

EURASIAN RESOURCES GROUP

SUSTAINABLE ENVIRONMENTAL TRANSFORMATION OF ERG ENTERPRISES

Transition to BAT Principles



Eurasian Resources Group



One quarter of Kazakhstan's MMCs



One of the key power suppliers



Major railway provider in Central Asia



>60 thousand people

Number of personnel

ERG's Contribution to the Economy of Kazakhstan

Additionally supported in country's economy

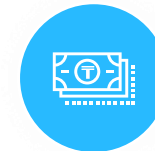
169

Thousand additional jobs



87

Tenge



Additional value added to the national economy is created for every 100 tenge of ERG's value added due to the Group's activities

Kazakhstan's GDP is generated by ERG

2%



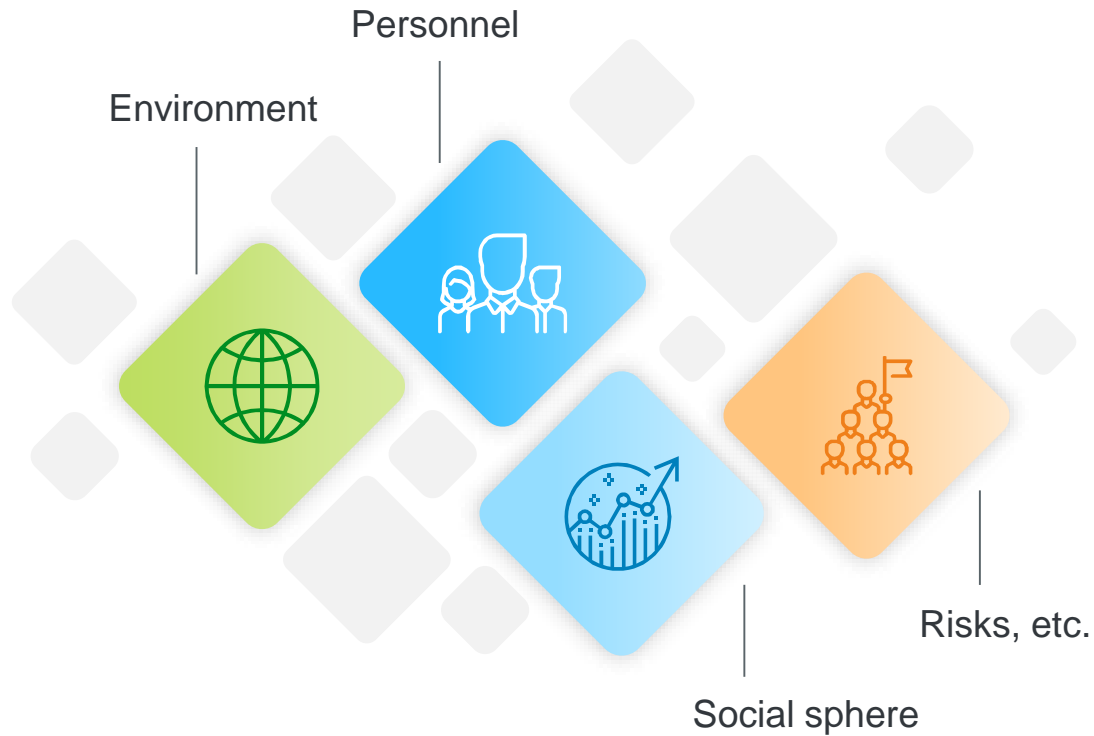
ERG ranks among the top three employers in MMC sector



