



OUR PEOPLE

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attract professional candidates to the labor market in an open and transparent way, develop programs to develop the professionalism of our employees, provide access to training

for employees in accordance with the principle of meritocracy, as well as provide them with safe working conditions.

PERSONNEL STRUCTURE

In the field of human resource management, we follow the norms of Kazakh and international law. We have approved the HR policy aimed at attracting and motivating qualified personnel, developing corporate culture and introducing advanced personnel management technologies.

In order to build an effective human resource management system, we are constantly updating the Corporate Standard, which will define the principles, approaches and requirements for HR processes and promotes the implementation of the best HR practices in the Fund Group. [GRI2-24](#)

A number of rules, for example, the Rules for Remuneration and Social Support of Employees, regulates human resource management processes etc. [GRI3-3](#)

The staff number of employees of the Fund Group for 2022 is 259 055 people (258 044 in 2021). There were no significant fluctuations in the number of employees between the reporting periods. [GRI2-7](#)

Due to the specifics of our production activities, the share of men traditionally accounts for the majority – 72%, while women make up 28% (out of 259 055 people). [GRI2-7](#) The share of administrative and managerial personnel is 7% (the share of women of which is 58%), 93% – production personnel (the share of women of which is 25%). The share of senior and managerial employees is 5% (the share of women of which is 40%).

The share of women in the top management is: in the Management Board of the Fund's Group of Companies – 15%, supervisory and trustee boards, as well as in the Boards of Directors of the Fund's companies – 14%. [GRI405-1](#)

We are working to increase the proportion of women in the management bodies of portfolio companies: a plan has been developed to increase gradually the proportion of women in the Board of Directors and executive bodies of portfolio companies to 30% by 2030 (15% in 2022). By December 2023, the average proportion of women on

the management boards, boards of directors and supervisory boards across the Fund's Group of Companies should reach 20%, by 2030 – 30%. These plans are fully in line with the global trend for gender equality.

Over the past year, the Fund has undergone significant management changes, including a reduction in the number of top managers and the replacement of three out of five managing directors. These changes also affected the management of 8 out of 12 large companies.

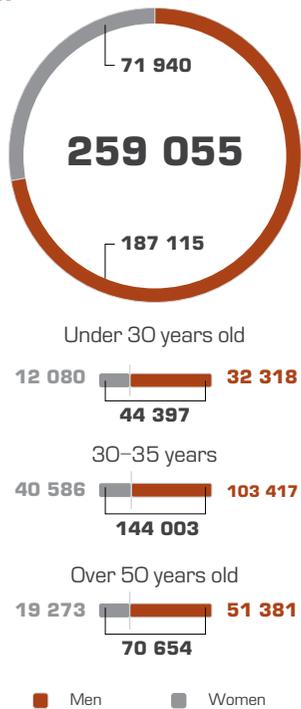
The staff turnover rate by the end of 2022 was 8% (12% in 2021), which is within the staff turnover rate in accordance with item 25 of the Comprehensive Action Plan for Ensuring Social Stability in the Fund Group (14%), approved by the Chief Executive Officer of the Fund for 2022 (No. 9-p). [GRI401-1](#)



EQUALITY FOR ALL

We ensure equal working conditions for all employees, eliminating any form of harassment or discrimination in the workplace, as well as ensuring fair and transparent recruitment processes and career advancement. To increase the transparency of the selection and recruitment procedures for the Fund and portfolio companies, a single online recruiting platform has been operating since 2019 Samruk Qyzmet (QSamruk.kz), uniting 493 companies of the Fund Group. Since 2022, all vacancies are published in open access in the tg- channel @samrukazynaofficial.

FIGURE №3. NUMBER OF FULL-TIME EMPLOYEES AT THE END OF THE YEAR BY GENDER



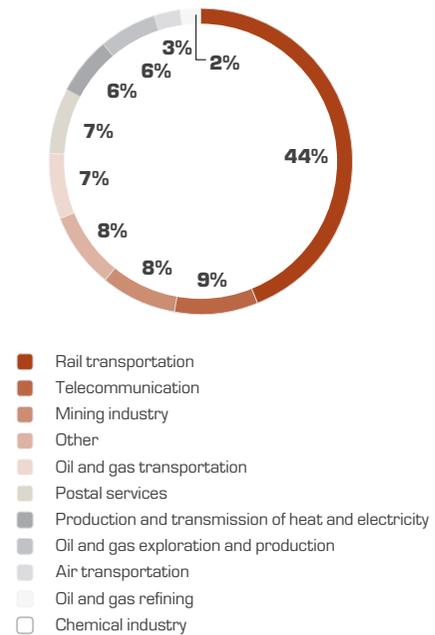
The number of applicants on the unified recruitment portal in 2022 increased by 60% (from 84 486 to 136 489 applicants) which indicates a high interest in working in the Fund's companies. For the entire period (since 2019), more than 27 600 vacancies have been published (for 2022 – 17 354). The number of vacancies closed by external candidates through qsamruk.kz in 2022 – 7 221 (1 794 in 2021).

