

To formalise these changes and an increase in contractual prices, KMG subsidiaries and associates of the Mangistau Region signed 158 additional agreements with contractors. Measures taken to increase wages cover more than 19 thous. employees. On average, wage increases range from 35 to 40%. In monetary terms, the signed additional agreements total KZT 37.2 bln.

Additionally, 12 agreements were signed in the Atyrau Region. Measures taken to increase wages cover over 1.3 thous. employees. On average, wage increases range from 13% to 76%. In monetary terms, the amount of signed additional agreements stands at KZT 3.5 bln.

In the Pavlodar Region, 29 additional agreements were signed. Measures taken to increase wages cover more than 2.4 thous. employees. On average, wage increases range from 14% to 56%. In monetary terms, the signed additional agreements total KZT 5.9 bln.

Company-wide events

KMG Group holds various events every year. For example, we organise a corporate sports competition and the Uzdyk Maman competition to promote a healthy lifestyle and professional development

Uzdyk Maman professional skills competition

Akshabulak and Nuraly fields of Kazgermunai hosted the competition that took place from 3 to 7 October 2022. Among the participants were the representatives of 17 KMG subsidiaries and associates specialising in 13 areas: operators of oil and gas production, well testing operators, reservoir pressure maintenance operators, oil treatment operators, processing unit operators, well workover and servicing teams, fitters, electric and gas welders, electricians, chemical analysis laboratory technicians, compressor operators and lathe operators.

Those who came first in KMG subsidiaries' internal competitions took part in the corporate one.

During a theory test, participants completed an online form. There was a special KMG commission that drew up regulations for practical assignments and approved equipment, tools, and workplaces. The results of the practical section were reviewed by the jury from among the production personnel of KMG enterprises.

The awards ceremony took place at the Bekezhanov Drama Theatre and featured a performance by musicians from the Kyzylorda Region.

The winners were awarded with Uzdyk Maman medals and diplomas. They were also invited to the KMG meeting timed to coincide with Kazakhstan's Republic Day and attended by the Chairman of KMG Management Board. A total of more than 230 people took part in the event, including 120 competitors.

KMG sports competition

In 2022, KMG Group held a corporate sports competition for team building purposes.

Eight groups of over 1,600 people from 33 enterprises took part in the two-stage competition. The first qualifying stage for eight groups distributed by location of subsidiaries and associates ended on 18 July 2022. The final part of the competition, which ran from 8 to 12 August 2022 in Atyrau, saw some 400 representatives of subsidiaries and associates as participants.

Competitions were held in minifootball, volleyball, basketball, table tennis, tennis, chess, swimming, togyzkumalak, Arkan Tartu, and athletics.

The Super Cup went to the team of NC KMG.

PRIORITY AREAS OF OUR SOCIAL POLICY

Training and professional development programmes

The main objective of the Company's personnel development programmes is to ensure the progressive success of KMG by promoting employee efficiency improvements based on the knowledge, skills and competencies that fully meet corporate needs and contribute to the Company's strategic goals.

Leadership Training Programme

The Company is proceeding with its MANSAP project to develop the Succession Plan for Key Positions within KMG Group.

Jointly with the Moscow School of Management SKOLKOVO we implemented the Leadership Training Programme, a succession development plan for A pool positions. Pool contenders successfully completed the programme modules focusing on strategy implementation and change management skills.

The Company also developed and launched a succession development programme for B pool positions – On the Path to Improvement. This programme is geared towards the Company's strategic goals and a competence and value model. The development of relevant skills will help leaders from the middle management team deliver on KMG's strategy.

The key focus areas of the programme are as follows:

