private sector and education providers established or strengthened	Under this transaction, the Company will strengthen partnerships with local educational institutions to implement upgrade of a nationally-accredited training programme for students to address digital skills gaps	N	Y	[REDACTED]

3. KEY PARTIES

3.1 BORROWER

Alatau Zharyk Company JSC (the “Company”, the “Borrower”, or “AZhC”), headquartered in Almaty, Kazakhstan, is a regional utility company engaged in the transmission and distribution of electric power across Almaty city and the wider Almaty region. Originally established in 1996 as “Almaty Power Consolidated” JSC following the privatisation of the Almaty energy sector, the Company was restructured and re-registered under its current name in January 2009. AZhC operates 17 district electric networks, including 7 in Almaty city and 10 in the Almaty region, and serves approximately 4 million consumers. AZhC maintains and operates substations and electric networks ranging from 0.4 kV to 220 kV, with 209 substations of 35 kV and above.

The Borrower is wholly owned by Samruk Energy JSC, Kazakhstan’s largest state-owned power holding company and a subsidiary of Samruk-Kazyna, Kazakhstan’s sovereign wealth fund. As the sole shareholder, Samruk Energy provides strategic oversight and supports AZhC’s role as a key regulated electricity distribution platform serving Kazakhstan’s largest urban and economic region.

In 2025, AZhC supplied 9.9 bn kWh of electricity (+7% vs. 2024), reflecting continued growth in electricity consumption across Almaty city and the Almaty region. [REDACTED] The average end-user electricity tariff increased from KZT 28.03/kWh (EURc 5.5/kWh) in 2024 to KZT 33.08/kWh (EURc. 5.6/kWh) in 2025. [REDACTED]

3.2 SAMRUK-ENERGY

Samruk Energy JSC, established in 2007, is Kazakhstan’s largest state-owned power holding company and a wholly owned subsidiary of Samruk-Kazyna, Kazakhstan’s sovereign wealth fund. Samruk Energy operates as an integrated power platform with activities spanning electricity and heat generation, transmission and distribution, electricity supply, and renewable energy development. Samruk Energy is currently rated BB+³ with Stable outlook by Fitch, reflecting its strategic importance to Kazakhstan’s power sector, state ownership and expected government-related support.

Samruk Energy comprises more than 20 subsidiaries and affiliated companies, including major thermal and hydro generation assets, regional electricity distribution companies, renewable energy platforms, and supporting energy infrastructure businesses. Its portfolio includes Kazakhstan’s largest thermal power plant, Ekibastuz GRES-1 (4,000 MW of installed capacity), the Almaty Electric Stations (ALES, 1,236 MW electricity and c. 4,049 Gcal/h heat) generation complex, major hydroelectric assets including Shardara HPP (126 MW) and Moinak HPP (300 MW), electricity distribution and supply businesses in

³ Fitch Ratings affirmed Samruk Energy’s BB+ rating with a Stable Outlook on 9 February 2026

the Almaty region, AZhC, as well as a growing renewable energy portfolio operated through Qazaq Green Power PLC (“QGP”).

Through QGP, Samruk Energy is actively expanding its renewable energy portfolio and developing several large-scale wind and solar projects across Kazakhstan. Most notably, Samruk Energy holds 20% share in the sponsor consortium of the Mirny Wind Power Plant and BESS project (signed April 2026), one of the largest renewable energy developments in Central Asia, which comprises up to 1 GW of wind generation capacity and a 300 MW / 600 MWh battery energy storage system.

In parallel, Samruk Energy is developing three new CHP projects with total capacity of 960 MW in Kokshetau, Semey and Ust-Kamenogorsk, as part of Kazakhstan’s broader programme to improve electricity and district heating infrastructure, an urgent response to the 2023–2024 heat and power supply disruptions, when repeated failures of ageing CHP and heating infrastructure exposed the vulnerability of Kazakhstan’s energy system and the need for modernisation of existing heat-supply capacity.

