

COMMITTEES OF THE BOARD OF DIRECTORS

Members of the Board of Directors involved in the activities of the Board committees focus on an in-depth review and analysis of allied functions, issues and areas. Committee meetings involve invited experts, business leaders, and other stakeholders. Committees make recommendations to the Board of Directors to support its decision making. The Board committees are made up of non-executive directors, and the majority of members are independent directors. The committees are chaired by independent directors.

Roles and responsibilities of the Board committees

Committee	Responsibilities
Strategy and Portfolio Management Committee	The Committee assists the Board of Directors by considering and making recommendations on: <ul style="list-style-type: none"> the development strategy and investment policy, including priority areas; improving investment appeal; effective financial and business planning at KMG; monitoring KMG's transformation.
Nomination and Remuneration Committee	The Committee assists the Board of Directors by considering and making recommendations on: <ul style="list-style-type: none"> succession planning for the Board of Directors and the Management Board; conducting ongoing, objective performance evaluations of the Board of Directors, Management Board, Corporate Secretary, and other employees; pursuing effective HR, pay and remuneration policies, and providing professional development and training opportunities for KMG officers and employees.
Audit Committee	The Committee assists the Board of Directors by considering and making recommendations on: <ul style="list-style-type: none"> implementing effective controls over KMG's financial and business operations; monitoring the reliability and effectiveness of internal controls and risk management, as well as the implementation of corporate governance regulations; overseeing external and internal audit functions; reviewing the Company's annual and quarterly financial statements; monitoring KMG's compliance arrangements.
Health, Safety, Environment and Sustainable Development Committee	The Committee assists the Board of Directors by considering and making recommendations on: <ul style="list-style-type: none"> ensuring HSE compliance; embedding sustainability in strategic planning and social and economic development at KMG; KMG's social commitments and programmes under subsoil use contracts; monitoring KMG's environmental performance.

NOMINATION AND REMUNERATION COMMITTEE

Statement by the Chairman of the Nomination and Remuneration Committee



In 2022, the Committee focused on pursuing effective HR, pay and remuneration policies, succession planning, providing social support and harmonising the corporate culture across the Company. The Committee regularly considered matters related to developing and updating the Succession Plan for Key Positions within KMG Group, and other HR matters.

KMG's new Strategy for 2022–2031 envisages changes to its operations with an increasing focus on the development of renewable energy sources, which requires transformation of both the Company's structure and corporate culture. This means that the Company needs to build a pool of employees capable of delivering high performance while responding effectively to external challenges. The goal is to shift to prioritising human capital over resources.

In addition, in the reporting period, the Committee actively engaged with the Company's management

in discussing social issues, including structural reorganisation, compensation and remuneration, as well as mitigation of KMG's reputational risks. At its meetings, Committee members discussed regional social tensions and strategies to address them. Furthermore, the Committee participated in discussing the HR unit's workstreams, including the system of efficient personnel management, the headcount management programme, relations with contractors and the succession plan.

The Committee seeks to make consistent and balanced decisions with a view to maintaining social stability at the Company, which remains the Committee's primary focus.

Philip Holland

Chairman of the Nomination and Remuneration Committee, independent director

In 2022, the Nomination and Remuneration Committee held

10 meetings

and reviewed

77 matters

Members as of 31 December 2022:

1. Philip Holland – Chairman of the Committee since September 2020;
2. Christopher Walton – member of the Committee since August 2017;
3. Gibrat Auganov – member of the Committee since April 2022;
4. Assel Khairova – member of the Committee since June 2022.

Personnel management is essential to the Company's operational efficiency. The Nomination and Remuneration Committee makes recommendations to the Board of Directors

on the matters within its remit relating to the appointment, remuneration, training and development of the Company employees. The key appointment principles require that candidates

possess strong qualifications to perform their roles successfully and have the skills needed to pursue the Company's strategic goals in their area of responsibility.