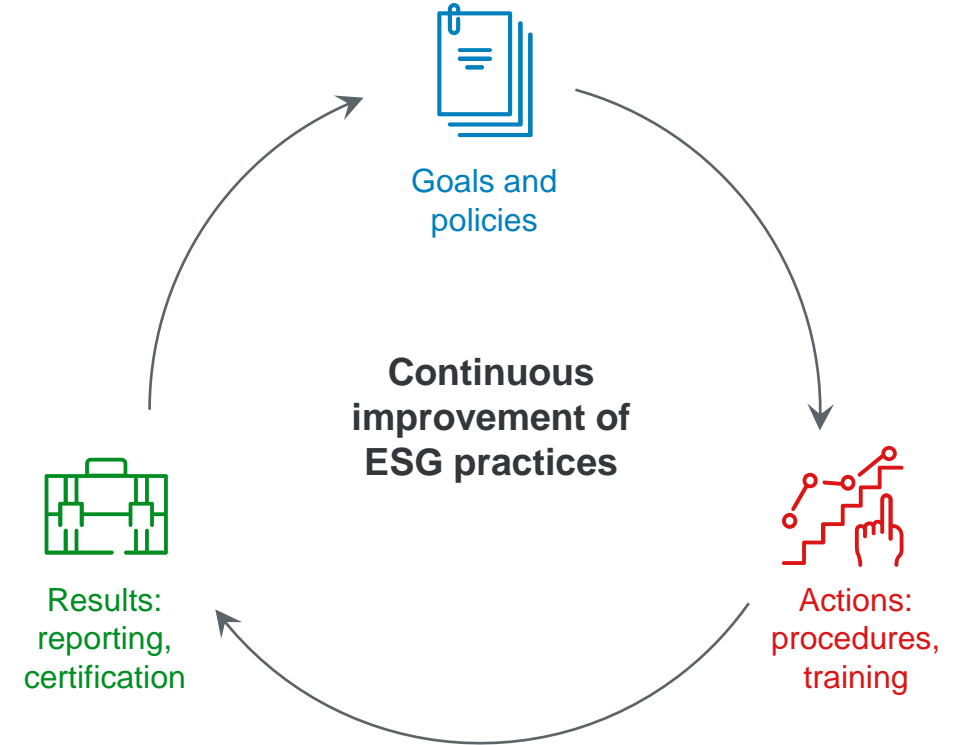
TOP-5



ESG Committee prioritizes and monitors ESG directions



The management cycle ensures continuous improvement of ESG practices



E	1. Reduction of ERG environmental impact	Emissions <ul style="list-style-type: none"> Reduction of environmental emissions (waste, atmospheric air, discharges) 	Water <ul style="list-style-type: none"> Improvement of water resource efficiency 	Climate change <ul style="list-style-type: none"> Greenhouse gas emissions management, renewable energy portfolio development
S	2. Development of communities and regions of operations	Well-being of regions <ul style="list-style-type: none"> Creating comfortable living and development conditions for the population of the regions of operation 	Business environment <ul style="list-style-type: none"> Development of local business environment 	Investing in communities <ul style="list-style-type: none"> Development of local entrepreneurs and localization of production
S	3. A happy, diverse and healthy team	Employee well-being and a diverse team <ul style="list-style-type: none"> Ensuring comfortable working conditions and social well-being of employees, a diverse and inclusive team 	Occupational health and safety <ul style="list-style-type: none"> Ensuring global standards of industrial and occupational health and safety 	Employee health <ul style="list-style-type: none"> Promoting the maintenance and promotion of employee health
G	4. Leadership in business standards	Business ethics <ul style="list-style-type: none"> Strengthening ethical risk management 	Responsible supplies <ul style="list-style-type: none"> Creating and strengthening a responsible supply chain that integrates ESG principles 	Proactive public position <ul style="list-style-type: none"> Leadership in shaping the ESG agenda in the regions of operations

UN SDGs



Both the contribution to the UN Sustainable Development Goals and the Group's corporate strategy are taken into account



2018: The Group's Environmental Strategy was primarily focused on power assets



The Environmental Strategy is updated annually



At present, it covers all of the Group's business areas (mining, metallurgy, energy)



The Environmental Strategy is focused on reducing emissions of solid substances to European standards, as the first step towards reducing gaseous emissions



To achieve target indicators, the Environmental Strategy is based on the implementation of the best available techniques



Planned investments in environmental projects

 **KZT282**
by 2030 **billion**

33% Reduction in water intake from water bodies compared to 2019 level

30% Reduction in discharges of contaminated wastewater from quarry and mine into natural water bodies compared to 2019 levels