We adhere to the policy of equality for all and support for people with disabilities, in 2022 the Fund is an employer for 2 860 people with disabilities, while the largest number of them live in the Mangystau region (482 people). There are no gender restrictions in the Fund, for example, there was a 16.7% increase in men who went on maternity and paternity leave in 2022 compared to 2021 (for more details, see Annex 9).

We have no differences in the base salary and in the remuneration system depending on gender differences [GRI405-2](#), and there is also no discrimination of employees on gender, age, national, religious or other grounds. [GRI2-24, GRI406-1](#)

The Fund promotes Kazakhstani personnel to senior positions, therefore 10 foreign employees among the administrative and managerial staff were replaced by Kazakhstani citizens. The number of foreigners on the Board of Directors and Supervisory Boards was also reduced from 23 to 14 (40%). [GRI202-2](#) The Fund actively attracts members of the Presidential Youth Talent Pool to leadership positions. Three of the five managing directors of the Fund are young graduates of the Presidential Youth Personnel Pool.

FIGURE №4. PERSONNEL STRUCTURE BY TYPE OF ACTIVITY



The requirements for the management staff have been strengthened. Now all candidates for the posts of first managers, managing directors and heads of divisions of the Fund's companies are checked by compliance officers to prevent affiliation and corruption. Polygraph tests, also known as lie detector tests, are used as a tool to check potential candidates for positions associated with high corruption risks, namely for senior positions in the field of procurement. [GRI205-1](#) During the reporting period, 133 candidates in 52 companies passed such a test, while 27 people failed the test and were not hired.

Why is this important to us?

Our attitude towards employees and their representatives is the basis of doing business. In order to create favorable conditions for effective work, attract and retain highly qualified personnel, social support is provided for all full-time employees of the Fund and portfolio companies, which includes various types of social benefits and compensation.



Our goals and objectives:

- Formation and development of an effective corporate culture based on strong leadership teams, implementation of the fundamental principles of meritocracy and investment in personnel development.
- Introduction of various mechanisms, including non-financial ones, including improvement of the conditions of collective agreements and social package, public recognition of merits

Material topics	Impact type	Direct impact	Indirect impact
Workplace safety and health	–	●●●	●●●

Impact type: + positive – negative

Materiality level:

- strong
- average
- low

CARING FOR OUR PEOPLE

In order to create favorable conditions for effective work, attract and retain highly qualified personnel, social support is provided for all full-time employees of the Fund and portfolio companies¹³. We provide employees with a guaranteed social package, which includes various types of social benefits and compensations:

- financial assistance for recovery for work leave;
- payments in connection with pregnancy and childbirth;
- monthly payments to employees who are on parental leave until they reach the age of 1.5 years;
- assistance in solving housing issues;
- compensation upon termination of the employment contract in case of inability to transfer to another job, due to general disability, disability;
- one-time payment in connection with the death of an employee for funeral arrangements, a one-time payment to the family of an employee who died as a result of an accident at work. [GRI401-2](#)

We provide all the necessary conditions for maternity/paternity leave. In 2022, 9 274 people (9 513 in 2021) took maternity leave and parental leave (including 5.4% of men). The rate of women returning from maternity leave is 42% and 41% of men (in 2021 56% and 38%, respectively). [GRI401-3](#)

The Fund also provides social guarantees for voluntary medical insurance in case of illness, as well as for the promotion of a healthy lifestyle, an installment plan is provided for the purchase of season tickets for visiting a fitness club. [GRI401-2](#)

In addition, employees are provided with historically formed types of social support. [GRI401-2](#) These types of social assistance are fixed in collective agreements, or provided for by internal

regulatory documents of a separate enterprise. Such payments include:

- payments in connection with the achievement of the jubilee age;
- in connection with the conclusion of marriage;
- short-term leave upon marriage;
- in connection with the birth of a child;
- in connection with the death of relatives – with the preservation of wages;
- for treatment and payment of medical operations, if the cost of treatment exceeds the limit set by the insurance program;
- disabled employees;
- disabled children of the employee, and many others.