Key matters reviewed by the Committee in 2022

<p>Succession planning</p>	<ul style="list-style-type: none"> ■ Results of developing the Succession Plan for Key Positions within KMG Group (talent pools for A, B and C levels); ■ additions to the 2021–2024 Succession Plan for the Board of Directors; ■ early termination of powers of a member of KMG's Management Board and defining the number of KMG's Management Board members; ■ appointment of the Deputy Chairman of KMG's Management Board for Oil Refining and Petrochemicals; ■ appointment of KMG's Head of Marketing and Sales; ■ appointment of the Deputy Chairman of the Management Board for Oil Transportation, International Projects and Construction of the Saryarka trunk gas pipeline; ■ appointment of the Deputy Chairman of KMG's Management Board; ■ amendments to the Rules for Recruiting and Screening Candidates to KMG's CEO-1 approved by the Resolution of the Board of Directors of KMG on 2 April 2020 (Minutes No. 4/2020); ■ approval of the Rules for Recruiting and Screening Employees of Internal Audit, Compliance, Corporate Secretary and Ombudsman of KMG, and expanding the List of Documents Regulating KMG's Internal Affairs; ■ determining the skills, knowledge and experience required from candidates to KMG's Board of Directors; ■ appointment of KMG's Head of Staff; ■ approval of the CEO-1 job description; ■ early termination of office and election of members to KMG Engineering's Supervisory Board; ■ early termination of office and election of the chairman and members to KMG Engineering's Supervisory Board; ■ early termination of powers of the Corporate Secretary Office staff; ■ approval of the 2023 activity plan for the Ombudsman Office; ■ appointment of the chief compliance expert; ■ a meeting with KMG's best talent involving at least one Management Board member.
<p>Ongoing and effective performance evaluation</p>	<ul style="list-style-type: none"> ■ considering the option of making the assessment of each director's and the Corporate Secretary's contributions part of an annual self-assessment of the Board of Directors; ■ approval of a motivational KPI scorecard and targets for 2022 for the Deputy Chairman of the Management Board Malik Saulebay; ■ approval of the actual performance against KPIs and motivational KPI scorecards for KMG executives for 2021; ■ remuneration payment to KMG executives for 2021; ■ approval of an updated 2022 motivational KPI scorecard and targets for the Corporate Secretary; ■ approval of updated 2022 corporate KPIs, motivational KPI scorecards and targets for KMG executives, a 2022 motivational KPI scorecard and targets for the Deputy Chairman of the Management Board for Major Oil and Gas Projects; ■ approval of the actual performance against the motivational KPI scorecard and determining the remuneration of the Corporate Secretary for 2021; ■ approval of actual performance against corporate KPIs of KMG Engineering (motivational KPIs for the CEO (Chairman of the Management Board) at KMG Engineering) in 2021; ■ approval of corporate KPIs and targets of KMG Engineering (motivational KPIs for the CEO (Chairman of the Management Board) at KMG Engineering) in 2023.

<p>Maintenance of an effective HR policy and an effective pay and remuneration framework</p>	<ul style="list-style-type: none"> ■ matters related to improving KMG's corporate governance within the Committee's remit; ■ approval of the staff list and the salary grid for the employees of KMG's Corporate Secretary Office; ■ approval of the staff list and the salary grid for KMG's compliance employees; ■ appointment of an ombudsman, determining their tenure, salary, remuneration terms and social benefits; ■ a corporate culture presentation as part of the action plan to harmonise KMG Group's corporate culture; ■ approval of the job description for the Chairman of the Management Board; ■ determining the salary, remuneration terms, bonuses and social benefits payable to the Chairman of the Management Board; ■ approving the amendments to the salary grid for the Chairman and members of the Management Board; ■ approval of amendments to the Procedure for Assessing Performance of Executives, Managers, Head of Internal Audit, Corporate Secretary, Head of Compliance and Ombudsman / Ombudsman Heading the Ombudsman Office, and new Remuneration Rules for KMG Executives; ■ approval of amendments to the Remuneration Rules for the Employees of Internal Audit, Corporate Secretary, Compliance and Ombudsman, and new Remuneration Rules for KMG Executives; ■ disciplinary actions against the Chairman of the Management Board and the Deputy Chairman of the Management Board for Oil Refining and Petrochemicals; ■ the need for excluding the CEO of KMG Engineering from key positions at KMG and/or its subsidiaries and associates that envisage compliance with qualification requirements, approval of candidates, and performance assessment by the Board of Directors (subparagraph 53 of paragraph 98 of the KMG Charter).
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Attendance of the Committee's meetings by its members in 2022