56% Reduction in particulate matter emissions compared to 2019 levels

60% Recycling of hazardous waste from the total volume generated by 2030

100% Decommissioning and disposal (destruction) of PCB-containing equipment

Up to 2
MT ERG Recycling. Recycling and sale of secondary materials from industrial wastes

UN Sustainable Development Goals



Ensuring availability and sustainable management of water resources and sanitation for all



Development of resilient infrastructure, promotion of inclusive and sustainable industrialisation and innovation



Ensuring the transition to rational patterns of consumption and production



Protection and restoration of terrestrial ecosystems, sustainable forest management, combating desertification, halting and reversing land degradation and halting biodiversity loss

ERG'S ENVIRONMENTAL GOALS ARE IN LINE WITH BENCHMARKS AND UN SDGS

PLANNED ERG INVESTMENTS IN ENVIRONMENTAL PROTECTION UP TO 2030



Amount to KZT 282 billion

Executed Under execution Planned for execution KZT billion



73 projects executed

- Replacement of gas cleaning and ash collection units and aspiration systems
- Automated monitoring systems at sanitary protection zones and emission sources
- Construction of wastewater treatment facilities
- Procurement of vehicles for dust suppression
- R&D and pilot industrial testing of technologies
- Construction of a landfill

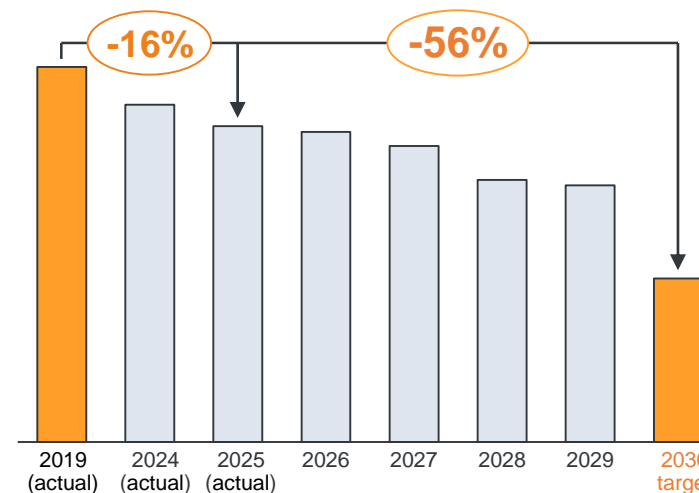
21 projects under execution

- Replacement of gas cleaning and ash collection units and aspiration systems
- Reconstruction of wastewater treatment facilities
- Construction of a storage pond
- Tree planting

72 projects planned for execution

- Replacement of gas cleaning / ash collection / aspiration units
- Other projects

Reduction of particulate emissions



Pavlodar Region



INVESTMENTS, KZT billion

221

Kostanay Region



INVESTMENTS, KZT billion

31

Aktobe Region



INVESTMENTS, KZT billion

24

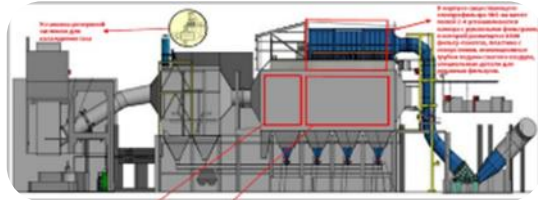
Karaganda Region



INVESTMENTS, KZT billion

6

1. Investments excluding RES production projects, energy efficiency, etc.
 2. Updated Long-term Strategic Plan 2026–2035. USD exchange rate based on the Group model, including forecast. Prices are in real terms.



