



European Bank
for Reconstruction and Development

Stakeholder Engagement Plan

Modernisation of Almaty CHP 2,
Kazakhstan

June 2022

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Modernisation of Almaty CHP 2, Kazakhstan

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Acronyms and Abbreviations

Name	Description
EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
ESAP	Environmental and Social Action Plan
ESIA	Environmental and Social Impact Assessment
GP	Gardeners' Partnership
GRM	Grievance Redress Mechanism
JSC	Joint-Stock Company
NGO	Non-governmental organisation
NTS	Non-Technical Summary
PR	Performance Requirements
RoK	Republic of Kazakhstan
SEP	Stakeholder Engagement Plan

1. INTRODUCTION

1.1 This Document

The European Bank for Reconstruction and Development (“EBRD” or the “Bank”) and Samruk Energy of Kazakhstan are considering the modernisation and reconstruction of CHP-2 of Almaty (the “Project”), one of the two CHPs that provide heat to the district heating network of the city operated by Almaty Electric Stations JSC (“AIES” or the “Company”). The main purpose of the Project is the full replacement of coal by natural gas as the primary fuel.

Under this framework, the EBRD hired ERM (the “Consultant” or “ERM”) to carry out a detailed project preparation study for the Project at a level sufficient for the Bank to decide for its possible financing and ensure the Project is structured to comply with the Bank’s Performance Requirements (PRs).

This document is a Stakeholder Engagement Plan (hereinafter referred to as “SEP” or the “Plan”) for the pre-construction stage of the Project. This Plan is a working document which will be supplemented and updated following the Project implementation, also in the event of any Project changes which may result in new stakeholders or changing relations between the Project stakeholders.

The Company has been implementing a number of activities which are not described in this document. These obligations are part of the Company’s internal procedures or they are legally binding and complementary to certain types of project activities. These consultations include, inter alia, obtaining approvals and permits for the implementation of the project, issues related to procurement and contractor management, decisions on mass media communication strategy and partnerships.

1.2 Project Overview

The Project is located in the Alatau District of Almaty city, Kazakhstan. Currently, the area of Almaty is ~70 thousand hectares, as of the beginning of 2021, the city’s population is 1,977,011 people. CHP-2 is located on two sites (Figure 1). Main and auxiliary generating facilities are operating on the Site 1 (the industrial site), Site 2 to the west is an ash dump.

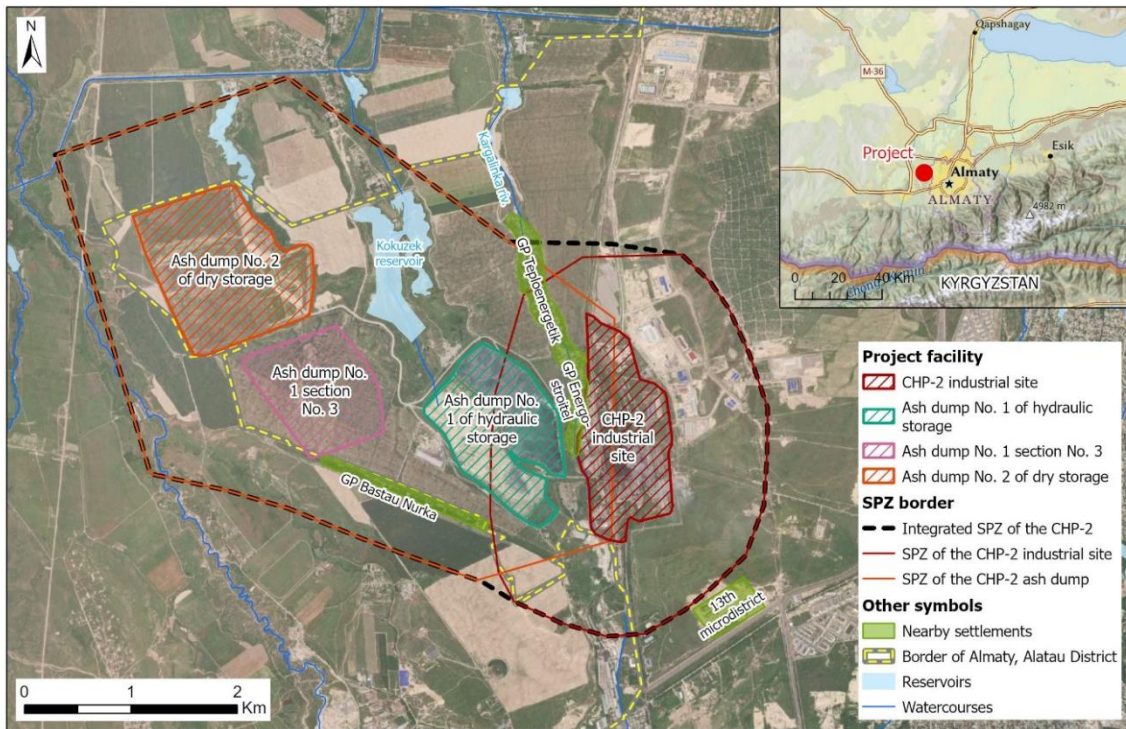


Figure 1: Project sites

The area of the Site 1 is 93 hectares, the area of the Site 2 is 413 hectares. Sanitary protection zones are established for each site: 1000 m for the Site 1 and 500 m for the Site 2.

It is expected that the fuel switch from coal to natural gas will have a dramatic effect in the long-term reduction of GHG emissions as well as in the reduction of local pollutants emissions, especially dust, NOx and sulphur oxides that are related to the use of coal in the residential heating of Almaty.

