

Biodiversity assessment

Biodiversity risk assessment is carried out as part of the Environmental Impact Assessment for the proposed activity (hereinafter referred to as the EIA).

EIA is a process that evaluates the potential impacts of economic and other activities on the environment and human health. Particular attention is paid to biodiversity.

During this process, measures are developed to prevent negative consequences such as destruction, degradation, damage and depletion of natural ecosystems and natural resources. These measures are also aimed at improving the environment, taking into account environmental standards and legislation of the Republic of Kazakhstan.

The EIA process includes the following main stages:

Stage 1: Site assessment (environmental survey) carried out to determine the optimal location of the site.

Stage 2: Preliminary environmental impact assessment accompanying investment justification (project feasibility studies).

Stage 3: Impact assessment, carried out with the aim of conducting a full and comprehensive analysis of the potential effects of the project or further economic and other activities. At this stage, alternative options are considered and an environmental management plan (program) is developed.

Stage 4: Section “Environmental Protection” as part of the detailed design, including technical solutions to prevent negative impacts on the environment, including biodiversity.

Stage 5: Post-project analysis, carried out one year after the start of economic and other activities, in order to confirm the safety of the facility for the environment and adjust environmental protection measures.

These stages together provide a systematic and integrated approach to assessing and managing environmental impacts, taking into account the importance of preserving biodiversity in the Republic of Kazakhstan.

When conducting an environmental impact assessment, attention is paid to analyzing the impact and taking into account the location of the source on the following objects, including their relationships and interactions:

- 1) atmospheric air;
- 2) surface and underground waters;
- 3) the surface of the bottom of reservoirs;
- 4) landscapes;
- 5) land and soil cover;
- 6) flora;
- 7) fauna;
- 8) the state of ecological systems and ecosystem services;
- 9) biodiversity;
- 10) health status and living conditions of the population;

11) objects of special environmental, scientific, historical, cultural and recreational value.

The results of the risk assessment and measures taken to reduce them are taken into account in the draft EIA.

Environmental impact assessment is carried out in strict accordance with instructional and methodological documents (Guidelines for assessing the impact of economic activities on the environment), approved by the authorized environmental protection body.

The authorized body in the field of environmental protection, within its competence, monitors compliance with the requirements of instructional and methodological documents for conducting an Environmental Impact Assessment.

At the same time, in the process of carrying out economic activities, risk assessment, including biodiversity risks, is carried out in accordance with the requirements of the Standard for Identification of Hazards and Environmental Aspects, Risk Assessment and Management at NC KTZ JSC (approved by Order No. 614-TsZ dated 01.09.2023).

The input data for identification of environmental aspects are:

1) the main activity of the structural unit (all technological processes occurring under standard (normal) conditions, during startup and shutdown of equipment, possible emergency situations, etc.);

2) auxiliary activities and activities carried out by contractors at the facilities of the group of companies of NC KTZ JSC;

3) sources of impact on the environment during transportation, storage, loading, unloading of raw materials, materials, operation of transport and special equipment;

4) research activities (laboratory work, geophysical research, research of new reagents, etc.);

5) historical environmental impacts, etc.

Therefore, the scope of a biodiversity risk assessment includes an analysis of the impacts on biodiversity arising from our own operations and in the surrounding areas where we operate.

The results of identifying risks and significant aspects of environmental safety are documented in the Registers of Significant Risks and Significant Aspects in accordance with the approved form and are included in the Company's corporate risk management system.

When significant risks and significant environmental aspects are identified, the structural divisions of the Company and its subsidiaries develop a set of risk management measures. These activities are aimed at downgrading or eliminating risks to ensure safety and environmental sustainability.

The developed measures are introduced into the production activity plans of the divisions, their development is carried out in accordance with local regulations and regulatory technical documents approved by the Company.

To date, risks in the field of biodiversity have not been identified in the process of ongoing activities.