In 2024, Samruk Energy generated 39.8 bn kWh of electricity and 7.5 million Gcal of heat, representing approximately 34% of Kazakhstan’s total electricity generation. [REDACTED]

4. MARKET CONTEXT

Kazakhstan’s power sector remains dominated by coal-fired generation dating back to Soviet times, with coal accounting for over 70% of electricity generation. The country has committed to carbon neutrality by 2060, which will require a fundamental transformation of the energy system, including large-scale investment in renewable generation, grid modernisation and the gradual decommissioning of ageing coal-fired capacity. The Government has continued to prioritise renewable energy development, having achieved 7% renewable energy generation target in the total mix by 2025, with a further target of 15% by 2030. The Government is also developing measures to expand RES integration and strengthen the competitive landscape, including RES auctions[REDACTED]. In parallel, The Bank supports Kazakhstan’s energy transition agenda through country platform - Just Energy Transition Investment Platform (“QaJET”), signed in April 2026, which envisages over USD 20 bn in investments across renewable generation, storage and grid infrastructure. However, further scale-up of renewables remains constrained by insufficient grid flexibility and resilience, highly depreciated transmission and distribution infrastructure, and absence of enabling infrastructure such as storage facilities. Average physical wear of Kazakhstan’s transmission and distribution networks reaches approximately 72%, reflecting a highly depreciated asset base, and energy losses during transmission amount to 11.2%. Such high levels of system depreciation and technical losses limit the grid’s ability to integrate intermittent renewable generation, making urgent investment in grid infrastructure and battery energy storage systems essential to ensure system flexibility, balancing and reliable operation.

Recognising the need to modernise both transmission and distribution infrastructure, the Government launched the National Project in 2024. The programme envisages investments of approximately KZT 13.6 trillion, or c.EUR 21 bn, over 2025–2029, targeting more than 200 regulated utilities across the country. The National Project aims to reduce failure rates and asset wear, targeting replacement of outdated equipment and grid expansion, while ensuring reliable and high-quality electricity supply. The framework is supported by an interest support mechanism of KZT 1.48 trillion (EUR 2.3 bn equivalent), designed to enable long-tenor local-currency financing for distribution utilities serving predominantly residential consumers. The Bank has been actively engaged in the design and implementation of the National Project through policy dialogue and regulatory support, including proposals to enhance bankability, transparency and alignment with international standards.

Kazakhstan’s distribution sector is composed of regional monopolies regulated under long-term tariff frameworks by KREMZK, the regulator. While most operate under a cost-plus model, a gradual shift to RAB-based tariff model is underway to encourage long-term investment.

A key regulatory change in 2024 eliminated standalone electricity sales licenses, leading to the consolidation of AZhC’s sales entities with transmission companies, streamlining operations and supporting tariff sustainability.

5. FINANCIAL / ECONOMIC ANALYSIS

5.1 FINANCIAL PROJECTIONS

[REDACTED]In 2024, Regulator suspended licenses of “non-productive intermediaries (shell distribution companies)” in order to eliminate them from the retail chain and contribute to sustainable end-user tariffs. As a result, AlmatyEnergoSbyt (electricity trading arm) was merged with AZhC and AZhC became a sole electricity distributor in the region.

[REDACTED]

5.2 SAMRUK ENERGY

Samruk Energy JSC is Kazakhstan’s largest state-owned power holding company and a wholly owned subsidiary of Samruk-Kazyna. Samruk Energy operates across electricity and heat generation, transmission and distribution, electricity supply, and renewable energy development. Samruk Energy is currently rated BB+ with a Stable Outlook by Fitch.

Samruk Energy plays a central role in Kazakhstan’s energy sector, accounting for approximately 34% of national electricity generation. In addition to expanding its renewable energy portfolio, the Group is developing three new CHP plants with total installed capacity of 960 MW in Kokshetau, Semey and Ust-Kamenogorsk.

[REDACTED]

5.3 SENSITIVITY ANALYSIS

[REDACTED]

5.4 PROJECTED PROFITABILITY FOR THE BANK

[REDACTED]

6. OTHER KEY CONSIDERATIONS

6.1 ENVIRONMENT

Category B (ESP 2024). Environmental and social risks associated with deployment of smart metering equipment and smart grid technology, as well as the construction and rehabilitation of low and medium voltage power distribution and transmission infrastructure and technical supervision services, were assessed through environmental and social due diligence. The assessment confirmed that these risks are site-specific and can be effectively managed through the implementation of an Environmental and Social Action Plan (ESAP). The Project and associated infrastructure have been subject to a screening process, and the Competent Authorities have deemed that the Project does not require EIA under national legislation at this stage.