2. PROJECT STANDARDS

2.1 National Requirements

Environmental Code of the Republic of Kazakhstan as amended of December 27, 2021 No. 400-VI provides for the involvement of local communities in taking decisions which can affect environmental protection and RK sustainable development. Local communities are involved from an early stage when all opportunities are open for consideration of various options and when effective participation of local communities can be ensured.

The state bodies and officials ensure publicity of the decisions planned for adoption on the conditions that allow local communities to express their opinions, which are taken into account during decision making. The Environmental Code also requires to disclose information on proposed activities which may have an impact on the environment as well as to inform the local communities about it.

The Rules of Public Hearings approved by the Order of the Acting Minister of Ecology, Geology and Natural Resources of the Republic of Kazakhstan dated August 3, 2021, No 286 with amendments as of October 26, 2021 states that public hearings are held in relation to projects that may directly affect the environment and human health and to draft environmental protection action plans. Public hearings provide participants with equal rights to express their reasoned opinions based on documentary materials on the issue containing public information.

Participants of public hearings include:

- Interested public;
- Public and non-governmental organisations and associations;
- Local executive and representative bodies, governmental bodies authorised to make relevant decisions;
- Mass media.

The Rules of the Public Hearings also state that the initiator of proposed economic activities shall arrange public hearings to discuss the EIA materials. The Company will make a preliminary agreement with local executive authorities regarding the date and venue of the public hearings and include this information in a public hearing announcement to be published in the media by the Company. The announcement should be published in 20 business days prior to the date of the public hearings.

The Company may use additional means of notifying the public (information sheets, stands etc.).

The announcement should also specify contact details of offices where members of the public may review the EIA materials. Starting from the date of the announcement, the Company will provide the public with access to the EIA materials. The public hearings will be held irrespective of the number of participating members of the public.

During the hearings, any participant will have the right to express his or her opinion and address questions to – and receive answers from – the speakers.

The results of the public hearings will be documented in minutes. The Company and EIA developer will review the results and may decide to improve the Project to incorporate public opinions.

The Project Initiator will be responsible for the financing, technical and information support of the public hearings.

2.2 Requirements of European Bank for Reconstruction and Development

The EBRD recognises the importance of stakeholder engagement as an essential element of good international practice and corporate citizenship. PR10 contains the following provisions:

- *Stakeholder identification and analysis.* The Company will identify and document stakeholders, who: (i) are affected or likely to be affected by the Project (affected parties), or (ii) may have an interest in the project (other interested parties), including vulnerable groups.
- *Stakeholder Engagement Plan* shall be developed in order to outline how communication with identified stakeholders will be handled throughout Project preparation and implementation.
- *Information disclosure.* Disclosure of relevant project information helps stakeholders better understand the risks, impacts and opportunities associated with the Project.
- *Meaningful consultation.* If employees and/or affected communities will or may be exposed to significant risks or adverse impacts from the project, the Company will undertake a meaningful consultation in a manner that provides stakeholders with opportunities to express their views on project risks, impacts, and mitigation measures, and allows the Company (project proponent) to consider and respond to them.
- *Grievance mechanism.* The Company will need to be aware of and respond to stakeholders' concerns related to the Project in a timely manner. For this purpose, the Company will establish an effective grievance mechanism to receive and facilitate resolution of stakeholders concerns and grievances, in particular, about the Company's environmental and social performance.
- *Reporting to stakeholders.* Throughout the life of the Project, the Company will provide information to identified stakeholders, on an ongoing basis. Where appropriate, the Company will also seek feedback from affected parties on the effectiveness of the impact mitigation measures.

3. HISTORY OF STAKEHOLDER ENGAGEMENT

Public hearings on the preliminary EIA report for the Project were held on November 29, 2021 at 3 pm in Almaty. In total 86 participants attended public hearings, including representatives of the Company, local mass media, NGOs, Almaty Akimat and Almaty citizens. Notification on the hearing has been published via several sources:

- On the Company website (<http://www.ales.kz/ru/novosti-kompanii/155-2021-god/1874-ob-yavlenie-o-provedenii-obshchestvennykh-slushaniy-2>) on October 25, 2021;
- On the Unified Environmental Portal (<https://ecoportal.kz/>);
- On the Department on the Green Economy website (<https://www.gov.kz/memleket/entities/almaty-eco/press/article/details/65461?lang=ru>) on the October 26, 2021;
- On the information stand in the Public Reception of the Akim Office of the Alatau District of Almaty;
- In the "Almaty aqshamy" newspaper, #129 (6105) on the October 26, 2021;
- In the "Vecherniy Almaty" newspaper #129 (1390) on the October 26, 2021
- On the "Almaty" TV channel on the October 26, 2021.

Minutes of meetings have been disclosed at the Akimat website¹.

During the meeting the following topics have been discussed:

- Major Project solutions by AO “Institut “KazNIPIEnergoprom” (Pre-feasibility study of the Project with general technical solutions);
- Report on the possible impacts by AO “Institut “KazNIPIEnergoprom” (Pre-EIA Report).

Participants of the meeting raised several questions regarding the Project implementation, associated with the following topics:

- Project schedule and duration of the construction phase;
- Costs of the Project implementation;
- Technical solutions related to the duration of the construction phase, construction solutions, filtration system, etc.
- Changes in tariffs for heat and electricity due to Project implementation;
- Impact on environment, especially on the groundwater, and nearby residential neighborhood, and other.

During the hearings representatives of the Company and design team provided answers to all questions, which is reflected in the minutes of the meeting.