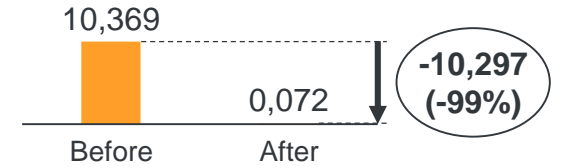
Field No. 1 – electrostatic Fields No. 2–4 – bag filters

Aluminium of Kazakhstan. Pavlodar Aluminium Plant

Replacement of **six** electrostatic precipitators of sintering furnaces with hybrid filters, manufactured in Germany: filters No. 1, 2 (2021); No. 7, 8 (2024); No. 9, 10 (2025)

Investments: **KZT 22 billion**

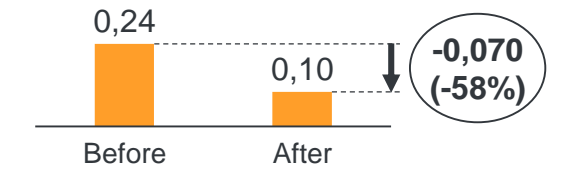
Result, thousand tons per year



Kazchrome. Aksu Ferroalloys Plant

Replacement of **two** filters of furnaces of Smelting Shop No. 4, manufactured in the Czech Republic: Furnace No. 44 (2021), Furnace No. 42 (2025)

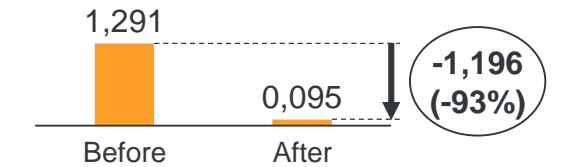
Investments: **KZT 12 billion**



Aluminium of Kazakhstan. CHP-1

Replacement of the ash collection unit of boiler unit No. 6, manufactured in Italy (2023)

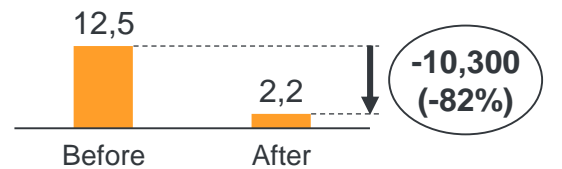
Investments: **KZT 4.5 billion**



Eurasian Energy Corporation. Power Plant

Replacement of the electrostatic precipitator on Unit 5, manufactured in France (2020)

Investments: **KZT 4.2 billion**



KEY IMPLEMENTED BAT PROJECTS

AKTOBE REGION



Kazchrome. Aktobe Ferroalloys Plant

Project implemented for reconstruction of aspiration systems MV 04–06, Smelting Shop No. 4, manufactured in the Russian Federation (2021)

Investments: **KZT 0.746 billion**



Kazchrome. Aktobe Ferroalloys Plant

Dust suppression and stabilization of dusting surfaces of the slag dump (annually)

Investments: **KZT 0.019 billion**



Kazchrome. Aktobe Ferroalloys Plant

Project implemented for modernisation of gas cleaning systems of Smelting Shops No. 1 and 2. Two new bag filters installed behind furnaces of Smelting Shop No. 2, replacing electrostatic precipitators, and one aspiration bag filter in Smelting Shop No. 1 (2023)

Investments: **KZT 13 billion**



Kazchrome. Aktobe Ferroalloys Plant

Project implemented for construction of local treatment facilities. Restoration of the source and use of water after treatment (2022)

Investments: **KZT 0.132 billion**

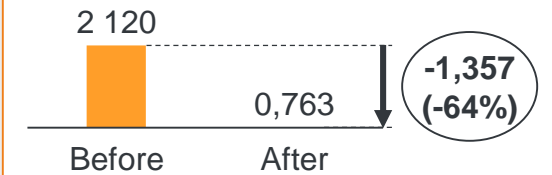
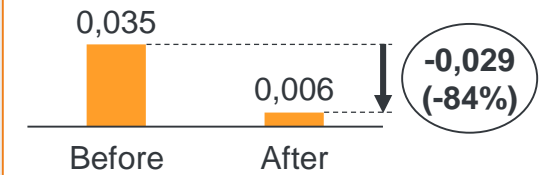
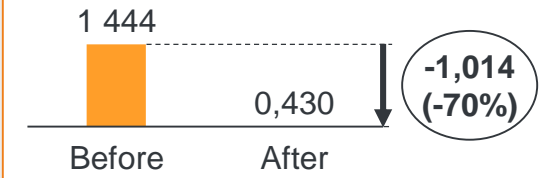