Meeting No. and date		Length of meeting	Philip Holland	Christopher Walton	Uzakbay Karabalin	Gibrat Auganov	Assel Khairova
1/2022	01.02	14:02–15:06 (64 минуты)	+	+	+		
2/2022	05.03	13:56–15:23 (79 minutes)	+	+	+		
3/2022	01.04	14:10–15:59 (169 minutes)	+	+	+		
4/2022	29.04	13:59–15:15 (64 minutes)	+	+	+	–	
5/2022	20.05	16:00–16:30 (30 minutes)	+	+	Resigned from the Committee	+	
6/2022	14.06	14:02–15:53 (111 minutes)	+	+		+	
7/2022	15.07	14:00–15:00 (60 minutes)	+	+		+	+
8/2022	06.09	10:00–11:39 (99 minutes)	+	+		+	+
9/2022	01.11	14:02–15:53 (111 minutes)	+	+		+	+
10/2022	21.12	15:00–15:47 (47 minutes)	+	+		+	+
Participation, %			100	100		86	100

STRATEGY AND PORTFOLIO MANAGEMENT COMMITTEE

Statement by the Chairman of the Strategy and Portfolio Management Committee



In 2022, the Committee focused on KMG's Development Strategy, investment activities and management of its assets, among other things.

The Committee members repeatedly discussed petrochemical projects, the status of the Agreement on Suspension of Terms between Caspian Pipeline Consortium-K, KMG and other shareholders of Caspian Pipeline Consortium-K, construction of a new gas processing plant in Zhanaozen, PMS rollout and financing sources for such projects.

Also, the Committee was monitoring the implementation of KMG's Digital Transformation Programme by closely reviewing the reports of the Transformation and Digitalisation Department and interacting with Samruk-Kazyna.

At every meeting, the Committee received reports on major fields such as Kashagan, Karachaganak

and Tengiz, progress of building and commissioning petrochemical facilities, and the privatisation and divestment programme. At its last meeting, the Committee decided to add regular progress reports on innovations at KMG's existing projects to its agenda.

KMG is a national oil and gas company carrying out its operations in line with the strategies of the Republic of Kazakhstan and Samruk-Kazyna. With this in mind, the Committee seeks to make consistent and balanced decisions aimed at implementing KMG's Development Strategy.

Christopher Walton

Chairman of the Strategy and Portfolio Management Committee, independent director

Members as of 31 December 2022:

1. Christopher Walton – Chairman of the Committee since June 2022;
2. Philip Holland – member of the Committee since June 2022;
3. Uzakbay Karabalin – member of the Committee since August 2017;
4. Timothy Miller – member of the Committee since September 2020;
5. Yernar Zhanadil – member of the Committee since April 2022.

Key matters reviewed by the Committee in 2022

Development strategy, including priority areas	<ul style="list-style-type: none"> ■ The 2021 Progress Report on JSC NC KazMunayGas Development Strategy until 2028; ■ the Progress Report on KMG Development Strategy for 2022–2031; ■ rollout of a project management system (PMS) and portfolio investment management at KMG; ■ changes to the management of JSC NC KazMunayGas Development Strategy (management rules for the Development Strategy, the Regulations on the Strategy and KPI Committee).
Improving investment appeal	<ul style="list-style-type: none"> ■ Progress in implementing KMG Group's investment projects in 2021; ■ On approval of Taisoigan Severny (Taisoigan-1) and Taisogan Yuzhny (Taisoigan-2) projects and signing contracts for hydrocarbon exploration and production; ■ approval of KMG's entering into transaction or a series of interrelated transactions resulting in the disposal of property with a value exceeding USD 110 mln (Addendum No. 7 to Credit Facility Agreement No. 362-28 dated 18 December 2014 and Addendum No. 8 to Credit Facility Agreement No. 107-28 dated 23 April 2014 between KMG and Urikhtau Operating); ■ approval of Tengizchevroil's entering into transactions with a value exceeding USD 110 mln denominated in tenge and attributable to KMG, at the exchange rate set in the macroeconomic forecast (baseline scenario) for the relevant period.
Effective financial and business planning	<ul style="list-style-type: none"> ■ KMG's entering into an interested-party transaction (Agreement on Suspension of Terms between Caspian Pipeline Consortium-K, KMG and other shareholders of Caspian Pipeline Consortium-K); ■ progress in implementing the privatisation and divestment programme across KMG Group; ■ a draft consolidated business plan for 2023–2027; ■ approval of asset restructuring rules for KMG and/or its subsidiaries and associates; ■ KMG's entering into an interested-party transaction (Oil Product Sale and Purchase Agreement between KMG and Mangistaumunaigaz); ■ KMG's entering into an interested-party transaction (Memorandum of Association of Kazakhstan Petrochemical Industries Inc. between KMG, SIBUR Holding, Samruk-Kazyna Ondeu, Firm Almex Plus and KPI Inc.), providing guarantees to KMG through an undertaking agreement between SIBUR Holding and KMG; ■ KMG's entering into interested-party transactions (Memorandum of Association of Silleno LLP, a put option agreement for stakes in Silleno and KPI Inc., a call option agreement for stakes in Silleno and KPI Inc., a default put option agreement for stakes in Silleno and KPI Inc., a default call option agreement for stakes in Silleno and KPI Inc.).
Monitoring of KMG's transformation	<ul style="list-style-type: none"> ■ Progress report on KMG's Digital Transformation Programme; ■ a digital solution to monitor overhauls at Tengizchevroil presented at KIOGE.