4. STAKEHOLDER ENGAGEMENT PLANNING

4.1 AIES SEP

In 2020 the Company developed Stakeholder Engagement Plan² (hereinafter AIES SEP) which clarified principles and approaches to engagement with stakeholder within the Project. This document includes such sections as the following:

- General information about the Company;
- Brief description of the Project;
- Principles on the stakeholder engagement, which reflect those provided by the “Samruk-Energy” JSC Sustainability Guide. These principals include respect for the stakeholders’ opinions, regular information disclosure and fulfillment of the assumed obligations.
- Identification and analysis of stakeholders, which provided by the division of stakeholder to two major groups – internal and external. Further analysis and details supposed to be provided in the Annex 1 to the AIES SEP, however no such annexes is attached to the document
- Requirements to the stakeholder engagement, which briefly cover internal requirements of the Company, as well RoK legislation and EBRD requirements. This Section also provide for description of types of stakeholder engagement activities, however no specific measures provided.
- Requirements of RoK legislation, including international conventions ratified by the RoK and stakeholder engagement requirements in relation to the EIA.
- Recommendations to development of SEP.

¹ Source: https://www.gov.kz/uploads/2021/11/30/28656ad1a5f8019bf23388f9443ffded_original.20343344.pdf. Date of reference May 24, 2022

² Source: <http://www.ales.kz/images/2022/dog/%D0%9F%D0%BB%D0%B0%D0%BD%20%D0%B2%D0%B7%D0%B0%D0%B8%D0%BC%D0%BE%D0%B4%D0%B5%D0%B9%D1%81%D1%82%D0%B2%D0%B8%D1%8F.pdf>. Date of reference:

- Description of Grievance Redress Mechanism, which includes several channel to submit the complaint and brief description of the following process.
- Monitoring and reporting.
- Supporting sections on the change management procedure, storage of the document, etc.

AIES SEP is declarative in nature and does not provide specific details on Project stakeholders and engagement methods and therefore are not fully aligned with the EBRD requirements.

4.2 Identification of stakeholders

This Plan follows the stakeholder identification principles provided by the EBRD PR10, which defined as the various individuals or groups who:

- are affected or likely to be affected (directly or indirectly) by the Project (affected parties); or
- may have an interest in the Project (other interested parties).

The stakeholder identification process includes a number of steps:

- (i) identification of individuals, groups, local communities and other stakeholders who may be affected by the Project positively or negatively and directly or indirectly, especially those directly and negatively affected by the project activities, including those who are in disadvantaged or vulnerable situation;
- (ii) identification of a wider range of stakeholders who can influence the outcome of the project through their knowledge of the affected communities or political influence on them;
- (iii) identification of stakeholders legal representatives, including elected officials, non-elected community leaders, leaders of informal or traditional community institutions, and elders in the affected communities, and
- (iv) compilation of impact area maps and plotting the affected communities within the geographical territory, which should assist in defining or updating the project footprint.

A preliminary list of stakeholders has been formed according to the methodology described above as well as based on the analysis of Company-provided information which is in the public domain, interviews conducted with Company's employees and external stakeholders. The list is summarized in the table below (Table 1).

A stakeholder list and engagement plan for various groups will be established and reviewed on a regular basis in order to ensure that Project managers have realistic understanding of those who are interested and/or concerned with the Project and thus should be involved in the engagement process.

The main purpose of stakeholder identification is to select engagement mechanisms which are suitable for different groups. In particular, it is essential to manage regular and focused contacts with the most affected parties and/or parties that can have significant impact on the implementation of the Project, which will make it possible to disclose information in a proper way and to obtain relevant feedback. The list of stakeholders can be changed at any stage of the Project implementation.

Table 1 : Preliminary list of major stakeholder groups

Stakeholders	Main groups
Local residents living near the Project site and related infrastructure	<ul style="list-style-type: none"> ■ Energostroiitel GP; ■ Teploenergetik GP; ■ Bastau Nurka GP; ■ Alatau District of Almaty City; ■ Karasaysky District of Almaty Region; ■ Other districts of Almaty City;
Authorities and supervisory bodies	<ul style="list-style-type: none"> ■ District and municipal authorities (akimats);

Stakeholders	Main groups
	<ul style="list-style-type: none"> ■ Regional authorities, ■ Republican authorities,
Non-governmental organisations and independent experts	<ul style="list-style-type: none"> ■ Specialised environmental, social-scientific and research organisations, experts and NGOs; ■ Public organisations participating in the implementation of social programs; ■ Other public organisations in the Project area;
Mass media and communications	<ul style="list-style-type: none"> ■ Print mass-media; ■ Television; ■ Radio; ■ Internet resources.
Organisations specialising in training and recruitment	<ul style="list-style-type: none"> ■ Educational establishments that provide secondary and higher professional education to the Company staff; ■ Recruitment centres.
Shareholders	<ul style="list-style-type: none"> ■ Samruk-Energy, ■ Samruk-Kazyna.
Organisations involved in the Project implementation and subcontractors	<ul style="list-style-type: none"> ■ Construction and design organisations that may be involved in the Project implementation; ■ Company staff and contractors' employees; ■ Consultants involved in the implementation of the Project;
Project staff	<ul style="list-style-type: none"> ■ AIES staff
Beneficiaries of the Company's social programmes	<ul style="list-style-type: none"> ■ Non-commercial organisations, located within the regions of the Company's presence; ■ Vulnerable groups of citizens – beneficiaries of the Company's social programs.
Vulnerable groups*	<ul style="list-style-type: none"> ■ Low-income citizens and families; ■ Single parents and single-headed households, especially women-headed households; ■ Women; ■ The elderly; ■ Persons with reduced health status, disabilities, or who require regular medical care; ■ People without formal rights to land plots and houses.