These benefits have not changed, despite the crisis period.

In accordance with national legislation, the pension savings of citizens are in a Single accumulative pension fund. Pension savings consist of: a minimum pension rate guaranteed by the state; individual pension savings (monthly contribution – 10% of salary) and additional regional allowances. [GRI201-3](#)

The ratio of the minimum average monthly salary of our employees (taking into account bonuses, surcharges and allowances) to the minimum wage established by national legislation for 2022, depending on the region of activity, is within:

- for production personnel (men) from 1.2:1 to 2.7:1;
- for production personnel (women) from 1.2:1 to 2.4:1;
- for administrative and managerial personnel (men) from 2.4:1 to 5.5:1;
- for administrative and managerial personnel (women) from 2.4:1 to 4.5:1.

¹³ The benefits package may vary depending on the organization.

Why is this important to us?

More and more attention in the world is paid to the development of human capital, one of the most valuable resources. Realizing the ambitions of our strategy depends on highly motivated employees and their development in new areas. Therefore, investments in our employees are the main priorities for maintaining and strengthening the competitive advantages of the Fund.



Our goals and objectives:

- Continuous professional development of employees, based on the best world practices
- Improving the leadership potential of our employees, supporting the development of modern business leaders

Material topics	Impact type	Direct impact
Training and education	+	●●

Impact type: + positive – negative

Materiality level:

- strong
- average
- low

The highest value of this coefficient falls on the Mangystau and Atyrau regions.

In 2022, the salaries of 243 thousand employees of the Fund Group were increased by 5-48% with an emphasis on low-paid positions.

INVESTMENTS IN TALENT DEVELOPMENT

Development of human capital through the development of human resources, strengthening of the competencies of our employees in new areas and continuous improvement of their qualifications, based on the best international practices, is one of our strategic objectives.

Development of our employees is based on the 70/20/10 principle, in which each employee is responsible for his own training and development in accordance with an individual development plan. The Fund invests in self-development, training, coaching, mentoring, functional academies, HR projects and professional communities within the Fund group in order to create highly qualified human resources. The main priorities for maintaining and strengthening competitive advantages include the introduction of competence development programs, modular training programs, priority training of engineers and technical specialists and workers, the development of dual training for engineering and technical specialties, the use of digital technologies in training and the development of adaptation programs for all levels of personnel. Our approaches include developing an internal training system, rotating employees to acquire and develop skills, creating a talent pool, improving assessment methods, ensuring knowledge transfer between foreign and local employees, supporting employees in international training programs and implementing outplacement programs to help employees transition to new opportunities in case of reduction, restructuring, liquidation or retirement. [GRI404-2](#), [GRI3-3](#)

In 2022, 625 328 employees of the Fund group were trained. For these purposes, the training costs amounted to HZT104.3 billion, with an average cost of training – HZT166.7 thousand per employee (HZT227.9 thousand in 2021). The total number of training of

The minimum notification period in respect of significant changes in the organization's activities is no later than 15 calendar days, unless a longer notice period is provided for in labor or collective agreements. [GRI402-1](#)

employees amounted 11.8 million hours per year (production personnel – 6,1 million hours per year, managerial and administrative personnel – 5,7 million hours per year).

On average, 1 employee of the Fund Group completed 19 academic hours of training, including: [GRI404-1](#)



The main principles of talent management include development of the human resources potential of the Fund in accordance with the business strategy, transparency and fairness, the creation of a pool of successors that meet our real needs, discussion of career plans and career development of employees outside their division. The main task of the talent management system is to create a pool of employees with the potential to perform important roles for the company and provide the Fund with the necessary talents in the future.

We carry out regular assessment of personnel performance, which is regulated by the Rules of assessment of administrative and managerial employees of Samruk-Hazyna JSC. The purpose of the assessment is to improve the performance of employees by defining the requirements for performance results, skills, knowledge and competencies of employees to achieve the strategic goals of the Fund. [GRI 404-3](#)

Performance assessment is based on the following basic principles:

- providing fair and objective feedback built on trust;
- assisting in the identification of training and development needs;
- helping to improve individual performance.

We also pay attention to the system of recognizing the merits of employees and encouraging them to achieve business results, as well as improving the remuneration system. To do this, Fund analyzes the labor market, maintains the level of wages in accordance with financial and economic opportunities, maintains a differentiated approach to determining the level of wages and reduces the gaps between administrative and managerial and production personnel. The same system is implemented in portfolio companies.