Kazchrome. Donskoy Mining and Processing Plant

Project implemented for dust suppression at the finished product warehouse of Processing Plant No. 1 (installation of the “Borey” dust suppression system at product unloading points) (2023)

Investments: **KZT 0.258 billion**

Result, thousand tons per year



Reduction of industrial water intake by **438 thousand m³/year**

Reduction of dust emissions **by 80%**

KEY IMPLEMENTED BAT PROJECTS

KOSTANAY REGION



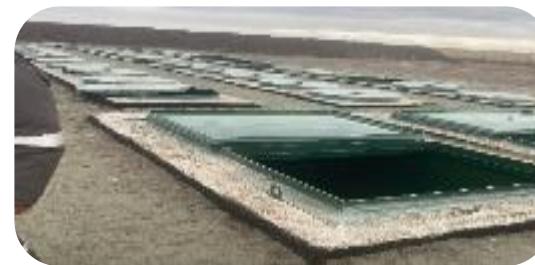
SSGPO. 3 watering vehicles procured and 3 units retrofitted for dust suppression of roads and the finished product warehouse

Investments: KZT 2 billion



SSGPO. Project implemented for conversion of the Kachar heat and power plant from coal to gas
In 2023, 2 hot-water boilers operating on natural gas were commissioned

Investments: KZT 3.3 billion



Aluminium of Kazakhstan. KBRU. Project implemented for installation of oil separators at the discharge of quarry water of the VAM bauxite mine (2022)

Investments: KZT 509 million

Result, thousand tons per year

Reduction of dusting



Reduction of oil product discharge by **0.004**



Waste recycling is accompanied by marketable product production

HAZARDOUS WASTE PROCESSING ACTIVITIES FOR 50% OF VOLUME OF WASTE PRODUCTION BY 2030

List of hazardous waste

Slimes and residues on filters from gas cleaning

- TNC Kazchrome JSC Aksu Ferroalloys Plant

Solid waste from gas cleaning

- Aksu Ferroalloys Plant
- Aktobe Ferroalloys Plant
- Donskoy Ore Mining and Processing Plant

Sludge and residues on filters from gas cleaning

- Sokolov-Sarbay Mining Production Unit

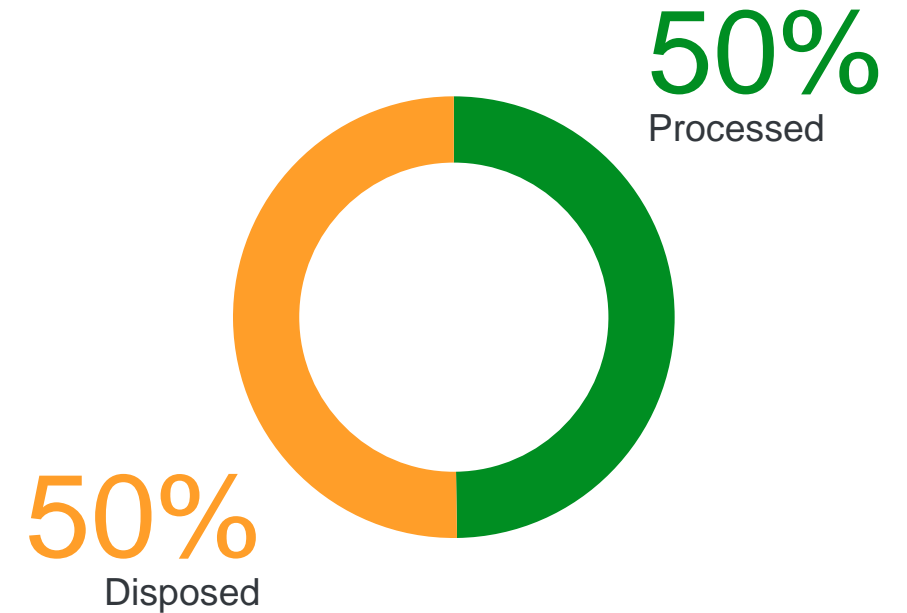
Other hazardous waste recyclable only by special organizations

- Fluorescent lamps and other mercury-containing waste, insulation materials containing asbestos, PCBs (polychlorinated biphenyls), lead-acid batteries, paint and varnish waste containing organic solvents or other hazardous substances, wood containing hazardous substances, etc.