Vulnerable groups are identified specifically for the Project and are based on the EBRD definition, as follows: people or groups of people who may be more adversely affected by project impacts than others by virtue of characteristics such as their gender, gender identity, sexual orientation, religion, ethnicity, indigenous status, age (including children, youths and the elderly), physical or mental disability, literacy, political views, or social status. Vulnerable individuals and/or groups may also include, but are not limited to, people in vulnerable situations, such as people living below the poverty line, the landless, single-headed households, natural resource dependent communities, migrant workers, refugees, internally displaced people, or other displaced persons who may not be protected through national legislation and/or public international law.

4.3 Disclosure Package

The Company will disclose Gap Analysis package in three languages (English, Russian and Kazakh):

1. **Gap Analysis report** which provides for analysis of Project compliance against EBRD requirements.
2. **Environmental and Social Action Plan (ESAP)**, which will address gaps and issues identified during the Project appraisal within the framework of Gap Analysis; it will summarise the set of actions required to fulfill and gaps identified in the Project.

3. **Stakeholder Engagement Plan (SEP), this document**, which describes the current stakeholder engagement process and details how the Project participants will continue to engage with external stakeholders in the next stages of the Project implementation.
4. **Resettlement framework** that specifies entitlement for any compensation in regard to possible land acquisition.
5. **Non-Technical Summary (NTS)** with basic information about the Project, including a description of the procedure by which interested parties can comment on the Project.

In addition, up-to-date information about the Project will also be available on the Project website (<http://www.ales.kz/ru/>), where it will be possible to read or download materials.

The main objective of the information disclosure is to provide access to information to as many local residents as possible, especially in the communities affected by the Project. All disclosed documents, including Gap Analysis materials, will be placed in the Company's office in Almaty and on the CHP-2, and in the nearest localities.

The complete set of documents in electronic form will also be available for commenting on the Project website (<http://www.ales.kz/ru/>). Announcements of upcoming consultations will be placed in local and regional media.

The table below (Table 2) shows a list of materials which are available during the disclosure period and at least one week prior to the start of presentations in localities (please see later sections).

Table 2: Locations of storage and submission of documentation under the Project

Documentation	Accessibility during the disclosure period	
	In electronic format	In printed format
<ul style="list-style-type: none"> ■ Gap Analysis (Russian/English), ■ ESAP (Russian/English), ■ SEP (Russian/English/Kazakh) ■ Resettlement Framework (Russian/English), ■ NTS (Russian/English/Kazakh) 	Project web-site: http://www.ales.kz/ru/	Company Office: 050002, Almaty, Dostyk Ave., 7 CHP-2 office: 040809, Almaty, m-on Algabas, ul.7, house 130 Akimat of Alatausky District (<i>to be confirmed</i>)
<ul style="list-style-type: none"> ■ NTS (Russian/Kazakh) 		Gardening partnerships (dacha community): Energostroitel GP, Teploenergetik GP, Bastau Nurka GP Algabas microdistrict

4.4 Community Liaison Officer

Disclosure of information about the Company and its activities are currently organized by the following personnel

- The Board of Directors and the Management Board of JSC “AIES” are responsible for communication and interaction with the Company's stakeholders at the level of their management;
- PR specialist is responsible for engagement with mass media, maintaining an internal newspaper, support of external information disclosure such as financial reporting, tariff policies, operation news, etc., filling the Company's website with information about its activities and news, etc.;
- Secretariat of the “AIES” provides for registration of all applications, requests and grievances submitted to the Company and redirect it to the responsible departments of the Company;
- Ombudsman of the KSC “AIES” is responsible for facilitation of internal conflict resolution.

Under this SEP it is recommended that the Company shall engage a standalone specialist, Community Liaison Officer (CLO), who will be responsible for implementation of measures and stakeholder activities envisaged by the Plan (see Table 1 for details).

Currently stakeholders may apply to the Company using the following contact information, which is presented on the Company's website and listed below:

- JSC "AIES", tel: **+77272540331**, fax: +77272507974;
- Almaty CHP Plant 2, tel: **+77272503140**, fax: +77272503155.
- Stakeholders can send a request or complaint by e-mail: **kancel@ales.kz**.

Contacts and field of responsibilities of the CLO(s) will be publicly disclosed, including the Company's website, once the CLO(s) is hired.

4.5 Stakeholder Engagement Program

Table 1: Stakeholder Engagement Program

No.	Action	Action details	Due dates	Stakeholders	Responsible persons	Reporting
Internal procedures						
1.	Coordinate and approve current SEP	<ul style="list-style-type: none"> Stakeholder engagement process management 	June-July, 2022	All stakeholders	JSC "AIES" Samruk-Energy	Approved version of SEP
2.	Hire additional specialist(s), Community Liaison Officer(s), who will be responsible for SEP implementation and overall stakeholder engagement	<ul style="list-style-type: none"> CLO(s) to be appointed to implement this SEP 	Before the financial closure	All stakeholders	JSC "AIES"	Appointment order
3.	Create a Project-related section on the Company's website.	<p>The section should include the following information:</p> <ul style="list-style-type: none"> Summary of the Project, its timing and conditions for implementation; Subsection on environmental and social documentation, Contact details for more detailed information about the Project including contacts of a GRM officer. 	Before the financial closure	All stakeholders	JSC "AIES"	Project-related section on the Company's website, including all reports to be disclosed as per Section 4.3.
4.	Introduce updated GRM	See Appendix B below	Before the financial closure	Internal stakeholders External stakeholders	JSC "AIES"	Updated GRM procedure introduced and disclosed to stakeholders
Information Disclosure: Gap Analysis Materials						
5.	Approve and disclose Gap Analysis materials	Project-related section shall provide the access to the following materials:	June, 2022	All stakeholders	JSC "AIES"	Publications are available on the