CORPORATE CULTURE

We are working to create an effective corporate culture based on a strong leadership team, employee engagement and consistency. Our corporate values HIT (Humility, Integrity, Transparency) – are at the heart of our corporate culture and are the main principles of internal and external communications.

Our management strictly adheres to corporate ethical standards of behavior, maintains and develops corporate culture at a high level and acts in the interests of the Fund and the population as a whole. Compliance with and development of corporate values of behavior both inside and outside the Fund is the responsibility of each manager and employee.

Our service company, Private Institution “Samruk Business Academy”¹⁴, providing services in the field of training, evaluation and development of personnel, retraining and advanced training of specialists of the Fund Group of Companies, assists us in forming a corporate culture in accordance with our strategic development goals. The following milestone events were held in the reporting year:

- VII Annual Forum of CEOs “Leadership in the field of industrial safety. New challenges and approaches” JSC NC KazMunayGas (75 participants);
- The three-year modular training programme for 100 young people of Kazakhstan NC Kazakhstan Temir Zholy has been completed;

- leadership programs: 2 module “Mansap. Pool B” (14 participants) for management and personnel reserve of JSC NC KazMunayGas;
- Gender Equality program for the Fund (140 participants participated, 71 are completing the project);
- Youth Forum “Tools of public communication of agents of change” for KazTransOil JSC (50 participants);
- the 1st and 2nd modules of the “Middle Management” training program were conducted, designed for the training period from October 2022 to May 2023;
- the first and second stages of the program for the development of young leaders, the target audience of which are young specialists of the Fund and portfolio companies under 35 years of age.

Every year we organize the contest, which is aimed at promoting the idea of universal labor and popularization of industrial professions.

Further growth areas:

- Launch of new training programs (HR, PR, IR schools, etc.).
- International accreditation of EFMD Global/Global CCJ.
- Implementation of the SBA LMS system (automated system for the dissemination of knowledge and experience).
- Creation of a center for applied qualifications with expert and methodological support.
- Development of production training programs “School of Oil and Gas Industry and Petrochemistry”, “School of Transport and Communications”, “School of IT and Telecommunications”, “School of Energy”, “Health & Safety School”.

¹⁴ The SBA was renamed in 2022 from Private Institution “Samruk-Hazyna Corporate University”, established in 2004, on the basis of Unified Personnel Development Center

YOUTH POLICY

To date, the Fund's Group of Companies has more than 44.5 thousand young professionals under the age of 30, or 17% of the total number of employees. The share of senior and managerial employees under the age of 30 is 7%. With the aim of a systematic approach to working with young people, the introduction of new approaches with an emphasis on the intellectual and professional development of young professionals, the Fund implements an Action Plan for the development of youth policy. Supervisors have been identified in each portfolio company to work with young people. The Institute of Youth Councils has been introduced.

The program of the intensive challenge "Jas Samuryq" (individual fulfillment of tasks in three areas of development – physical, emotional and intellectual) was developed, following which a youth educational forum was held for 200 of the most active employees of portfolio companies (opinion leaders).

JSC NAC Hazatomprom implements the programs Jas Orken and Izbasar for development of young professionals. The purpose of the program is to nurture talented leaders with the prospect of gradual career growth at the company's enterprises.



Why is this important to us?

Social and labor relations are an important component in ensuring the improvement of the quality and productivity of labor. Each employee has the right to association, including the right to form trade unions to protect their interests and the interests of labor collectives. It is important for us to fully support this right and create for them necessary conditions.



Our goals and objectives:

- Implementation of the Comprehensive Plan for Ensuring Social Stability
- Promoting and strengthening the role of conciliation institutions, including the training of trade unions and the creation of their own pool of mediators.

Material topics	Impact type	Direct impact
Interaction with employees	+	●●●

Impact type: + positive – negative

Materiality level:

- strong
- average
- low

SOCIAL AND LABOR RELATIONS

The indisputable right of employees is the right to freedom of association, the right to unite in trade unions to protect the interests of labor collectives. As a socially responsible company, we fully support this right and create a favorable environment for the development of this institutional structure. [GRI 407-1](#)

Trade unions are a good example of a platform for dialogue, which is confirmed by international experience. By the end of 2022, collective agreements have been signed in 38 of our portfolio companies (in 2021 – 37). [GRI 2-24](#), [GRI 407-1](#), [GRI 2-30](#)

The Center for Social Interaction and Communications (hereinafter referred to as CSIC) is a platform for regulating social and labor relations and developing social partnership in the Fund's Group of Companies. To coordinate the interaction of the Fund's divisions and portfolio companies in case of crisis situations and organizations of anti-crisis measures, the Operational Headquarters of the Fund has been operating since 2021. During the reporting period, 7 meetings of the Operational Headquarters were held.

