



LLP Eurasian Group

APPROVED
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POLICY
OF
WATER RESOURCES MANAGEMENT

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LLP Eurasian Group

Foreword

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1. Purpose and Scope

- 1.1 This Policy of Water Resources Management (hereinafter referred to as “the Policy”) establishes the basic principles for ensuring sustainable and rational use of water resources at all stages of production processes at the Group’s Assets. The Policy is aimed at the rational use of water resources, protection of water resources, minimization of environmental risks, and ensuring compliance with the requirements of the legislation of the Republic of Kazakhstan and corporate standards.
- 1.2 The Eurasian Group (hereinafter referred to as “the Group”) strives to improve operational efficiency, one factor of which is the optimization of water use, which includes modernization of equipment, improvement of technological processes, and the implementation of innovative solutions.
- 1.3 This Policy applies to all Group Divisions and Assets, employees, and business operations, regardless of the jurisdiction in which the Group conducts its commercial and other activities. All employees must be aware of their role in the effective management of water resources.

2. Terms, definitions and abbreviations

2.1 Terms and definitions

The following terms with corresponding definitions apply in this Policy:

- 2.1.1 **Eurasian Group** – LLP Eurasian Group, the Group’s Divisions and Assets connected by relationships arising from management services agreements.
- 2.1.2 **Water Resources** – Water resources mean all natural water sources used in the production processes of the Group’s Enterprises, including surface water and groundwater.
- 2.1.3 **Water Resources Management** – Water resources management includes a set of measures and actions aimed at the rational use of water, prevention of its pollution, maintenance of a sustainable water balance, and minimization of the environmental impact on aquatic ecosystems.
- 2.1.4 **ISO 14001** – Environmental Management System.
- 2.1.5 **ISO 50001** – Energy Management System

2.2 Designations and abbreviations

The following abbreviations are used in this Policy:

- 2.2.1 **CAPEX** – capital expenditures.
- 2.2.2 **OPEX** - operating expenditures.

3. General Provisions

- 3.1 Water resources management is one of the key factors for the stability and development of the Group.

- 3.2 This Policy is part of the Group's sustainable development strategy and is aimed at the long-term preservation and rational use of water resources, minimizing environmental risks and contributing to the sustainable development of the Group.
- 3.3 The Group undertakes to strictly comply with the legislation of the Republic of Kazakhstan and international standards regulating water use. The Policy supplements, but does not replace already existing in the Group policies and other regulatory documents that address water resources management issues.
- 3.4 The Group regularly conducts internal and external audits of all production processes related to water use. This includes on-site inspections and verification of the compliance of used technologies and processes with current standards.
- 3.5 Based on the results of audits and inspections, corrective measures are developed and implemented to eliminate identified violations and improve water resources management processes. These measures are aimed at preventing the recurrence of violations and improving water use efficiency.
- 3.6 The Group strives to optimize all processes related to water use, including the implementation of modern technologies that reduce water consumption and increase its utilization per unit of product. This includes the improvement of technological processes and equipment modernization.
- 3.7 Programs to reduce water consumption are developed and implemented at each of the Group's Assets, including an analysis of current processes, the development of recommendations for their improvement, and the implementation of new methods and technologies.
- 3.8 The Group adheres to the principles of responsible water resource use and actively seeks to implement global best practices in water management into its activities to increase sustainability and efficiency.
- 3.9 In all matters not specified in this Policy, the relevant internal regulatory documents of the Group and applicable regulatory legal acts of the Republic of Kazakhstan shall be followed.
- 3.10 Matrix of the distribution of powers on key issues of interaction within the framework of the implementation of the water resources management system is presented in Appendix 1 to this Policy.

4. Principles of the Water Resources Management System

4.1 Implementation of Water Saving Measures

- 4.1.1 To implement and maintain the water resources management process, the Group intends to:
- a) Set water use targets, including reducing water consumption and water withdrawals, switching to recirculating water supply systems, and reducing water discharges and their

negative impact on the environment. Targets should be set at the Group level, taking into account the specifics and characteristics of each asset.