No.	Action	Action details	Due dates	Stakeholders	Responsible persons	Reporting
	(as per Section 4.3.) on the Company's website	<ul style="list-style-type: none"> ■ Gap Analysis report, ■ ESAP, ■ SEP (current document), ■ Resettlement framework, ■ Non-Technical Summary; "Company News" Section shall provide for an announcement on the availability of listed documents. Printed copy of NTS shall be distributed to heads of the nearby settlements: Energostroitel, Teploenergetik and Bastau Nurka GPs				Company's website: Project page and "Company News" section
Development and disclosure of ESIA materials (Scoping Study)						
6.	Conduct consultations with stakeholder to obtain baseline socio-economic information	As a part of the socio-economic baseline survey for the Scoping Study conduct in-depth interviews with key stakeholders (akimat representatives, local residents, NGOs, etc.)	To be confirmed	The list of stakeholder shall confirmed during the approval of the program for the socio-economic baseline study	JSC "AIES" External Consultant	Socio-economic baseline section of the Scoping Report
7.	Conduct consultations with residents of dachas community	Conduct in-depth interviews with residents of the dachas community located within the Project sanitary protection zone	To be confirmed	Residents of nearby GPs: Energostroitel, Teploenergetik and Bastau Nurka	JSC "AIES" External Consultant	Socio-economic baseline section of the Scoping Report
8.	Distribute information on public hearings among local communities	<ul style="list-style-type: none"> ■ Placement of advertisements in Kazakh and Russian languages in minimum one newspaper and through at least one television or radio channel operating on the territory of the corresponding administrative and territorial units; ■ Announcement on the Company's website, 	No later than 30 working days prior the public hearings	Special priority: <ul style="list-style-type: none"> ■ Residents of nearby GPs: Energostroitel, Teploenergetik and Bastau Nurka; ■ Residents of Algabas microdistrict, Kokosek and Koktogan settlements; ■ NGOs and experts: Airkaz.org, Air Vision, Giperborey channel, etc. Other stakeholders	JSC "AIES"	Announcements placed on the Company's website, akimat websites, informational boards

No.	Action	Action details	Due dates	Stakeholders	Responsible persons	Reporting
		<ul style="list-style-type: none"> ■ Announcement on the website of akimats of Alatau District and Karasaysky District; ■ Announcements on the informational boards in akimats of Alatau District and Karasaysky District; ■ Announcements on the informational boards in Energostroitel, Teploenergetik and Bastau Nurka GPs; ■ Direct invitations to heads of Energostroitel, Teploenergetik and Bastau Nurka GPs; ■ Direct invitations to NGOs and experts. 				
9.	Hold public hearings to discuss results of the Scoping Study and further development of the Project	<p>Consultations shall provide stakeholders with an opportunity to express their concerns related to the Project implementation, to discuss results of the Scoping Study and energy tariff policy in regard to the Project implementation.</p> <p>Consultations shall be held within the Alatausky District, preferably at the CHP-2 office.</p> <p>Vulnerable groups, namely people with low mobility and disabilities, shall be supported with transport means.</p> <p>Offline consultations shall be supported with online broadcast via conference call, which will allow online participants to raise questions and receive responses.</p>	To be confirmed	<p>Special priority:</p> <ul style="list-style-type: none"> ■ Residents of nearby GPs: Energostroitel, Teploenergetik and Bastau Nurka; ■ Residents of Algabas microdistrict, Kokosek and Koktogan settlements; ■ NGOs and experts: Airkaz.org, Air Vision, Giperborey channel, etc. <p>Other stakeholders</p>	JSC “AIES”Samruk-Energy External consultant	Minutes of meeting

No.	Action	Action details	Due dates	Stakeholders	Responsible persons	Reporting
10.	Update Scoping Study (if required by the results of the consultations) and disclose updated documents	Same as item #5	No later 20 working days after the consultations	All stakeholders	JSC "AIES" Samruk-Energy External consultant	Updated documents are available on the Project page Announcements on the "Company News" section
Development and disclosure of ESIA materials (full-scale impact assessment)						
11.	Conduct baseline consultations and in-depth interviews with stakeholders	Conduct baseline survey within the Project area, that will include in-depth interviews with at least following stakeholders: <ul style="list-style-type: none"> ■ Akimat of Alatausky District; ■ Akimat of Karasaysky District and Eltaysky Rural Community; ■ Heads of Energostroitel, Teploenergetik and Bastau Nurka; ■ Other stakeholders (to be confirmed as a part of baseline survey) 	To be confirmed during the ESIA study	<ul style="list-style-type: none"> ■ Akimat of Alatausky District; ■ Akimat of Karasaysky District and Eltaysky Rural Community; ■ Heads of Energostroitel, Teploenergetik and Bastau Nurka; ■ Other stakeholders (to be confirmed as a part of baseline survey) 	External consultant	Socio-Economic Baseline Chapter as a part of the ESIA
12.	Conduct census of affected households / families / persons living within the Project's Sanitary Protection Zone	As a part of the social baseline study, conduct census of affected households / families / persons living within the Project's Sanitary Protection Zone once it established for the Project: <ul style="list-style-type: none"> ■ Energostroitel, ■ Teploenergetik and ■ Bastau Nurka 	To be confirmed during the ESIA study	Residents of the nearby GPs: <ul style="list-style-type: none"> ■ Energostroitel, ■ Teploenergetik and ■ Bastau Nurka 	External consultant	Results of the census
13.	Conduct consultation with affected land users regarding the Resettlement Framework	Disclose Resettlement Framework to affected land users within the Project SPZ and discuss its provisions, conditions, compensation entitlements and efficiency of the proposed support measures.	To be confirmed during the ESIA study Prior the general ESIA public hearings	Residents of nearby GPs: <ul style="list-style-type: none"> ■ Energostroitel, ■ Teploenergetik and ■ Bastau Nurka. 	JSC "AIES" External consultant	Minutes of meetings