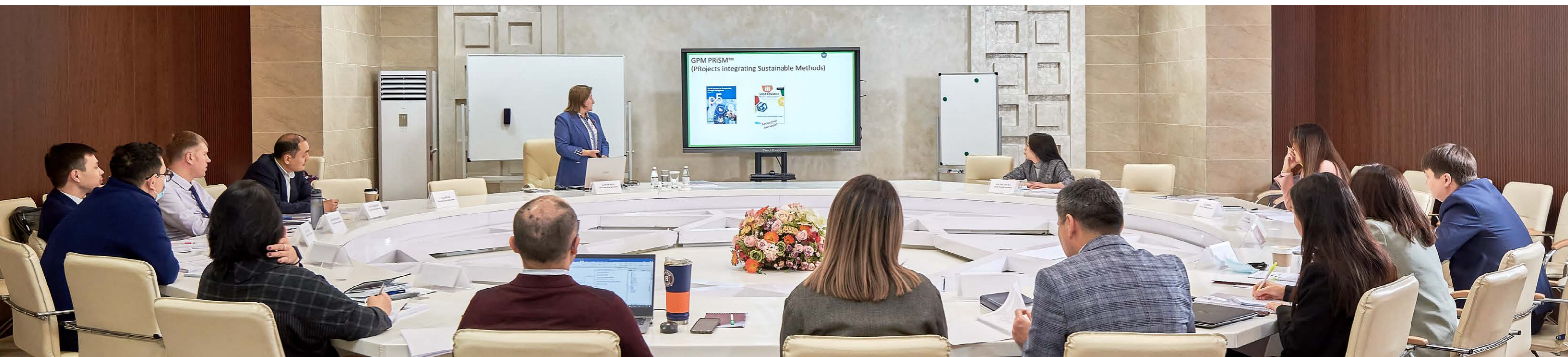
- Leadership and Communications;
- Resilience Culture Management;
- Safety Culture Management;
- Strategic Leadership;
- Project Management.

The leadership programmes are available to both top managers and engineering personnel. As a way to raise awareness about key industrial relations challenges and tendencies, nurture production leadership skills and create an on-site leadership role model, Ozenmunaigas is running a comprehensive training programme for senior and middle management.

The programme kicked off with the launch of its first module (School of Industrial Relations) in autumn 2022. Today it also serves as a communication and discussion platform for the managers of KMG and its subsidiaries and associates, as it helps to improve corporate culture and streamline communications. More than 400 employees of Ozenmunaigas have completed the training so far.

On top of that, the Company put in place communications, time management and financial literacy programmes designed to improve the skills of line managers at production companies and professional associations. One of the key focus areas has been strengthening communications and corporate culture within KMG Group, and fostering dialogue between the management team and employees.

For example, with a view to engaging the management and personnel in a constructive dialogue the Company organised meetings between KMG's management team, including Magzum Myrzagaliev, the Chairman of the Management Board, and trade union leaders at the Company's subsidiaries such as Ozenmunaigas, Mangistaumunaigaz and Karazhanbasmunai. The meetings were attended by the managers of subsidiaries and representatives of trade union organisations. They were held in the form of training sessions and incorporated team-building techniques, while also leveraging a variety of facilitation and team coaching tools.



Sustainability training

Sustainable development matters, including energy transition, GHG emissions, decarbonisation, green project management and others, are of critical importance for the Company and its strategic goals. Every year, our employees improve their expertise and skills in this area in line with global standards and trends.

In 2022, KMG offered its employees training in Green Project Management to raise awareness about best sustainability practices in project management with inputs from the management and professionals of the Corporate Centre and subsidiaries.

Key employees in charge of strategic projects undergo certification under international project management standards (IPMA and GPM) on an annual basis.

To expand staff capabilities, KMG organises training sessions and workshops in various areas of low-carbon development. In October 2022, together with Chevron New Energies experts, KMG held a three-day workshop on Carbon Capture and Storage Technologies.

In November 2022, 45 employees from the Corporate Centre and subsidiaries engaged in energy efficiency management and GHG emission monitoring attended a two-day workshop on Energy Transition and Management of GHG Emissions.

KMG employees also take part in training sessions from international companies to improve their competencies.

Mandatory safety training

Since 2021, KMG Corporate Centre employees take mandatory training in occupational health and industrial and fire safety basics on the platform of KMG Engineering.

KMG Engineering competence centre has a licensing agreement to provide relevant training and issue standardised certificates. In-house employee training enables the Company to adapt its programmes to ongoing internal needs and to ensure uninterrupted employee access to training materials.

As a way to prevent road accidents at production sites, the Company launched Defensive Driving training programmes for KMG Group's drivers in line with the international RoSPA standard (UK). In 2022, the programme was completed by more than 350 drivers from Karazhanbasmunai, Oil Transport Corporation and KMG-Security who transport employees and hazardous goods. Going forward the Defensive Driving programme is expected to cover drivers of all categories across KMG Group.

New Procurement and Supply Management Procedures at Samruk-Kazyna and E-Procurement IT System 2.0

As part of its transparency policy, the Company pays special attention to procurement activities. To enhance the competencies of procurement professionals at KMG Group's Corporate Centre and subsidiaries, we launched a dedicated programme – New Procurement and Supply Management Procedures at Samruk-Kazyna and E-Procurement IT System 2.0.

So far, the programme has covered over 450 employees from 37 KMG companies.



For more details on employee training, see KMG's Sustainability Report.