In 2022, the Strategy and Portfolio Management Committee held

5 meetings

and reviewed

77 matters

Attendance of the Committee's meetings by its members in 2022

Meeting No. and date	Length of meeting	Christopher Walton	Philip Holland	Timothy Miller	Uzakbay Karabalin	Yernar Zhanadil
1/2022 01.02	12:52–15:39 (167 minutes)	+	+	+	+	
2/2022 05.04	15:52–18:17 (145 minutes)	+	+	+	+	
3/2022 14.06	13:30–15:20 (110 minutes)	+	+	+	+	+
4/2022 06.09	12:00–16:40 (280 minutes)	+	+	+	+	–
5/2022 01.11	12:30–15:20 (170 minutes)	+	+	+	+	–
Participation, %		100	100	100	100	33.3

AUDIT COMMITTEE

Statement by the Chairwoman of the Audit Committee



In 2022, the Audit Committee continued to monitor the Company's internal controls, risk management and performance across key functional areas, while also reviewing and challenging, as appropriate, reports and key decisions made by the management. The Committee carried out its work in line with the expectations and functional responsibilities set by the Code and Regulations on the Audit Committee, as well as resolutions of KMG's Board of Directors.

Every quarter, the Committee reviewed the reports from the management and the external auditor on material accounting matters and decisions. These reviews help the Committee members engage in a substantive dialogue on the reliability, balance and clarity of KMG's financial statements.

In 2022, the Committee also continued work to improve internal controls and corporate governance.

Following an independent review of corporate governance in 2021, KMG's corporate governance rating was upgraded from "BB" in 2018 to "BBB" in 2021. The upgrade testifies to the Company's ability to ensure compliance of its corporate governance framework in all materials respects with most of the set criteria and provide sufficient evidence to demonstrate its efficiency. According to the independent consultant, the BBB rating is optimal for the Company to hold an IPO. The Committee regularly reviewed matters related to cybersecurity and preparations for the IPO.

Going forward, we will keep working to increase transparency and efficiency of the Company's operations.

Assel Khairova
Chairwoman of the Audit Committee, independent director

Members as of 31 December 2022:

1. Assel Khairova – Chairwoman of the Committee since 15 June 2022;
2. Timothy Miller – member of the Committee since September 2020;
3. Philip Holland – member of the Committee since September 2020.

