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First, on behalf of Samruk-Kazyna I would like to welcome you at the World Energy Week and XIV KAZENERGY Eurasian Forum. It is a great pleasure for me to attend the event and share with you Samruk-Kazyna's plans regarding low carbon transition.

We are delighted that this year Kazakhstan is honored to convene such a significant event for the world energy community. However, the choice of Kazakhstan is not accidental, as in the country's energy mix the share of coal generation is relatively high at around 70%. One of world's cheapest prices for coal and electricity have led to the economy being very energy intensive, positioned 12th around the world. Therefore, the transition to the low carbon development requires structural shifts in the economy, supported by the government's commitment.

The importance and relevance of this event for Kazakhstan appears even more substantial during these unprecedented times. The Covid-19 pandemic has introduced a renewed focus on the way our society interacts with the planet. Indeed, strengthening low carbon development technologies is in the heart of the on-going reforms in many countries worldwide, including Kazakhstan, leading to a paradigm shift in thinking.

The major question at least for us is not where we should head, but rather how we should achieve this transition. When forming low-carbon strategies, the key aspect is finding a reasonable balance between economic and social development while ensuring ecological resilience. For countries in which coal generation continues to be the main source of energy, the rapid transition to renewable sources can lead to systemic problems with energy security, resulting in social instability and economic losses.

As the world accelerates towards inclusive and sustainable future, at Samruk-Kazyna we have re-defined our strategic development program and policies to reflect the progressive commitment to reach carbon neutrality in the long-term, while implementing innovative technologies to ensure sustainable growth. Moreover, we are currently working on a low-carbon development program, which represents a real challenge for us, considering that the company owns and operates the country's largest coal-fired power plants and key assets in the oil & gas, mining, transportation and other industries, accountable for more than 10% of the country's total CO2 emissions.

Addressing all areas of the energy trilemma requires a comprehensive solution that could be built around four 'D's:

- First aspect is diversification of energy sources implying introduction of gas-fired power plants, renewables, hydrogen and other alternatives.
- Second is decarbonization of current activities including via energy efficiency, as well as carbon capture and offset technologies.
- Third, digitalization, which allows monitoring and analyzing the environmental impact, conducting scenario analysis and modeling risks. The Fund plans to implement a single digital

ecosystem that will secure correspondence to the global standard of carbon accounting, allowing for integration into the mechanism of CBAM regulation.

– The last but not least, the dissemination of so-called green-mindset and environmentally responsible leadership culture.

Our portfolio companies have already started pilot projects on different areas, including carbon capture and storage, and use of hydrogen.

The Fund is open to partnerships with global companies involved in reducing emissions, implementing ESG principles and in general on the directions of the "green" global agenda. We are also interested in cooperation with leading financial institutions on the topic of green finance, including attracting green bonds, establishing a carbon fund, and implementing offsets trading.

In conclusion, I truly believe we must remain dedicated to our core values and sustain a relentless focus on low carbon emissions. The transition to green development would require efficient coordination of efforts between the stakeholders. By doing all this, we can deliver positive change for our communities, our investors and for society.