Processing activities

- Recycling/returning to production for use in one's own or another's Assets
- Handing over to specialized organizations for recycling, destruction and burial

Processing volumes in 2025 amounted to 50%



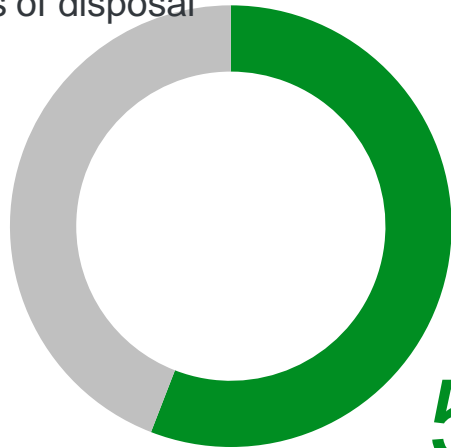
The volume of hazardous waste production within the Group from the total waste production is about 0.1%

GOAL 100%

Volume of PCB disposal since 2014, pcs.

44%

In the process of disposal



56%

Disposed



Since 2013, ERG has been implementing PCB Decommissioning and Destruction Programs



PCB: equipment is packaged in accordance with UN requirements



It was destroyed by specialized companies under the contract in EU countries such as France and Belgium.

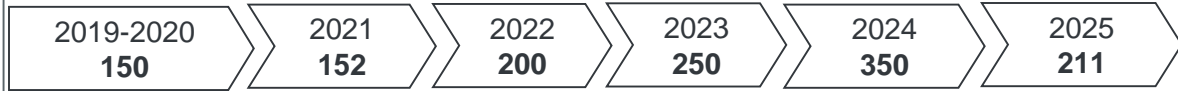


A specialized company is wrapping up construction of PCB destruction facilities in Kazakhstan. ERG plans to complete the destruction process at these facilities.



The destruction of PCB-containing equipment and waste is carried out in accordance with the UN Convention on Persistent Organic Pollutants and the legislation of the Republic of Kazakhstan

Processing of refined slag from Aktobe Ferroalloys Plant, in thousands tons



Slag gravel, sand



Concentrate

Stabilization of refined slag of Aktobe Ferroalloys Plant (SS №2)

Before stabilization



After stabilization



Gas treatment dust briquetting area



Slag from wet gas treatment facility, which was previously sent to third-party organizations for disposal, is now being used to produce briquettes and slag blocks. The volume of gas treatment dust processed into briquettes amounts to approximately **30,000 tons**.

Seven AMS checkpoints have been set up at the border of the sanitary protection zones

2019

An AMS station has been installed at PAP, Aluminium of Kazakhstan



2021 – 2023

AMS stations have been installed at KAZCHROME (DGOK, AksFP, AktFP) and EEC (RV, PP).



- ✓ The data is transmitted to BTS Data Storage Center; integration with the portal and screens in the cities where the operations are available is planned.
- ✓ Information from the AMS station of Aluminium of Kazakhstan is displayed online on LED screens in Pavlodar