In 2022, the Audit Committee held

13 meetings

and reviewed

108 matters

Key matters reviewed by the Committee in 2022

Internal audit	<ul style="list-style-type: none"> Review of the Internal Audit Service's performance report for 4Q 2021; review of the annual report on the Internal Audit Service's performance in 2021; review and preliminary approval of quarterly reports on the Internal Audit Service's performance; approval of the 1H 2020 actual performance of employees of the Internal Audit Service against motivational KPIs; execution of the Internal Audit Service's budget for 2021; approval of remuneration payable to employees of the Internal Audit Service for 2020; review and preliminary approval of the Annual Audit Plan for 2023; review and preliminary approval of the 2023 budget of the Internal Audit Service; approval of KPIs for the Head of the Internal Audit Service for 2023; proposals on the structure of the Internal Audit Service, its headcount, tenure of the service head and employees, and termination of their contracts; approval of the Internal Audit Service's staff list and salary grid; approval of KPIs for the Head of the Internal Audit Service for 2022; steps taken with respect to the list of KMG companies that failed to fulfil post-audit recommendations from the Internal Audit Service in 2019–2021; extending powers and determining the salary of the Head of the Internal Audit Service; extending powers and determining the salary of the Internal Audit Service employees; corrective actions following the special audit.
Accounting and external audit	<ul style="list-style-type: none"> Report on the Progress of KMG Audit; review and discussion of interim audit results with external auditors; discussing with the external auditor a list of all related services rendered or planned to be rendered by the same, and assessing whether these related services affect the auditor's independence; review and preliminary approval of KMG's interim financial statements; progress against recommendations issued by KMG's external auditor EY following the audit of the Company's consolidated and standalone financial statements for 2020 as of 18 January 2022; preliminary approval of KMG's consolidated financial statements for 2021; approval of the information about audit and non-audit services rendered by EY and Ernst & Young Global Limited companies to KMG and its subsidiaries in 2021 and non-audit services which Ernst & Young Global Limited can render and rendered to KMG and its subsidiaries without obtaining consent from the Audit Committee in 2021; preliminary approval of KMG's standalone financial statements for 2021; approval of the action plan to fulfil recommendations issued by KMG's independent auditor EY following the audit of the Company's consolidated and standalone financial statements for 2021; the plan for submitting draft financial statements for approval by the Board of Directors' Audit Committee prior to release; a report for planning the audit of KMG's consolidated financial statements for 2022; approval of non-audit services provided by KMG Group's external auditor; items submitted for consideration by KMG's external auditor; potential revision of the procedure to select an auditor for KMG's financial statements.
Internal control and risk management	<ul style="list-style-type: none"> progress in implementing internal controls and a business continuity management system at KMG and its subsidiaries; materiality limits for business processes for reporting on the efficiency of the Group's internal controls; changes to risk tolerance levels for 2022 approved by the resolution of the Board of Directors dated 9 December 2021 (para. 31 of Minutes No. 19/2021); report on testing of KMG's Comprehensive Business Continuity Plan and the Roadmap to Improve KMG's Comprehensive Business Continuity Plan; KMG's Risk Report for 1Q and 2Q 2022; review of the report on the comprehensive IT due diligence; tolerance to production risks; potential inclusion of regular checks and performance assessment with respect to insider and sensitive information management in activity plans; need for amending the assurance map by responsibility type and risk type; the Market Risk Hedging Policy for KMG and its subsidiaries and associates; approval of the Sanctions Policy; a presentation on the availability, characteristics and performance of relevant internal controls at KMG Group; D&O insurance coverage and public offering of securities insurance (POSI); review of the report on the efficiency of internal controls at KMG and its subsidiaries; extension of the List of Documents Regulating KMG's Internal Affairs and approval of the Market Risk Hedging Policy at KMG and its subsidiaries and associates.