Alatau Zharyk Company JSC (AZhC or the Client), new client to the Bank, and is the largest electricity distribution utility in southern Kazakhstan, supplying electricity across Almaty city and the surrounding region. Environmental and Social Due Diligence (ESDD) was undertaken by an independent consultant retained by the Bank and included a corporate E&S audit, review of management capacity, impact management and monitoring systems, assessment of the Project's environmental and social impacts, and selected site visits to representative project locations. The ESDD confirmed that the planned modernisation works are not located within or in proximity to environmentally sensitive areas.

AZhC has implemented a Company-wide Integrated Management System certified to ISO 9001:2015 (Quality Management Systems), ISO 14001:2015 (Environmental Management Systems), ISO 45001:2018 (Occupational Health and Safety Management Systems), ISO 50001:2018 (Energy Management Systems) and ISO 37001 (Anti-Bribery Management Systems), supported by corporate policies and risk management procedures. Further enhancement of its Environmental and Social Management System (ESMS) is required to fully align with EBRD Environmental and Social Requirements (ESRs).

The client manages labour and working conditions in line with national legislation and has established Human Resources policies, employment contracts and a collective agreement covering the majority of employees. The Company's Human Resources Policy includes provisions on non-discrimination and equal opportunity, and all employees are covered by a collective agreement signed between the workers' organisation and the Employer, with compliance monitored by the labour union in accordance with national legislation. Further enhancements, outlined in ESAP, will focus on prohibiting forced labour, establishing fair and consultative collective dismissal procedures, introducing a confidential and accessible grievance mechanism, strengthening GBVH prevention measures, ensuring contractor and supplier alignment with ESR2, and systematically managing key labour risks across operations and the supply chain.

ESDD indicated that AZhC demonstrates capacity to manage its environmental responsibilities in line with ESR3, including implementation of energy efficiency programmes, reduction of technical losses, circular economy practices such as transformer oil regeneration and equipment reuse, and systems for hazardous materials management.

The company complies with national health and safety legislation through established procedures and controls, supported by defined procedures, inspections and incident management. Cybersecurity is addressed through preventive measures, including system access controls, monitoring and staff training. Additional project-specific health and safety measures, including contractor management and community safety risk assessment, will be required as part of project implementation.

The project will not require any additional land acquisition and will not result in land use change or economic displacement, as all works under the investment framework will be undertaken within existing plots. AZhC has established required engagement and notification procedures with affected landowners to ensure access to assets as required during repair and maintenance works, including compensation and grievance management in case of any land use restrictions due to safety requirements and construction-related impacts or in case of accidental damages. The ESAP requires a formalisation of land acquisition and access procedures, including clear documentation of compensation at replacement value and the establishment of a project-level grievance mechanism to effectively manage land- and construction-related impacts in line with EBRD ESR5 requirements.

As confirmed by the ESDD, the Project is predominantly located within existing industrial sites, urban environments and established network corridors, and is not within or near environmentally or biodiversity-sensitive areas, with no priority biodiversity features or critical habitat identified. The associated risks are expected to be limited and site-specific and will be managed through standard mitigation measures, including integration into contractor management plans and, where relevant, targeted assessment of ornithological risks.

AZhC complies with national cultural heritage requirements, including mandatory examinations for new land development, but would be required to develop and implement a Chance Finds Procedure as part of its ESAP commitments.

The client has an established stakeholder engagement framework aligned with national legislation, supported by a well-functioning Customer Services system and multiple disclosure channels. Enquiries and complaints are recorded and managed through a structured process, with demonstrated experience of engagement with local authorities and communities online routing and land access matters.

A Stakeholder Engagement Plan (SEP) and Non-technical Summary (NTS) were developed for the project in line with EBRD ESR10 and disclosed accordingly prior to ESR 10. While early engagement with local communities and customers have been undertaken by the client through local resources, a dedicated Community Liaison Officer (CLO) will be given responsibility for the implementation of the SEP and management of external grievances throughout the lifetime of the project.

An ESAP was developed for the Project and was agreed with the client. Key environmental and social management improvements include maintaining a robust EHS structure and implementing E&S management systems, expanding contractor oversight, strengthening worker grievance mechanisms and labour monitoring, formalising waste and hazardous materials management, enhancing IMS through the development of a biodiversity risk assessment procedure for new and planned works, and improving internal and external grievance mechanisms.