We monitor the moral and psychological climate in labor collectives. Work is underway to improve working conditions, prevent labor disputes, etc. There is a Social Stability Monitoring Center at the CSIC, which collects and analyzes operational data on the prerequisites or facts of social tension in labor collectives via 4 communication channels (e-mail, phone, Whatsapp messenger, website) 24/7. In 2022, more than 23 thousand appeals were received through the hotline of its call center Nysana, including on issues of social and labor relations (relevant) – 1 037. 86 strikes have been registered, 78 of which are in the Mangystau region, including 30 strikes by contractors in the oil and gas sector.

An interactive Map of social stability has been introduced, through which the situation at the enterprises of the Fund's Group of Companies is monitored in real time (there are 12 portfolio companies in the perimeter, more than 230 thousand people).

Since 2013, the Fund's Group of Companies has been conducting a study of the level of social stability of Samruk Research Services, which allows diagnosing problem areas in the social and labor relations of production collectives throughout Kazakhstan and taking timely preventive measures. It covers almost all employees of companies.

The level of social stability in the Fund's Group of Companies by the end of 2022 is satisfactory – the overall SRS indicator was 70%, having decreased by 3% compared to 2021 (coverage of more than 97 thousand respondents). The study was conducted via SMS mailing (online survey) and telephone survey.

For more than five years, the comprehensive educational project Corporate School of Trade Union Activists of the Fund has been nurturing professional trade union workers of a new formation. The training program pays special attention to such methods as conflict management, mediation, psychology of effective communication, formation of a collective agreement. Much attention is paid to the step-by-step algorithm for creating a trade union and forming a collective agreement. At the Activist School, students are taught to prevent disputes from arising, not to deal with their consequences. The School's program includes training in skills that are in demand today, such as labor law, collective bargaining and trade union organization. [GRI 407-1](#)

In March 2022, we launched the project "Pool of mediators". 102 employees from various portfolio companies of the Fund Group were trained in the cities of Astana and Almaty. The purpose of this project

Why is this important to us?

Safety and security at work is a basic human right, and we have a responsibility to ensure the safety of our employees and everyone who works at our facilities. Particular attention is paid to maintaining an effective occupational safety management system in accordance with the international standard ISO 45001 «Occupational Health and Safety Management System».



Our goals and objectives:

- Achieving LTIFR 0.14 in 2023
- Reaching LTIFR 0.11 in 2027
- 100% safety culture training for production personnel in 2023

Material topics	Impact type	Direct impact	Indirect impact
Workplace safety and health	–	●●●	●●●

Impact type: + positive – negative

Materiality level:

- strong
- average
- low

is to have a certified mediator in each company of the Fund Group for timely detection and resolution of conflicts. From 2018 to 2021, the Center for Social and Labor Relations trained more than 300 trade union employees of the Fund Group companies throughout Kazakhstan. The training of 80 more trade union leaders was completed on August 19, 2022. [GRI407-1, GRI2-24](#)

Another direction is the introduction of IR (industrial relations) methods in the Fund's Group of Companies, which will improve social and living conditions at work. In 2022, a Corporate standard was approved to ensure unified approaches and

OCCUPATIONAL SAFETY

Ensuring occupational safety and striving for “zero injuries” is an integral part of our strategy. Given the nature of our activities and work at production facilities within the Fund's Group, there is potential risk to individuals, leading to disability, asset loss, decreased production efficiency, financial losses, and potential harm to the Fund's reputation. In this regard, the year 2022 was designated as “Year of Occupational Health and Safety” within the Fund's group of companies.

To achieve our strategic goal, we pay special attention to maintaining an effective occupational safety management system in accordance with the international standard ISO 45001 “Occupational Health and Safety Management System”, which applies to all employees of the Fund Group. Within the framework of this system, we follow the requirements of the national legislation of the Republic of Kazakhstan in the field of industrial, fire safety and labor protection, as well as introduce the best industry-wide practices to ensure occupational safety. We carry out our activities in accordance with the Occupational Safety Policy, the Corporate

centralized regulation of IR development in the Fund's Group of Companies, training was also conducted in the field of sanitary and epidemiological monitoring of social and living conditions, development of internal communications, feedback culture and prevention of pressure in the workplace, as well as on the history and relationship of IR with the ESG agenda and Sustainable Development Goals.