Corporate governance	<ul style="list-style-type: none"> ■ approval of the Corporate Governance Improvement Plan for KMG in 2022–2023 and review of certain relevant matters; ■ approval of the report on compliance with the principles and provisions of KMG’s Corporate Governance Code for 2021; ■ results of an independent assessment of corporate governance in 2021, selecting a single coordinator of corporate governance improvements, approval of the activity plan for the Corporate Secretary Office for 2022; ■ preliminary approval of KMG’s 2021 Annual Report; ■ approval of the Audit Committee’s performance report for 2021; ■ shareholder queries regarding the Company’s and its officers’ actions in 2020 and corresponding responses; ■ results of KMG’s corporate website evaluation; ■ review of the report on the comprehensive IT due diligence; ■ a consolidated report on the quality of materials for Board of Directors meetings in 1Q 2022 and proposals to improve its performance; ■ streamlining the competencies of the Board of Directors; ■ review of the Cyberthreat Governance and Response Improvement Plan at KMG’s Standalone Subsidiaries; ■ recommendations from Samruk-Kazyna for drafting a structured and uniform procedure for meetings of the board of directors and and supervisory boards at Samruk-Kazyna’s portfolio companies; ■ fulfilment of the order issued by the Chairman of Samruk-Kazyna’s Management Board on 19 July 2022 at the meeting on an extended roadmap aimed at enacting the instructions of the President of the Republic of Kazakhstan to reform Samruk-Kazyna; ■ submitting the Regulations on the General Meeting of Shareholders for approval of KMG’s General Meeting of Shareholders; ■ IT security progress report for 2Q and 3Q 2022; ■ streamlining the List of Documents Regulating KMG’s Internal Affairs; ■ approval of the Audit Committee’s activity plan for 2023; ■ approval of the updated list of entities in which KMG holds a 10% or a larger stake and with respect to which KMG’s Board of Director will make decisions on business matters reserved exclusively to the General Meeting of Shareholders (Participants); ■ amending the Regulations on the Audit Committee.
Compliance	<ul style="list-style-type: none"> ■ Noting the performance report of the Compliance Service in 2021; ■ reports on submissions received via the hotline; ■ approval of key performance indicators of the Head of the Compliance Service for 2021; ■ approval of key performance indicators of the Head of the Compliance Service for 2022; ■ pre-approval of the Confidential Informing Policy; ■ pre-approval of amendments to the Anti-Corruption Policy at KMG and its subsidiaries and associates; ■ pre-approval of the Securities Transaction Policy; ■ progress against the Corporate Governance Improvement Plan for KMG in 2022–2023 and the instructions of the Board of Directors.
Review of the reports of local authorities (including tax authorities), external and internal auditors and KMG’s management on compliance with laws	<ul style="list-style-type: none"> ■ Information on investigations and/or checks of KMG’s subsidiaries and/or associates and/or their employees initiated by government agencies with respect to corruption offences and/or crimes

Attendance of the Committee’s meetings by its members in 2022

Meeting No. and date		Length of meeting	Christopher Walton	Assel Khairova	Philip Holland	Timothy Miller
1/2022	31.01	16:00–18:45 (165 minutes)	+		+	+
2/2022	03.03	17:00–17:48 (48 minutes)	+		+	+
3/2022	25.03	17:00–18:00 (60 minutes)	+		+	+
4/2022	04.04	16:00–18:12 (132 minutes)	+		+	+
5/2022	30.05	17:00–18:00 (60 minutes)	+		+	+
6/2022	13.06	13:28–15:20 (112 minutes)	+		+	+
7/2022	12.08	16:00–17:00 (60 minutes)	Resigned from the Committee	+	+	+
8/2022	05.09	13:00–17:12 (252 minutes)		+	+	+
9/2022	04.10	17:00–18:00 (60 minutes)		+	+	+
10/2022	31.10	13:00–17:22 (262 minutes)		+	+	+
11/2022	10.11	16:00–17:00 (60 minutes)		+	+	+
12/2022	17.11	16:00–17:00 (60 minutes)		+	+	+
13/2022	12.12	16:00–17:00 (60 minutes)		+	+	+
Participation, %				100	100	100

HEALTH, SAFETY, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT COMMITTEE



Statement by the Chairman of the Health, Safety, Environment and Sustainable Development Committee

In 2022, KMG Group took a number of steps to raise ecological awareness, reduce environmental impact and integrate new ecological requirements and global trends. We are developing a methodology to assess projects in ESG compliance and minimise our carbon footprint. In 2022, the Company managed to reduce emissions by 27% compared to 2019. We are firmly on track to ensure proper disposal of waste, including legacy waste, and remediation of contaminated soil. The Company's ESG risk rating also improved from 28.4 in 2021 to 28.5 in 2022, which helped us maintain a stable medium risk level despite materialised unmanageable HSE risks. KMG and its HSE & SD Committee recognise a global trend for decarbonisation. The Company has set a target to reduce its direct and indirect greenhouse gas emissions by 15% and cut carbon intensity by at least 10% by 2031 (from the 2019 level). This target is part of KMG's Development Strategy and Low-Carbon Development Programme for 2022–2031.