No.	Action	Action details	Due dates	Stakeholders	Responsible persons	Reporting
14.	Conduct consultations with workers and Trade Union regarding the Collective Dismissal Plan	Discuss with representatives of the Trade Union and workers who will be dismissed due to the Project provisions of the Collective Dismissal Plan in order to gain their opinions on the process, sufficiency of the support measures, etc.	To be confirmed during the ESIA study Prior the general ESIA public hearings	Trade Union Workers of the CHP-2 who will be dismissed due to Project implementation	JSC "AIES"	Minutes of meetings Collective Dismissal Plan updated based on the outcomes of the consultations
15.	Conduct consultations with NGOs	Discuss with NGOs during the specific consultations (e.g., round table, focus-groups discussion) representatives questions related to the Project implementation, main impacts and mitigation measures, tariff policy, etc.	To be confirmed during the ESIA study Prior the general ESIA public hearings	NGOs representatives	JSC "AIES" External consultant	Minutes of meetings Project and ESIA update based on the outcomes of the consultations
16.	<p>Disclosure of ESIA materials on the Company's website, including:</p> <ul style="list-style-type: none"> ■ ESIA report, ■ Managements Plans, ■ Updated SEP, ■ Updated ESAP, ■ NTS, ■ Resettlement Plan, ■ Other documents if required. <p>Disclosure of the ESIA materials in hard copies:</p> <ul style="list-style-type: none"> ■ Energostroitel, Teploenergetik and Bastau Nurka GPs; ■ Akimat of Alatausky District; 	<p>Project-related section shall provide the access to the ESIA materials. "Company News" Section shall provide for an announcement on the availability of listed documents. Printed copy of ESIA NTS shall be distributed to heads of the nearby settlements: Energostroitel, Teploenergetik and Bastau Nurka GPs and other stakeholders (if required by results of the ESIA study)</p>	To be confirmed during the ESIA study No later than 30 working days prior the public hearings	All stakeholders	JSC "AIES" Akimat of Alatausky District; Akimat of Eltaysky Rural Okrug.	Publications are available on the Company's website: Project page and "Company News" section

No.	Action	Action details	Due dates	Stakeholders	Responsible persons	Reporting
	<ul style="list-style-type: none"> ■ Akimat of Eltaysky Rural Okrug. 					
17.	Distribute information on public hearings among local communities	<ul style="list-style-type: none"> ■ Placement of advertisements in Kazakh and Russian languages in minimum one newspaper and through at least one television or radio channel operating on the territory of the corresponding administrative and territorial units; ■ Announcement on the Company's website, ■ Announcement on the website of akimats of Alatau District and Karasaysky District; ■ Announcements on the informational boards in akimats of Alatau District and Karasaysky District; ■ Announcements on the informational boards in Energostroitel, Teploenergetik and Bastau Nurka GPs; ■ Direct invitations to heads of Energostroitel, Teploenergetik and Bastau Nurka GPs; ■ Direct invitations to NGOs and experts. ■ Other means (to be confirmed during the ESIA study) 	No later than 30 working days prior the public hearings	Special priority: <ul style="list-style-type: none"> ■ Residents of nearby GPs: Energostroitel, Teploenergetik and Bastau Nurka; ■ Residents of Algabas microdistrict, Kokosek and Koktogan settlements; ■ NGOs and experts: Airkaz.org, Air Vision, Giperborey channel, etc. Other stakeholders	JSC "AIES"	Announcements placed on the Company's website, akimat websites, informational boards
18.	Hold public hearings to discuss results of the ESIA study and further development of the Project	Consultations shall provide stakeholders with an opportunity to express their concerns related to the Project implementation, as well as to discuss results of the ESIA study.	To be confirmed during the ESIA study	Special priority: <ul style="list-style-type: none"> ■ Residents of nearby GPs: Energostroitel, Teploenergetik and Bastau Nurka; 	JSC "AIES" Samruk-Energy External consultant	Minutes of meeting

No.	Action	Action details	Due dates	Stakeholders	Responsible persons	Reporting
		<p>Consultations shall be held within the Alatausky District, preferably at the CHP-2 office.</p> <p>Vulnerable groups, namely people with low mobility and disabilities, shall be supported with transport means.</p> <p>Offline consultations shall be supported with online broadcast via conference call, which will allow online participants to raise questions and receive responses.</p>		<ul style="list-style-type: none"> ■ Residents of Algabas microdistrict, Kokosek and Koktogan settlements; ■ NGOs and experts: Airkaz.org, Air Vision, Giperborey channel, etc. <p>Other stakeholders</p>		
19.	Disclose ESIA materials updated based on the outcomes of public hearings (same as item #16)	Same as item #16	To be confirmed during the ESIA study	All stakeholders	JSC "AIES"	Publications are available on the Company's website: Project page and "Company News" section
20.	Distribute information on the <i>second round</i> of public hearings among local communities (if required by the outcomes of the hearings and ESIA update)	Same as item #17	No later than 20 working days prior the public hearings	<p>Special priority:</p> <ul style="list-style-type: none"> ■ Residents of nearby GPs: Energostroitel, Teploenergetik and Bastau Nurka; ■ Residents of Algabas microdistrict, Kokosek and Koktogan settlements; ■ NGOs and experts: Airkaz.org, Air Vision, Giperborey channel, etc. 	JSC "AIES"	Announcements placed on the Company's website, akimat websites, informational boards
21.	Hold the <i>second round</i> public hearings to discuss results of the ESIA study and further development of the Project (if required by the outcomes of the hearings and ESIA update)	Same as item #18	To be confirmed during the ESIA study	<p>Special priority:</p> <ul style="list-style-type: none"> ■ Residents of nearby GPs: Energostroitel, Teploenergetik and Bastau Nurka; ■ Residents of Algabas microdistrict, Kokosek and Koktogan settlements; 	JSC "AIES" Samruk-Energy External consultant	Minutes of meeting