- b) Give priority to reducing environmental impacts, including the protection of natural and artificial water bodies, and ensuring sustainable water resources management that contributes to the minimization of environmental damage.
- c) Within the framework of the Group's water use policy, develop and implement programs to modernize production processes aimed at reducing water consumption. These programs include the implementation of modern technologies, best available techniques, improvement of operational processes, and compliance with ISO 50001 standards to improve the energy efficiency of water use.
- d) Implement water treatment and reuse programs, which will reduce the total volume of water consumed and minimize environmental impact, eliminate/prevent discharges into surface water bodies, which will also contribute to reduce water supply costs.
- e) Continuously monitor the effectiveness of developed programs. This enables the timely identification and resolution of problems, as well as the implementation of improvements and optimizations in existing technologies.
- f) Monitor water use at all production facilities by collecting data on water consumption, its quality and the volume of wastewater. The information obtained is used to analyze water use efficiency and promptly identify deviations from established standards.
- g) Implement automated monitoring systems that will enable control over water use and ensure the ability to quickly respond to changes and violations.
- h) Monitor wastewater quality as part of the program of industrial environmental control. Monitoring data will be used to determine the actual volume of discharges and to promptly identify and prevent deviations from established standards.
- i) Organize regular professional development courses for employees involved in water resources management.
- j) Conduct information campaigns aimed at raising awareness among all employees about the importance of efficient water resources use. This includes corporate publications, internal seminars, etc.
- k) Within the production system, the employees, who propose successful initiatives to reduce water consumption or improve wastewater quality, receive corporate recognition and may be eligible for awards and bonuses.
- l) Develop partnerships with government agencies and research institutes to develop and implement advanced water management practices.

m) Minimize anthropogenic impacts on natural water bodies, i.e., the actual impact of industrial activity.

n) Use associated withdrawn waters and standard (conditionally) clean wastewaters, formed under the influence of natural factors and characteristic of the given region, for the reclamation of depleted quarries, upon agreement with the authorized government agency in the field of environmental protection of the Republic of Kazakhstan.

4.2 **Management of Water Supply Continuity for the Group's Assets**

4.2.1 PDCA (Plan – Do – Check – Act) management methodology for sustainable water supply:

a) **Planning (Plan):** Regularly review and update data on current and projected water demand at all production facilities. This will include an assessment of water resources availability, an analysis of risks and opportunities, and consideration of water saving and water efficiency improvement measures to ensure a sustainable water supply.

б) **Implementation (Do):** Develop and implement action programs for each Asset aimed at achieving water supply target indicators. These programs should include the introduction of innovative technologies, improvement of water supply systems, and optimization of water resource use.

в) **Analysis (Check):** Conduct regular monitoring of the implementation of programs, analyze their effectiveness and check the compliance of the achieved results with target indicators. The data obtained will be used to assess the extent to which established targets have been achieved and identify areas for improvement.

г) **Improvement (Act):** Make adjustments to water supply programs and strategies based on the analysis results. Take these measures into account in the processes of forming investment programs and developing business plans to ensure long-term alignment between company goals and operational water resources management.

4.3 **Improving the Economic Efficiency of Water Use at the Group's Assets**

4.3.1 To maximize the economic efficiency of water use at its Assets, the Group intends to:

a) Strive to minimize water use costs, including water withdrawal, treatment, and transportation costs, while ensuring a stable and reliable water supply for all production processes;

b) Work on reducing capital and operating expenditures (CAPEX and OPEX) associated with water resources management. This includes the implementation of efficient technologies and the rational use of resources;

c) When developing and implementing water resources management programs, the Group will consider all associated costs and strive to minimize them, which will enable the company to achieve target indicators for water use efficiency while reducing the financial burden on production processes.

4.4 **Ensuring Availability of Water Resources for Group's Assets**

4.4.1 To ensure the availability of water resources, the Group intends to:

a) Ensure reliable access to all primary and backup water supply sources for each production facility. This includes the use of groundwater and surface water, as well as the

implementation of rainwater collection and storage technologies to ensure a stable water supply even during seasonal changes and extreme climatic events;

- b) Create and maintain backup water reserves at all production facilities to ensure process continuity in the event of water supply interruptions at the Group's Assets;
- c) Develop and implement the "zero discharge" concept aimed at the full cycle of wastewater treatment and reuse.

4.5 **Minimizing Environmental and Climate Impact on the Environment**

4.5.1 To minimize environmental and climate impact on the environment, the Group intends to:

- a) Conduct research on climate changes and their impact on water resources in the regions where the company assets are located. This research helps to understand long-term trends and prepare appropriate adaptation measures.
- b) Based on the research results, the Assets develop and implement adaptation plans aimed at ensuring sustainable water use under climate change conditions. These plans include measures to improve water supply, increase stability to extreme climate events, and minimize their impact on production processes.