Thanks to the measures taken, emerging labor disputes are resolved within the legal framework using mediation methods, involving local trade union organizations of the Fund's Group of Companies and through an appeal to the judicial authorities.

Standard for Occupational Safety Management, which apply to portfolio companies, their subsidiaries and affiliates, as well as service providers. [GRI403-1, GRI403-8, GRI3-3](#)

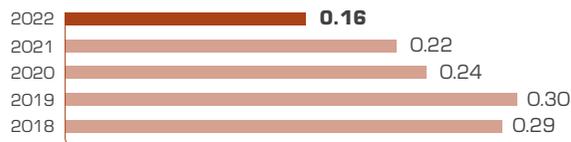
At the same time, companies themselves ensure the implementation and certification of health and safety management systems and ensure their compliance with the requirements of the above documents. The improvement of systems is carried out on a continuous basis through the development or updating of individual procedures in the relevant areas of industrial safety, development of an action plan to improve the efficiency of the industrial safety system, etc.

The top management of the Fund Group plays an important role in ensuring occupational safety. It is a driver of safe behavior and demonstrates commitment and involvement in industrial safety issues. In 2022, the Board of Directors began to pay even more attention to monitoring the health and safety of employees. Reports on industrial safety were considered at

meetings of the Board of Directors. The monitoring of cases of Covid-19 infection continued regardless of the stabilization of the situation in the country.

The Fund has been successfully operating a dialogue platform for discussing problematic issues, exchanging experience, as well as considering strategic initiatives and ideas in the field of industrial safety for three years – the HSE Committee under the Management Board of the Fund. This Committee consists of responsible representatives of the CEO-1 level of 13 of the largest portfolio companies. The main purpose of the Committee is to develop recommendations for the Fund's Management Board and the Fund's representatives on the Boards of Directors, to ensure coordination and control over the implementation of portfolio companies' activities to improve the efficiency of the corporate management system in the field of industrial safety. [GRI 403-4](#) [GRI 2-24](#).

FIGURE №5. DYNAMICS OF THE LOST TIME INJURY FREQUENCY RATE (LTIFR), UNITS.



In 2022, 5 meetings of the Committee on Labor Protection, Industrial Safety and Environmental Protection were held. The work was focused on the following areas:

- monitoring of progress and results of activities in the field of industrial safety;

- review of the results of accident investigations and measures taken;
- development of new and improvement of existing regulatory documents and processes (including a number of digitalization solutions) in the field of industrial safety.

Industrial safety services have been established in large portfolio companies. We are implementing direct administrative accountability of the industrial safety function in each portfolio company to the first head. Thus, in JSC NC QazaqGaz in 2022, the function of industrial safety was separated from the production unit and an independent service was formed, subordinate to the CEO of the Company. On average, there are 134 employees per 1 employee of industrial safety in the Fund group. [GRI 403-3](#)

FIGURE №6. DYNAMICS OF THE FATALITY ACCIDENT RATE, UNITS.



We use a risk-based approach in ensuring occupational safety. On a regular basis during the reporting year, audits of the state of workplaces were conducted at various levels of management. The number of internal audits conducted for compliance with the requirements in the field of industrial safety in 2022 reached 25 641 audits (19 073 audits in 2021). At the same time, 121 thousand of 126 thousand identified inconsistencies were eliminated. For the remaining violations, longer periods of elimination have been established. [GRI 403-2](#)

Working without accidents and incidents at work in a group of companies depends not only on the purposeful actions of employees, but also on the employees of contracting organizations. The requirements imposed on contractors for strict compliance with corporate regulations and rules on occupational safety and health is an integral part of an effective management system in the field of industrial safety of the Fund. The requirements for employees of contracting organizations, including in terms of their qualifications and competence, are the same as for our employees. These requirements are part of contracts with public organizations. The Fund and portfolio companies assess their compliance during on-site audits based on the actual assessment of contractors for compliance with industrial safety requirements.