No.	Action	Action details	Due dates	Stakeholders	Responsible persons	Reporting
				<ul style="list-style-type: none"> NGOs and experts: Airkaz.org, Air Vision, Giperborey channel, etc. 		
22.	Disclose ESIA materials updated based on the outcomes of the <i>second round</i> of public hearings (same as item #16) (if required by the outcomes of the hearings and ESIA update)	Same as item #16	To be confirmed during the ESIA study	All stakeholders	JSC "AIES"	Publications are available on the Company's website: Project page and "Company News" section
23.	Following the assessment and engagement activities, identify the need for additional community consultation	<ul style="list-style-type: none"> Meetings with nearby residents (as requested or at least once every 6 months during the preparation and construction stage) 	To be confirmed during the ESIA study	<ul style="list-style-type: none"> Residents of nearby GPs: Energostroitel, Teploenergetik and Bastau Nurka; Residents of Algabas microdistrict, Kokosek and Koktogan settlements. 	JSC "AIES"	Minutes of meetings

APPENDIX A GRIEVANCE REDRESS MECHANISM

Grievance Redress Mechanism

Existing Grievance Redress Mechanism

Existing Grievance Redress Mechanism provide for processing and resolution of both internal and external complainant, however it is not fully aligned with the EBRD requirements.

Internal Grievances

Processing of internal grievances within the Company are regulated by the following documents:

- Regulation on the Conciliation Commission for the Resolution of Individual Labor Disputes in JSC “AIES” (Appendix 11 to the Collective Agreement);
- Regulation on the Ombudsman;
- Corporate Conflict of Interest and Conflict Resolution Policy.

Workers can submit their complaints via several channels, such as:

- Apply verbally to the supervisor;
- Apply to a Conciliation Commission organized in each department;
- Apply to Ombudsmen;

In accordance with the Regulation on the Conciliation Commission, the Conciliation Commission for the Consideration of Individual Labor Disputes is a mandatory pre-trial primary body for the consideration of individual labor disputes arising between employees and the employer, and has the right to consider all individual labor disputes within its competence. The Conciliation Commission considers the applicants' disputes related to the application of labor legislation, collective agreement, other agreements and internal regulatory documents, employment contract, including the following issues:

- Recovery of wage arrears;
- Changing the terms of the employment contract;
- Application of disciplinary penalties;
- Reinstatement at work;
- Guarantees and compensations provided for by the norms of the Labor Code, labor and collective agreements;
- Deductions from wages;
- Arising in connection with the inaccuracy of entries in the workbook;
- Remuneration of labor;
- Remuneration, including when combining positions, temporary replacement of an absent employee, part-time work, overtime, night time, weekends and holidays;
- Transfer to another job and transfer to another workplace;
- Compensation for material damage caused;
- Issuance of special clothing, special shoes, personal protective equipment;
- Cancellation of decisions of the attestation commission;
- Other disputes (conciliation), except for disputes, the resolution of which is referred to the competence of the court.

In accordance with the Regulation on the Ombudsman, general responsibilities of the Ombudsman related to conflict resolution include the following:

- Assistance in resolving labor disputes, conflicts, problematic issues of a social and labor nature, as well as ensuring compliance of employees behavior with the principles of business ethics;
- Assistance in improving the rating and image of the Company, early warning and settlement of disputes and conflicts;
- Providing informal communications between officials and employees of the Company, timely identification of problems and areas for improvement on this basis, making proposals for improving the Company's policies and procedures.

External Grievances

Based on the information provided by the representatives of the Company during the interview, external grievances are processing, however there is no specific grievance management procedure for external grievances. Grievances are logged within the unified correspondence log.

Nevertheless, there are several channels to submit a grievance are available to stakeholders:

- Samruk-Energy Hotline³;
- The helpline of the Ombudsman of JSC "AIES";
- JSC "AIES" telephone (+77272540331) and email (kancel@ales.kz);
- CHP-2 telephone (+77272503140);
- Through akimat (mostly environment-related issues).

In accordance with the outcomes of the interview with the Company representative, external grievances are mostly submitted through the Green Economy Department of Almaty Akimat and are related to environmental issues, such as emissions due to salvo emissions and kindling of boilers. Common practice in resolution of such grievances is prompt consideration of the situation and provision of the response to Akimat within several hours, while Akimat provides the final response to the complainant itself within the period of several days.

Update of the GRM

In order to ensure compliance with the EBRD requirements, it is necessary to update current GRM and unify approach to grievance resolution, ensure its transparency and effectiveness. In this regards it is recommended to introduce Grievance Management Procedure as described below.

Stage 1. Receiving a request or grievance

All requests or grievances received shall be documented and recorded in an electronic database – the Grievance Log. The database shall be linked to all channels of grievance submission. It shall record the following information:

- full name and contact details of the submitter (name of organization, if applicable) / anonymous requests;
- date of receipt;
- essence of the appeal/ grievance/ request;
- full name of the employee appointed to process the appeal;
- decision/ resolution;

³ <http://www.ales.kz/ru/contact-info/2-uncategorised/749-goryachaya-liniya-gruppy-kompanij-aktsionernogo-obshchestva-samruk-azyna>

- additional measures;
- date and content of the response to the submitter about the decision taken;
- measures taken to prevent similar complaints/grievances in the future.