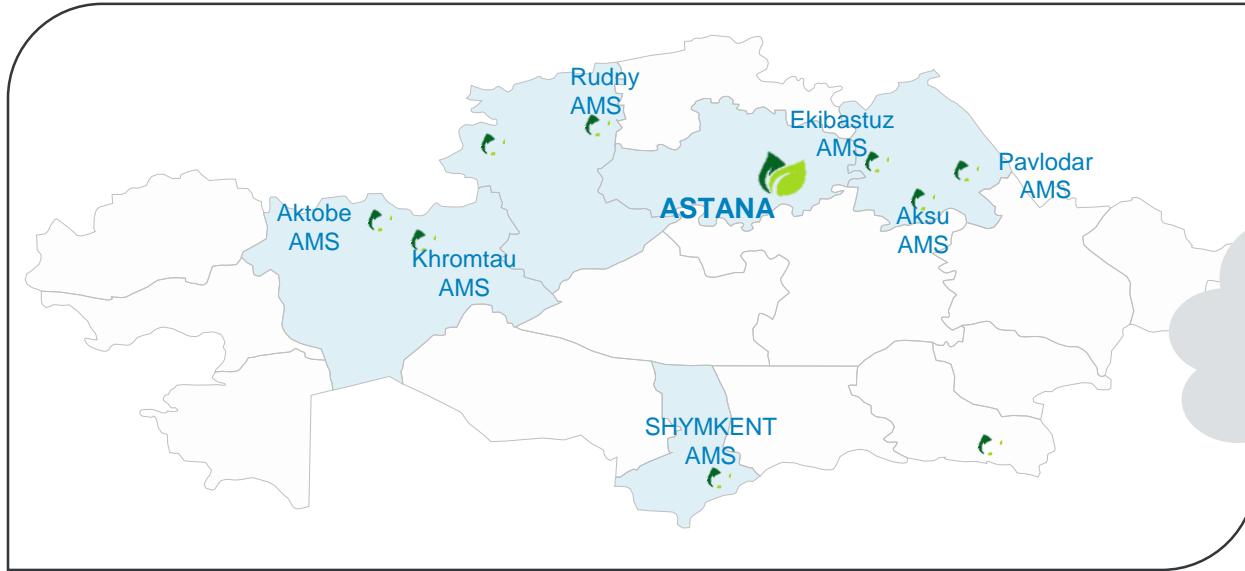


ERG MAIN IMPLEMENTED BEST AVAILABLE TECHNIQUES

Investments – KZT 16 billion



From 2021 to 2023, automatic monitoring systems were installed at 57 emission sources and 3 discharge sources



Controllable parameters :
SO2; NO; NO2;
CO; dust; H2S;
HF



Online data monitoring



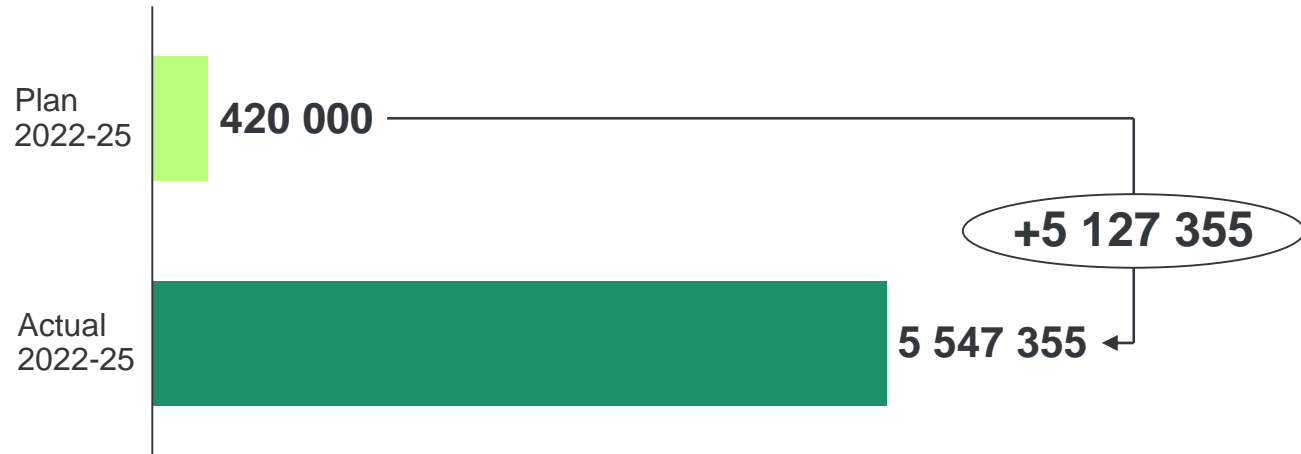
AMS enables online monitoring of emissions and control of process parameters

ERG CONTRIBUTION TO ENVIRONMENTAL SUSTAINABILITY

IMPLEMENTATION OF TREE PLANTING PROJECTS



Number of trees/seedlings planted by the Group, pcs.