Great support to workers on the ground is provided by 178 trade union organizations. In order to preserve the life and health of workers in the workplace, together with trade unions, measures are envisaged to improve working conditions, prevent occupational injuries and occupational diseases, and implement internal and public control. [GRI 403-7](#) [GRI 403-10](#)

We provide annually financing for measures to prevent accidents, improve sanitary and living conditions for employees, improve the health of employees, purchase personal protective equipment, dry cleaning and washing of workwear, conduct training and promotion of occupational safety issues. In 2022, KZT126 billion was spent for these purposes (KZT99.8 billion in 2021).

TABLE 7. INVESTMENTS IN ENSURING THE REQUIREMENTS IN THE FIELD OF INDUSTRIAL SAFETY BY DIRECTIONS, KZT BILLION

	2018	2019	2020	2021	2022
Total	57.0	65.3	122.4	99.8	126.0
Labor protection	17.0	17.7	19.9	22.6	24.4
Fire safety	7.6	8.2	8.6	10.2	15.2
Industrial safety	27.8	34.0	88.4	60.8	81.9
Training	2.0	2.4	1.9	2.4	1.7
Other	2.2	2.5	3.3	3.6	2.5

In order to motivate portfolio companies to improve the state of industrial safety, according to the results of 2022, the practice of awarding the annual nomination of the Chief Executive Officer of the Fund for achieving results in the field of industrial safety was introduced for the first time. Thus, according to the results of the evaluation, the nominee for the first place was determined by Kazakhtelecom JSC, which was awarded with a Certificate of Honor by the CEO of the Fund. [GRI403-7](#)

Key results of 2022

Together with our portfolio companies, we have carried out systematic work aimed at improving occupational safety management systems and reducing the level of injuries in the following areas:

- 1) increase leadership and commitment of managers. Kazakhtelecom JSC, HEGOC JSC, JSC NC QazaqGaz, Samruk-Kazyna Odeu LLP, by analogy with the Fund, held specialized Forums on industrial safety for the first time. At these events, the first heads, heads of subsidiaries and affiliated organizations and structural divisions assumed

obligations for industrial safety.

In addition, CEO-1 heads will now have to carry out on-site inspections of production sites at least once every 2 months. In total, the heads of companies at the CEO-1 level conducted 43 inspections in the reporting year.

- 2) increasing the level of safety culture, changing awareness and involvement of employees in industrial safety issues. In 2022, proactive injury prevention tools were actively introduced, such as registration of dangerous conditions, dangerous actions, potentially dangerous incidents (Near Miss), conducting Behavioral safety observations, implementing the right of every employee to suspend unsafe types of work. In 2022, 136 360 Behavioral Safety observations were conducted, 2 040 unsafe types of work were suspended (1 797 in 2021), which indicates a growing level of safe work culture. [GRI403-2](#)
- 3) exchange of experience, both within the Fund Group and with leading companies in the industries. The heads and employees of industrial safety services visited and got acquainted with the approaches to work in such large organizations as Tengizchevroil, (NCOC) North Caspian Operating Company, (KPO B.V.) Karachaganak Petroleum Operating B.V. The Kazpost JSC employees, as part of the exchange of experience in ensuring transport security, visited "Trade and Transport Company" LLP, employees of ALeS of Samruk-Energy JSC got acquainted with the procedure for ensuring electrical safety at the power complex of SHZ-U LLP and SHZ-U LLP visited GRES-1 with a return visit.
- 4) development of employee competencies. In 2022, 210 406 or 81% of employees were trained within the requirements of the legislation of the Republic of Kazakhstan in the field of labor protection, industrial and fire safety, 62 114 or

24% of employees were trained in courses that go beyond the legislation of the Republic of Kazakhstan.

Also, 244 employees were trained at the NEBOSH courses, 817 employees were trained at the IOSH courses, and 3 069 employees were trained in "defensive driving".

In addition, we have developed our own corporate training course "Occupational Safety Culture", which has been approved by the Institute for Safety and Health in the UK and plans to train 100% of production personnel on this course. [GRI403-5](#)

- 5) digitalization of processes. The SAP system has started reporting on incidents and leading indicators.
- 6) emergency prevention. The practice of conducting joint exercises to eliminate conditional accidents at hazardous production facilities has been introduced. Thus, on the basis of the Aktau IPS of Mangystau Oil Pipeline Management, a crisis management team exercise was held on the topic "Fire in the tank farm".
- 7) conducting cross-audits. In total, the Fund, together with company experts, conducted audits in 18 organizations of the Fund, during which more than 600 inconsistencies were identified, potentially being prerequisites for accidents. [GRI403-2](#)

The result of the activity was a decrease in the total number of the injured of industrial accidents by 16% compared to 2021 (from 133 to 111 people). All employees of the Fund's Group were included in the assessment of occupational injuries. [GRI403-9](#)

The LTIFR coefficient was 0.16¹⁵, showing a decrease of 27% compared to 2021. [GRI403-9](#)

The rate of severe injuries associated with the Fund's production activities began to be calculated from 2022 and amounted to 0.15.