The Bank will closely monitor implementation of the Project and ESAP progress through E&S reporting from the Client, and monitoring visits to the Project, as necessary.

6.2 INTEGRITY

In conjunction with OCCO, integrity due diligence was carried out on the Alatau Zharyk Company JSC (the Company), its shareholders, senior management, and other key related parties. [REDACTED]

All actions required by applicable EBRD procedures relevant to the prevention of money laundering, terrorist financing and other integrity issues will be taken with respect to the project, and the project files contain the integrity checklists and other required documentation, which have been properly and accurately completed to proceed with the Project.

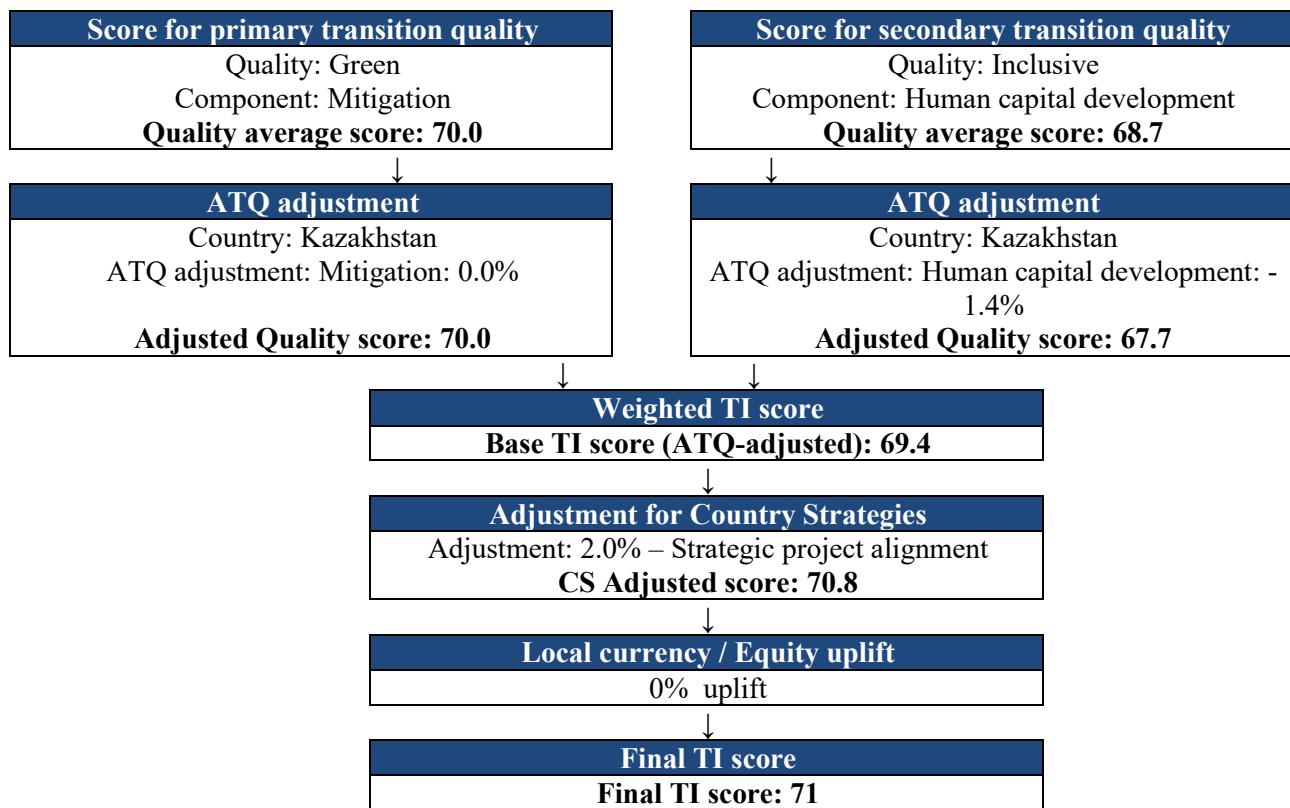
6.3 OTHER ISSUES

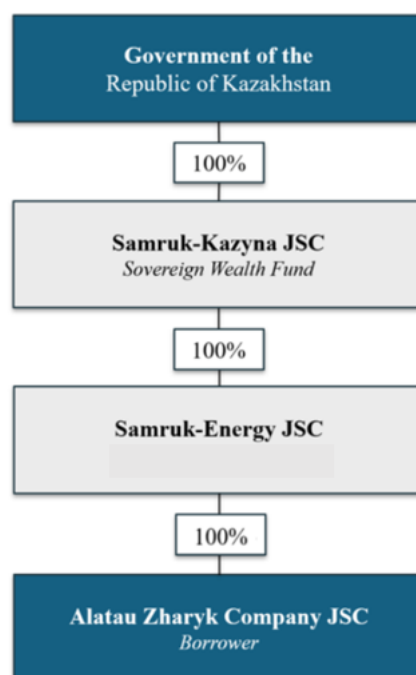
None.

ANNEXES TO OPERATION REPORT

ANNEX 1	TRANSITION IMPACT SCORING CHART
ANNEX 2	SHAREHOLDING STRUCTURE
ANNEX 3	GREEN ASSESSMENTS
ANNEX 4	PROJECT IMPLEMENTATION
ANNEX 5	BORROWER HISTORICAL FINANCIAL STATEMENTS
ANNEX 6	SPONSOR HISTORICAL FINANCIAL STATEMENTS

ANNEX 1 - TRANSITION IMPACT SCORING CHART



ANNEX 2 - SHAREHOLDING STRUCTURE

ANNEX 3 – GREEN ASSESSMENTS

SUMMARY

- The Project entails financing the capital expenditures associated with the company's modernisation programme for its electricity network. This encompasses the replacement and reconstruction of obsolete substations, transformers, overloaded cables and transmission lines, new entry-exit connection and transmission line between substations, smart metering and grid technology.
- The Project is determined **aligned with both mitigation and adaptation goals of the Paris Agreement**.
- The Project is attributed **100% Green finance**.
- Climate-related financial risks have been assessed[REDACTED]. Both risks have been rated as low and no further assessment was required.

PARIS ALIGNMENT ASSESSMENT

Alignment with the mitigation goals of Paris Agreement - General screening

The project is determined as aligned with the mitigation goals of the Paris Agreement based on the application of the Bank's Paris alignment approach for direct finance. In particular:

- The projects activity is included in the 'MDBs' aligned list: *Sector: 'Energy'; Eligible project type: 'Electricity transmission and distribution, including energy access, energy storage, and demand-side management'*.