Contractors/subcontractors shall report to the Company as to the number of grievances they have received on a monthly basis. Critical grievances shall be communicated to the Company immediately. Critical grievances meet at least one of the following requirements:

- There is a threat to life, health, safety or well-being of employees of the Company, contractors or subcontractors or local communities, if no action is taken;
- There is a risk of significant and large repetitive problem, if no action is taken;
- There is a risk that Company activities will result in significant adverse impacts on large number of people;
- There is a risk of claims over policy or procedural issues.

The Company also records critical grievances of contractors/subcontractors in the Grievance Log. Company provides reporting based on the data received through the database.

Grievances are to be processed as soon as they are received/ collected in the field, on a case-by-case basis, and depending on the priority of the case. Priority is given to grievances that require immediate action to resolve the problem, e.g. grievances about emergencies, accidents and hazardous working conditions (Table 2).

Table 2: Timing of grievances and requests processing

Subject	Timeframe for response
Construction phase	
Emergencies and accidents during construction	Immediately
Unsafe conditions, decline in safety, noise and dust pollution, employee behaviour, traffic	1-2 days
Other issues, comments	30 days
Operation phase	
Safety issues	1-2 days
Other issues, comments	30 days

Stage 2. Categorising the request/grievance and forwarding it to the appropriate unit of the Company

The request or grievance received shall be referred to a particular category, depending on its type and severity.

The request or grievance categories should include, at a minimum, those related to the conduct of onsite workers, employees conduct off-site, associated with the movement of the Project-related vehicles, the behaviour of security personnel.

If a request is simple and standard, and does not require special attention of the appropriate specialists (for example, employment procedures), a standard response is sent to the applicant. This is then followed by Stage 6 - approval (decline) of the decision. If the request is not a standard one or a grievance has been received, it shall be forwarded to the head of the corresponding unit. If necessary, the request / grievance may be forwarded to the senior management. Officers responsible for dealing with requests or grievances coordinate the grievance review process within the Company.

Stage 3. Initial Response

An initial response is sent to the complaining individual or organisation using the same communication channel (telephone, e-mail etc.) within 3 days from receiving the request / complaint (1 day in the event of critical grievance). The initial response describes the way the request or grievance will be handled, indicates the approximate review time and asks for additional information if necessary. As a rule, the total handling time should not exceed 30 days from the receipt of the request/grievance, however timing shall be decreased wherever possible.

Stage 4. Review and Resolution Proposal

The Company shall review the request/grievance and attendant circumstances in a timely manner. The review results are submitted to the head of the unit or senior management for consideration. Based on this, a relevant resolution is proposed. The decision making process may include consultations with the persons or organisations involved.

Stage 5. Resolution Notification

Following the review and decision-making process, the resolution is sent to the complainant and to all other parties involved. As a rule, such notification must be sent within 30 days of the request/grievance receipt. If resolving the issue requires more time, a notification informing of this extra time is sent to the complainant no later than 30 days from the date of the request/grievance receipt.

Stage 6. Agreeing (or Disagreeing) with the Proposed Resolution

Having sent the response, the Company shall contact the complainant and all other parties involved to find out if the proposed resolution is satisfactory. If all the parties are satisfied with the proposed resolution, it will be implemented, and the grievance will be deemed to be resolved. If the parties are not happy with the proposed resolution, it is reviewed again, and a revised resolution is offered to the complainant.

If the complainant does not respond to the Company within 30 days after receiving a response from the Company, the request / grievance is treated as satisfactorily resolved. The parties concerned may at any time resort to resolving the issue through external means (for example, judicially), if for instance the parties fail to reach a mutually acceptable solution.

Stage 7. Follow-up and assessment

Every grievance resolution is subject to a follow-up and assessment of its effectiveness. Grievance coordinator shall send all parties an implementation notification to provide feedback about the Grievance Mechanism.

Assessment of the GRM effectiveness shall be provided based on the analysis of grievances processing, which shall include:

- Number of open / resolved / closed grievances received from stakeholders during the reporting period;
- Number of open / resolved / closed grievances received from Project employees during the reporting period;
- Breakdown by topics (construction / noise / road safety etc.);
- Performance dynamics (total number of grievances / number of grievances from specific settlements etc.).

The results of the grievance analysis shall be presented in the form of the monthly report and taken in consideration during the GRM effectiveness assessment.

APPENDIX B STAKEHOLDERS ENGAGEMENT LOG TEMPLATE

No.	Action	Stakeholders	Responsible persons	Reporting	Due dates	Status of the action	Outcomes	Actions required
1.	Description of the engagement action as per Table 1. Details on the venue, notifications, documents / materials to be disclosed, etc.	Stakeholder to be involved in the engagement activity	Name of the personnel responsible for the engagement activity (CLO, PR manager, external consultant, other)	Which documents / outcomes are expected upon the action / activity (reports, minutes of meetings, publications, etc.)	Expected date of the action / activity	Actual status of the action / activity	Brief description of the outcomes of the action /activity, i.e., main topics discussed, concerns raised by the stakeholders, stakeholders' feedback on the activity, amendments to the activity (date, venue, etc.) and reasons why these amendments were made, other details of the actual action / activity implementation as necessary	What actions are required based on the outcomes of the engagement action / activity, i.e. documents update, additional consultations, changes to the Project, etc.
2.	...							
3.	...							

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