4.6 **Monitoring and Reporting**

4.6.1 To ensure transparency and efficiency in water resources use, the Group intends to:

- a) Determine the mandatory presence of specific water consumption standards in accordance with the requirements of the Water Code of the Republic of Kazakhstan (Article 86), in order to ensure the rational use of water resources and improve the efficiency of water use at all production facilities of the Group.
- b) The Group undertakes to regularly, at least every five years, review and update specific water consumption standards, taking into account changes in technological processes, the introduction of new technologies, and the achievement of targets for reducing water withdrawal and wastewater discharge.
- c) Conduct data analysis to identify trends and potential problems related to water use, taking into account the principles of ISO 50001, which enables comprehensive process optimization, cost reduction and improvement of the overall efficiency in the use of water and energy resources. Such analysis contributes to improving operational efficiency, minimizing costs, and reducing environmental risks.
- d) Conduct regular monitoring of the condition of water bodies located near production facilities to assess the impact of the company activities on the environment.
- e) Ensure the transparency and availability of reports, which contributes to increasing public and regulatory confidence.
- e) Publish annual water use reports containing data on water consumption and achievements in the field of water resources management.

5. **Responsibility**

- 5.1 At each Asset of the Group, persons responsible for the implementation of the water resources management policy shall be appointed. These individuals monitor the implementation of all measures provided for by the policy and ensure the achievement of established targets.
- 5.2 Heads of the Group's Assets are responsible for the implementation of the policy at the level of their respective divisions. They monitor compliance with all standards and requirements established in the policy and are responsible for the timely adoption of necessary measures to improve water use.
- 5.3 Responsible persons are obliged to regularly report to the Management of Assets/Divisions on the status of water resources management, achieved results, and emerging issues. Reports shall contain an analysis of policy implementation and proposals for further improvement of water use practices.
- 5.4 For violation of the requirements of this Policy, Group employees shall bear disciplinary responsibility in accordance with the procedure established by applicable legislation and internal documents of the Group.
- 5.5 Head Office (HO) Department for Energy shall be responsible for monitoring compliance with this Policy.

6. Appendices

Appendix 1 (mandatory). Matrix of Distribution of Powers on Key Issues of Interaction within the Framework of the Implementation of the Group's Policy of Water Resources Management

No.	Activities	Director of HO Department for Energy	Deputy General Director for Technology and Operations of HO	HO Strategy Department	CC (Commercial Center)	Environmental Protection Department	Sustainable Development Center	HO Risk and Insurance Department	Investment Committee	Division Chief Operating Officer	CEO of Kazakhstan Perimeter
1	Development of standards and procedures ensuring implementation of the Policy	Responsible	Consulted	Informed	Informed	Consulted*	Consulted	Informed		Informed	Approver
2	Designation of responsible persons at the Assets for implementation of the Policy	Consulted	Consulted	Informed	Informed	Informed	Informed	Informed		Approver	
3	Determination of water management metrics for the Asset	Approver	Consulted	Informed	Informed	Consulted*	Informed	Informed		Responsible	
4	Determination of water management target indicators, including volumes of wastewater pollutant discharges for the Asset	Approver	Consulted	Informed	Informed	Consulted*	Informed	Informed		Responsible	
6	Development at each Asset of the action program to achieve water management target indicators, including volumes of wastewater pollutant discharges	Approver	Consulted	Informed	Informed	Consulted*	Informed	Informed		Responsible	
7	Implementation at the Asset of the action program to achieve water management target indicators, including volumes of wastewater pollutant discharges	Consulted	Informed	Informed	Informed	Informed	Informed	Informed		Responsible	
8	Consideration of measures to achieve water management target indicators, including volumes of wastewater pollutant discharges, when forming investment programs, developing business plans and strategy of the Group's water management	Consulted	Consulted	Consulted	Informed	Informed	Consulted	Informed	Consulted	Responsible	

No.	Activities	Director of HO Department for Energy	Deputy General Director for Technology and Operations of HO	HO Strategy Department	CC (Commercial Center)	Environmental Protection Department	Sustainable Development Center	HO Risk and Insurance Department	Investment Committee	Division Chief Operating Officer	CEO of Kazakhstan Perimeter
9	Preparation and submission of regular reports on water resources management, including volumes of wastewater pollutant discharges	Consulted	Informed	Informed	Informed	Consulted*	Responsible	Informed		Responsible	
10	Monitoring of the implementation of plans against water management target indicators	Consulted Responsible	Informed	Informed	Informed	Informed	Informed	Informed		Responsible	
11	Monitoring of wastewater quality	Informed	Informed	Informed		Consulted*				Responsible	

*Regarding the discharge of pollutants with wastewater into the natural environment

