

## **Report on payments to government bodies made by JSC NC KazMunayGas in 2023**

### **Introduction**

In an effort to comply with best international practices, JSC National Company KazMunayGas (KMG, the Company) publishes a report that provides a summary of payments made to government bodies by KMG in 2023, including its subsidiaries.

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

### **About Company**

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

As at the end of 2023, KMG is owned by Sovereign Wealth Fund Samruk-Kazyna Joint-Stock Company (“Samruk-Kazyna”, the “Fund”) (67.42%), Ministry of Finance of the Republic of Kazakhstan — 20%, the National Bank of Kazakhstan (“NBK”) (9.58%), and 3% are in free float.

In 2023, the Company retained its leading position in terms of oil production, transportation and refining in Kazakhstan.

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

### **Reporting companies**

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

### **Reporting period and report coverage**

The reporting period is 2023.

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

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

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

### **Government/State**

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

### **Companies**

Companies are understood to mean companies, the data on cash contributions of which are contained.

### **Payments categories**

The types of payments are categorised as follows:

#### *Taxes*

All taxes except mineral extraction tax.

#### *Mineral extraction tax*

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

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

#### *Signature bonus*

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

#### *Other payments*

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

### **Currency**

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

### **Contact details**

This report, along with additional information on the Company's activities, can be found on the corporate website at [www.kmq.kz](http://www.kmq.kz)

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

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## Report by countries and companies in 2023 (in millions of tenge)

Country/Company	Taxes	Mineral extraction tax	Signature bonus	Other	Total
<b>Kazakhstan</b>	686 781	103 415	325	140 865	<b>931 386</b>
JSC OzenMunaiGas	130 879	66 701		78 792	<b>276 372</b>
Pavlodar Refinery	138 948			298	<b>139 246</b>
Atyrau Refinery	151 972			591	<b>152 563</b>
JSC Embamunaigas	69 010	32 045	94	44 993	<b>146 141</b>
KMG Karachaganak	38 608			1 112	<b>39 719</b>
"KMG Kashagan B.V."	30 862		231		<b>31 093</b>
JSC KazTransOil	42 136	2		246	<b>42 383</b>
Others	84 366	4 667	1	14 835	<b>103 869</b>
<b>Romania</b>	791 716			3 059	<b>794 774</b>
KMG International N.V.	791 716			3 059	<b>794 774</b>
<b>Bulgaria</b>	33 602			4	<b>33 606</b>
KMG International N.V.	33 602			4	<b>33 606</b>
<b>Moldova</b>	66 144			1 012	<b>67 156</b>
KMG International N.V.	66 144			1 012	<b>67 156</b>
<b>Georgia</b>	39 876				<b>39 876</b>
KMG International N.V.	38 250				<b>38 250</b>
JSC KazTransOil	1 626				<b>1 626</b>
<b>Switzerland</b>	2 076			57	<b>2 134</b>
KMG International N.V.	2 076			57	<b>2 134</b>
<b>Netherlands</b>	5 612				<b>5 612</b>
KMG International N.V.	5 612				<b>5 612</b>
<b>Great Britain</b>	593				<b>593</b>
Kazmortransflot (KMTF)	593				<b>593</b>
<b>Azerbaijan</b>	254			40	<b>294</b>
KMG Drilling & Services LLP	254			40	<b>294</b>
<b>Russian Federation</b>	2				<b>2</b>
KMG Systems & Services LLP	2				<b>2</b>
<b>Germany</b>	196				<b>196</b>
Dunga Operating GmbH	196				<b>196</b>
<b>TOTAL</b>	<b>1 626 852</b>	<b>103 415</b>	<b>325</b>	<b>145 037</b>	<b>1 875 629</b>