Actual by regions for the period 2022–2025, pcs.



PAVLODAR¹
REGION

5 421 894



AKTOBE
REGION

56 345



KOSTANAY
REGION

54 350



KARAGANDA
REGION

7 133



TURKESTAN
REGION

7 633

1. In accordance with the memorandum of mutual cooperation signed with the Pavlodar Regional Administration, ERG has completed the planting of greenery on land belonging to the State Forest Fund, as stipulated in the signed agreement

VOLUNTARY THIRD-PARTY ENVIRONMENTAL AUDIT: AN EFFECTIVE COMPONENT OF CONTINUOUS IMPROVEMENT



An AUDIT helps to validate strengths and identify areas for improvement

2025 Performed*	Kazchrome. Aktobe Ferroalloys Plant
2026 In progress	Kazakhstan Aluminium Smelter
2027 Plan	Aluminium of Kazakhstan. Pavlodar Alumina Plant

Audit for compliance with requirements of:

- ✓ Environmental Legislation of the Republic of Kazakhstan
- ✓ Current and relevant reference guides of the best available technologies (BAT)
- ✓ Directive 2010/75/EU of the European Parliament and of EU Council on industrial emissions

**The audit was performed by experts from Kazakhstan, Belgium, the UAE, and Russia*

The audit results are taken into account for the annual update of ERG's ECO strategy

KAZCHROME | The first enterprise of hydrometallurgical sector in Kazakhstan has received an environmental declaration for high-carbon ferrochrome of Aktobe Ferroalloys Plant



The Environmental Product Declaration (EPD) is an important tool that contributes not only to environmental protection

	Improving competitive ability	EPD products can be distinguished among competitors at the market
	Compliance with international standards	The EPD helps to comply with international environmental standards, which enables the product to be distinguished on the international market
	Promoting innovation and technological progress	EPD publication encourages the Company to seek innovative solutions to minimize its environmental impact.
	Sustainable development and reputation	The company can enhance its reputation by caring for the environment
	Building trust	The EPD publication demonstrates the company's commitment to sustainability and the environment

The declaration has been registered and published at EPD International platform.

EPD-IES-0028503:001
environdec.com



Environmental Product Declaration – builds trust among consumers, investors, and partners, and enhances the competitiveness of Kazakhstan ferroalloys

ecovadis

Sustainability scorecard

TNC KAZCHROME JSC (GROUP)

Ақтобе - Kazakhstan | Manufacture of basic iron and steel

Company size: L | Assessment scope: Group

Overall score

→ **72**/100

Percentile

85th



Scorecard

Publication date: 18 Feb 2026 Valid until: 18 Feb 2027

Kazchrome scored 72 points in the EcoVadis rating, placing it among the top 15% of companies (85th percentile)

INTERACTION WITH NON-GOVERNMENTAL ORGANIZATIONS

ONGOING PROJECTS



Public hearings on projected activities

Development of manuals for environmental education

Informing stakeholders about ERG's environmental protection activities on ERG's official website, in mass media and social networks, as well as through the Sustainability Report

Holding meetings with non-governmental organizations both online and offline, and collecting feedback to take into account in the Group's activities. For example: conducting surveys and interviews with members of the public and relevant stakeholders to assess material sustainability issues.

Involving NGOs in the implementation of biodiversity conservation initiatives and other environmental activities

Hosting tours to Group companies in various regions for the committed community, students, and others

Training in schools on resource conservation in interactive format as part of Save Water—Save the Future Project



Save Water – Save the Future Project
A new school built by ERG with support from the Ministry of Water Resources; more than 100 schools.

Interactive training for children from early childhood.



A new school built by ERG
in Rudny, September 2025

Solar panels installed at the secondary school in Kazakhstan for the first time, a prototype of green school in the country.





To be the best at what we do.

Develop together with the world, staying true to your values.

To ensure the prosperity of those who rely on us through careful unlocking the potential of the Earth and humanity.

