

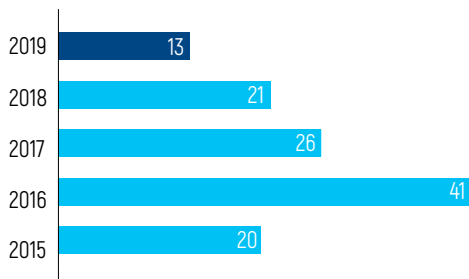


OCCUPATIONAL HEALTH

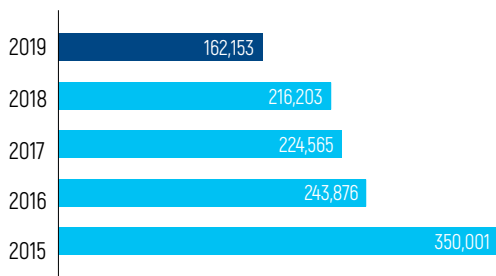
KMG, its subsidiaries align their occupational health and safety management with Kazakhstan’s laws and international health and safety standards.

In 2019, employees of subsidiaries lost 162,153 work days to illness, which is 54,050 days or 24.9% less year-on-year. The number of non-injury related fatalities among employees of subsidiaries reduced by eight incidents or 38% year-on-year.

NUMBER OF FATALITY CASES NOT RELATED TO INJURIES



NUMBER OF THE WORK DAYS LOST DUE TO ILLNESS



KMG Group regularly runs a range of measures to improve working conditions and prevent professional diseases at production facilities. KMG also developed and is consistently implementing KMG Group’s Corporate Health and Safety Standard aimed to facilitate:

- setting unified requirements for process set-up to maintain and improve employee health
- identification and mitigation of risks/hazards through improvements to working conditions, ergonomics, and workplace hygiene
- use of preventive controls based on assessment of employee health risks to minimise them as practically possible
- promoting and encouraging healthy lifestyles among employees at and out of workplace.

KMG continued its Heart Attack and Stroke Prevention corporate health campaign aimed at prevention and reduction of employee fatalities related to cardiovascular diseases. Additionally, we are tracking and monitoring the implementation of the 10 Steps to Better Health initiative and KMG Group’s Regulations on Emergency Medical Response setting requirements for employee access to emergency treatment procedures, medical centres equipment and the emergency medical response action plans.

During the year, we also continued to train specialists and other employees in first-aid and conducted demonstration medical emergency response drills at a number of KMG subsidiaries.

To improve occupational health management and performance, we implemented the following measures:

- Developed and approved KMG’s standard covering the Occupational Health Management System in healthcare, emergency medical response, pre-shift physical examination and risk assessment
- Demonstration medical emergency response drills at subsidiaries
- Cross-audits involving subsidiaries’ and associates’ experts
- First-aid trainings for the HSE function paramedics
- Occupational health trainings for the HSE function specialists
- Monitoring of KMG’s Occupational Health Management System performance and improvement measures.

To enhance safety culture, the Company has developed a range of measures to reduce work-related injury rates:

- In 2019, we continued behavioural safety observations for task execution (68,263 observations) and driving (23,495 observations)
- Corporate regulations are continuously updated and implemented to keep them abreast best global practices and ensure a consistent, holistic approach to health and safety across KMG Group
- Three tiers of HSE committees are in place
- Comprehensive audits were run at subsidiaries with the highest injury rates and corrective actions were taken to reduce the mitigate the risks of work-related injuries
- Off-site presentations were held for both employees to provide training in new safety programmes and top managers to improve safety engagement
- The KMG’s drivers are continuously trained in safe driving. 12 internal trainers delivered training to about 1,366 drivers (7.2 thous. in total)
- The 5th Competition of the Chairman of KMG’s Management Board for the best innovative idea in HSE was held (employees of 20 subsidiaries submitted 103 applications)
- As part of Kazakhstan Energy Week 2019, the first SPE symposium was held, focusing on health, safety, environment and social responsibility in the Caspian Region (370 participants)
- The 5th Annual General Directors’ Forum on occupational health and safety was held to discuss Working Towards a

68,263

behavioral observations on work safety

Zero Injury Rate. Similar forums are held at subsidiaries, e.g. KazTransOil JSC held a forum for line managers (over 150 attendees) in Nur-Sultan

- A number of ongoing programmes to raise awareness of HSE issues among employees on the ground were developed and rolled out, including the following activities:

23,495

behavioral observations on driving safety

- Preparation and circulation of quarterly letters from the Chairman of the Management Board to foster safety culture among employees
- Heart Attack and Stroke Prevention brochures were distributed across KMG Group
- HSE promotional products were supplied to subsidiaries
- "100% safety" animated wallpaper was installed at company desktops and other devices at subsidiaries
- Meetings between KMG and the Fund portfolio companies to share HSE experiences.

PERSONNEL DEVELOPMENT

KMG's corporate social responsibility policy fosters development across our operating regions. KMG complies with the legal and regulatory requirements applicable in the Republic of Kazakhstan, as well as with international laws and treaties regulating oil companies. We promote meritocracy, fairness, and integrity while providing every employee with a workplace conducive to new achievements and assessing their respective contributions to KMG's overall success based on merit. We also foster a culture of understanding, engagement, and support of strategic, operational and production goals among our employees at all levels. Every year, KMG's production companies invest significant amounts in local social and economic growth and infrastructure development across our operating regions in line with memoranda signed with local Akimats under subsoil use contracts.

The actual headcount for KMG Group (including subsidiaries, and 50% and more owned jointly controlled entities) was 70,938 at end-2019.

The percentage of locally hired top managers of subsidiaries, and 50% and more owned jointly controlled entities located in Kazakhstan is 86%.

The percentage of employees who are managers at all levels is 11.3% of the total headcount. 16.5% of managers are female and 83.5% are male.

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EMPLOYEE HEADCOUNT BY GENDER, %



EMPLOYEE HEADCOUNT BY AGE GROUP, %