## Report on contributions to governments in 2023 (in millions of tenge)

Country/Company	Taxes	Mineral extraction tax	Signature bonus	Other	Total
<b>Kazakhstan</b>	686 781	103 415	325	140 865	<b>931 386</b>
National Fund of the Republic of Kazakhstan	191 266	103 396	324	5	<b>294 992</b>
Republican budget of the Republic of Kazakhstan	131 221	19	1	136 529	<b>267 770</b>
Local budgets of the Republic of Kazakhstan	364 293			4 331	<b>368 624</b>
<b>Romania</b>	791 716			3 059	<b>794 774</b>
State budget	791 716			3 059	<b>794 774</b>
State social insurance budget					
Budget of administrative-territorial units					
<b>Bulgaria</b>	33 602			4	<b>33 606</b>
State budget	33 271				<b>33 271</b>

Country/Company	Taxes	Mineral extraction tax	Signature bonus	Other	Total
State social insurance budget	288				288
Budget of administrative-territorial units	43			4	47
<b>Moldova</b>	66 144			1 012	67 156
State budget	64 243				64 243
State social insurance budget	1 901				1 901
Budget of administrative-territorial units				1 012	1 012
<b>Georgia</b>	39 876				39 876
State budget	39 281				39 281
State social insurance budget	596				596
Budget of administrative-territorial units					
<b>Switzerland</b>	2 076			57	2 134
Federal budget	2 076			57	2 134
Cantonal budget					
Municipal budget					
The budget of private institutions (regulated by federal law)					
<b>Netherlands</b>	5 612				5 612
State budget	5 140				5 140
Non-state pension fund	472				472
Budget of administrative-territorial units					
<b>Great Britain</b>	593				593
Her Majesty's Income and Customs	593				593
<b>Azerbaijan</b>	254			40	294
General state budget	254			40	294
<b>Russian Federation</b>	2				2
Federal budget	2				2
Subject budgets					
Local budgets					
<b>Germany</b>	196				196
Federal budget	196				196
<b>TOTAL</b>	<b>1 626 852</b>	<b>103 415</b>	<b>325</b>	<b>145 037</b>	<b>1 875 629</b>

Country Report for 2023, according to OECD requirements (BEPS Action 13 Country-by-Country reporting) and GRI 207: Tax (in millions of tenge)

Tax jurisdiction	Number of full-time employees	The amount of income from transactions with third parties	The amount of income from transactions with related parties and intragroup transactions	The amount of profit / loss before tax	Total assets, excluding intangible assets and cash and cash equivalents	Income tax paid (cash basis from the cash flow statement)	The amount of accrued income tax, CIT amount	Authorized capital	Accumulated profit / loss
Kazakhstan	39 851	1 446 752	2 003 289	1 440 483	4 149 209	81 405	(84 210)	2 858 525	10 030 798
Netherlands	117	2 492 173	35 091	523 047	3 361 686	3 226	(4 169)	7 258 915	(978 562)
Romania	3 541	1 928 238	1 600 961	(13 664)	607 668	60 421	(5 977)	596 417	(613 452)
Bulgaria	78	116 646	62	(3 388)	23 092	-	-	16 752	(19 757)
Moldova	1 027	234 730	-	1 983	9 379	384	(253)	651	12 423
Georgia	1 862	109 310	6 556	1 478	81 558	-	-	8 388	19 104
Great Britain	8	28	1 611	722	98	83	(174)	15	1 892
United Arab Emirates	12	3 187	13 150	1 515	21	-	-	23 290	(25 299)
Turkey	4	2	-	(118)	1 490	-	-	2 291	(1 479)
Marshall Islands	2	-	4 121	2 097	24 863	-	-	1	14 847
Azerbaijan	-	5 528	-	2 215	2 306	27	-	-	(1 656)
Isle Of Man	1	15 364	109 527	13 726	874	-	-	1	16 084
Bermuda	1	817	-	171	-	-	-	-	8 963
Libya	2	168	-	(62)	-	-	-	-	-
Switzerland	22	2 268 338	1 521 382	18 096	104	1 424	(2 248)	399	69 118
Germany						196			
<b>TOTAL:</b>	<b>46 528</b>	<b>8 621 281</b>	<b>5 295 750</b>	<b>1 988 301</b>	<b>8 262 347</b>	<b>147 166</b>	<b>(97 032)</b>	<b>10 765 645</b>	<b>8 533 023</b>