- There are no activities included in the 'non-aligned list'.
- Additional or specific conditions associated with the 'aligned' project/economic activity do not apply.

Alignment with the adaptation goals of Paris Agreement

The project is determined as aligned with the adaptation goals of the Paris Agreement as it satisfies all three steps of the assessment.

GREEN FINANCE ATTRIBUTION

The Project is attributed 100% green finance. This share has been calculated in line with sections 2, 3 and 4 of the methodology to determine the green finance attribution of EBRD investments. The investment a) complies with the qualifying principles of the methodology, b) results in green outcomes, and c) will finance capital expenditures consistent with the positive list requirements of the MDB-IDFC Common Principles for Climate Mitigation Finance Tracking ('Joint Mitigation Principles'). Details below:

Compliance with qualifying principles

<i>Principle</i>	<i>Criterion compliance</i>
1. Investment delivers green outcomes	1a: Investment contributes to at least one green impact objective. <i>Confirmed: Climate change mitigation.</i> 2a: Investment results in measurable green outcomes. <i>Confirmed:</i> ▪ <i>GHG reduction – Relative or net emissions – Scope 2</i> ▪ <i>Energy efficiency – Primary energy saved</i>
2. Investment is structured so other sustainability objectives are not undermined	2a: Alignment with the goals of the Paris Agreement and compliance with the EBRD's ESP. <i>Confirmed:</i> ▪ <i>The project is determined as aligned based on the application of the Bank's Paris alignment approach for direct finance. See 'Paris Alignment Assessment' above.</i> ▪ <i>The project complies with EBRD's Environmental and Social Policy.</i>

	2b: Investments that finance excluded activities are not attributed as green finance <i>Not applicable.</i>
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Green finance attribution process

Attribution route

Defined green use of proceeds.

Expected green outcomes

Theme	Indicator	Unit	Expected outcome
GHG reduction	Relative or net emissions – Scope 2	Tonnes per year	11,941 tCO ₂ e/year*
Energy efficiency	Primary energy saved	GJ/year	80,773 GJ/year*

*Average 2027 – 2030, based on 2025 distribution.