Unfortunately, the reporting year saw some accidents at KMG Group, including fatalities. The Company and its HSE & SD Committee paid particular attention to these accidents and will make sure that proper corrective actions are implemented to fully eliminate the underlying root causes.

KMG's Occupational Health and Safety Policy is driven by our senior management setting the tone at the top in occupational health and safety and engaging every

employee in building a robust safety culture. Management teams at KMG and its subsidiaries and associates take a zero tolerance approach to losses and damage caused by accidents (including traffic accidents), emergencies, as well as by the use of alcohol, narcotic drugs, psychotropic and other similar substances.

The Committee introduced the practice of making deep dives into key HSE issues at its meetings. In 2022, it carried out deep dives into five areas, including crisis and disaster management, waste management, implementation of the Memorandum on Legacy Waste Disposal, HSE automation and digitalisation projects, improving group-wide fire safety, and KMG's environmental initiatives.

The Committee also consistently reviewed COVID-19 status updates at KMG and measures taken across the Group to prevent the spread of the virus. On top of that, we reviewed the progress report on implementing a sustainability system and including relevant principles in KMG's key business processes.

Achievements and key initiatives of the Company in 2022 across the areas supervised by the HSE & SD Committee:

- On 8 September 2022, the 7th Annual HSE Forum of KMG Group's CEOs "Industrial Safety leadership. New challenges and approaches" took place. It was attended by members of the Board of Directors and management

of KMG, CEOs of subsidiaries and associates, and representatives of Samruk-Kazyna, government agencies and KMG's foreign partners. The purpose of the forum was to assess the current state of occupational health and safety and environmental protection across KMG Group, exchange experience in employee life and health protection, and to prevent accidents.

- We arrange for regular free of charge medical examinations and vaccination of employees.
- Our priority environmental projects include eliminating legacy pollution, reducing emissions and discharges, implementing an automated vehicle monitoring system (Travel Management) and an environmental IT monitoring solution, as well as improving ecological culture and awareness.

The Committee seeks to make consistent and balanced decisions that would foster safe and sustainable development.

Timothy Miller

Chairman of the Health, Safety, Environment and Sustainable Development Committee, independent director

In 2022, the Health, Safety, Environment and Sustainable Development Committee held

5 meetings

and reviewed

40 issues

Members as of 31 December 2022:

- Timothy Miller – Chairman of the Committee since September 2020;
- Christopher Walton – member of the Committee since December 2018;
- Uzakbay Karabalin – member of the Committee since May 2019;
- Assel Khairova – member of the Committee since June 2022.

Key issues reviewed by the Committee in 2022:

Health, Safety and Environment	<ul style="list-style-type: none"> Health, safety and environment reports; crisis and disaster management and fire safety at KMG Group; waste management and progress against the Memorandum on Legacy Waste Disposal; HSE automation and digitalisation projects; fire safety improvements at KMG Group; environmental projects; approval of Life-Saving Rules, a corporate health and safety standard for KMG Group employees; occupational health and hygiene management system; management of KMG contractors; COVID-19 status updates.
Sustainable development and ESG ratings	<ul style="list-style-type: none"> KMG's ESG (Environmental, Social, Governance) score; implementing a sustainability framework across KMG and its business units and embedding sustainability principles into key business processes; approval of the 2021 Sustainability Report of JSC NC KazMunayGas; approval of the Sustainable Development Policy; KMG's contribution to the achievement of sustainable development goals; material topics to be disclosed in the 2022 Sustainability Report.
Social responsibility	<ul style="list-style-type: none"> approval of the Human Rights and Public Relations Policy.

Attendance of the Committee's meetings by its members in 2022

Meeting No. and date	Length of meeting	Timothy Miller	Christopher Walton	Uzakbay Karabalin	Assel Khairova
1/2022 01.02	16:00–17:11 (71 minutes)	+	+	+	
2/2022 01.04	16:06–17:06 (60 minutes)	+	+	+	
3/2022 13.06	11:00–12:30 (90 minutes)	+	+	+	
4/2022 05.09	11:00–12:25 (85 minutes)	+	+	+	+
5/2022 31.10	11:00–12:50 (110 minutes)	+	+	+	+
Participation, %		100	100	100	100