Specific guidance: green impact objectives and sector context

Consistency with MDB-IDFC Common Principles for Climate Mitigation Finance Tracking

Capex sub-component	Category	Eligible activity	Criteria
Modernisation, upgrades and aged-based replacements*	Energy transport	Brownfield efficiency improvement or reduction of CO ₂ e emissions in transmission or distribution of electricity, heat, cold, low-carbon gases, or CO ₂ .	The entity applying the Common Principles shall demonstrate a substantial improvement in energy efficiency or a substantial reduction in relative CO₂e emissions in the supply chain itself. <i>Confirmed</i> Replacements and upgrades of existing installations are expected to lead to reductions in losses (technical and commercial), from 12.59% in 2025 to 11.76% in 2030 (considering only project's effect).
Automated metering and smart grid technologies	Energy transport and sale	Activities targeting customers of energy systems that support a reduction in consumption or enhanced uptake of renewable energy.	Potentially eligible activities include: - activities that reduce commercial or collection losses, - smart meters and energy monitoring or control devices that enable consumers to actively manage their energy consumption, - installation of smart grid devices. <i>Confirmed</i> Sub-activities include the deployment of: - an automated commercial and technical electricity metering and telemechanics system to improve consumption monitoring, loss control, forecasting, and overall energy efficiency; - smart grid technology in Almaty's 10 kV cable network to enable automated fault detection, faster

			power restoration, and improved operational efficiency and reliability.
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*Replacement and reconstruction of obsolete substations, transformers, overloaded cables and transmission lines; new entry-exit connection and transmission line between substations.

[REDACTED]

ANNEX 4 – PROJECT IMPLEMENTATION

Procurement classification – Public non-sovereign

Project risk assessment:

<i>Overall risk rating</i>	<i>High</i>
<i>[REDACTED]</i>	
<i>The Client's capacity assessment related risk</i>	<i>Moderate High</i>
<i>Contracts risk assessment</i>	<i>Moderate High</i>

[REDACTED]

The Client's capacity assessment related risk – Moderate High

This is the first EBRD-financed project involving JSC Alatau Zharyk Company. [REDACTED]

[REDACTED]

To mitigate these risks, a qualified Project Implementation Support (PIS) Consultant, financed through TC funds, will be engaged to assist the Client throughout the implementation stages of the project, including ESAP monitoring, contract management support and compliance with EBRD requirements, and an independent Construction Supervision Consultant will be engaged to act as the Project Engineer.

Contracts risk assessment – Moderate High

The contracts under the Project fall in the risk category “*Moderate High*”.

[REDACTED] All contracts will be procured through open competitive tendering procedures.

Additional risks relate to contract management capacity, which will be mitigated through the engagement of the PIS Consultant and the Technical Supervision Consultant

Project implementation arrangements:

The Company has an established Project Implementation Unit (PIU)[REDACTED]. The Company will appoint a qualified project manager, who will be responsible for timely and efficient project implementation. It is anticipated that the Company will further strengthen the composition of the PIU[REDACTED].

The PIU will be responsible for the procurement of goods, works and services and contract administration under the project.

The PIU will operate under clearly defined roles and responsibilities, supported by appropriate implementation procedures, reporting arrangements and internal controls consistent with the Financing Agreement.

The project implementation will be further supported by internationally experienced consultants (see above).

Procurement arrangements:

The Project is classified as a public sector operation for procurement purposes. The planned contracts financed from the proceeds of EBRD loan will be procured using open competitive tendering procedures in accordance with Section 3 of the PPR, version 15 May 2022, and the Bank's Standard Procurement Documents will be used. The procurement approach is designed to ensure value for money through appropriate contract packaging and the use of competitive procedures, including the application of rated criteria where appropriate

[REDACTED]

The Client will use EBRD Client e-Procurement Platform (ECEPP) for all procurement under the project.

[REDACTED]

All contracts will be subject to prior review by the Bank in accordance with the PPR.

[REDACTED]

[REDACTED]

ANNEX 5 – BORROWER HISTORICAL FINANCIAL STATEMENTS

[REDACTED]

ANNEX 6 – SAMRUK ENERGY’S HISTORICAL FINANCIAL STATEMENTS

[REDACTED]