Unfortunately, there were 12 fatal accidents in 2022 (14 cases in 2021): in JSC NC Kazakhstan Temir Zholy – 5, Samruk-Energy JSC – 4, JSC NC HazMunayGas - 1, HEGOC JSC – 1, JSC NAC Hazatomprom - 1. [GRI403-9](#)

TABLE 8. NUMBER OF ACCIDENTS BY TYPE OF ACCIDENT IN 2022, UNITS.

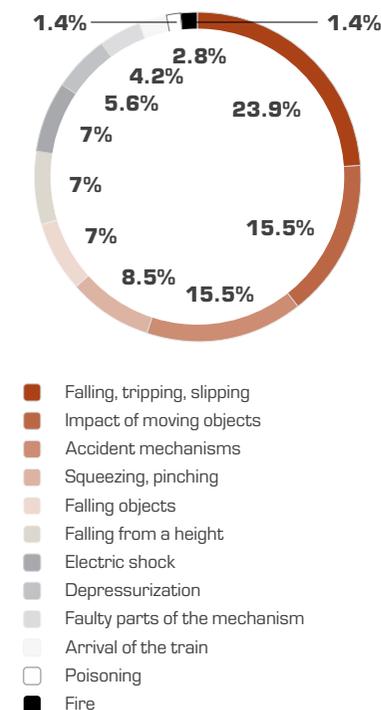
Portfolio company	Cause of death	Number of cases
JSC NC Kazakhstan Temir Zholy	Squeezed between cars	2
	Electric shock	1
	Falling from a height	1
	Collapse of the structure	1
Samruk-Energy JSC	Electric shock	1
	Falling from a height	1
	Hit-and-run by rolling stock	1
	Squeezed between the body and suspension of the car	1
JSC NC HazMunayGas	Pipeline depressurization	1
SC NAC Hazatomprom	Traffic accident	1
HEGOC JSC	Falling from a height	1

An important aspect is the analysis and investigation of incidents occurring in the workplace, and taking measures to prevent their recurrence in the future. The analysis is carried out on each case, newsletters are sent out with a brief description of the circumstances, reasons and corrective measures taken in order to prevent their repetition in other companies. [GRI403-7](#)

55% of all traumatic cases of severe degree fall into three categories of accidents: falling; tripping and slipping; exposure to moving, flying, rotating objects and accidents.

Most of the accidents with a severe degree occurred with the people aged 36 to 50 years. Almost a third of the injured had work experience from 11 to 20 years. This indicates that over time, employees with long experience have a sense of self-confidence and lack of concentration when doing work. In this regard, our activities for 2023 will be aimed, among other things, at solving this problem. [GRI403-9](#)

FIGURE №7. ACCIDENTS BY TYPE OF INCIDENT IN 2022, %



¹⁵ LTIFR (Lost time injury frequency rate) – the number of employees of the company injured in accidents with loss of working capacity (including those who died) multiplied by 1 million man-hours and divided by the total number of man-hours worked for 12 reporting months [GRI403-9](#)

OCCUPATIONAL HEALTH

We strive to help each employee form their own conscious attitude to the topic of well-being and instill the skills necessary for a healthy and happy life at work and outside it. The Fund carries out systematic work to improve physical well-being, the formation of healthy habits to improve the quality of life, improve health and increase productivity.

The management of issues in the field of occupational health and hygiene in the Fund group is carried out in accordance with the requirements of the Kazakh legislation: The Labor Code, the Health Code, Sanitary Rules and Instructions of the Republic of Kazakhstan, International requirements in the field of occupational health and hygiene. At least once every five years, certification of production facilities for working conditions is carried out with the involvement of an independent specialized organization, according to the results of which a set of

organizational and technical measures is carried out to improve working conditions and safety. [GRI 3-3, GRI 403-3](#)

By the end of 2022, the number of non-work-related fatalities due to poor health decreased by 49%, in total 27 workplace fatalities were registered, 90% of which were caused by circulatory diseases, including cardiovascular diseases.

One of the possible reasons for the high percentage of diseases of the cardiovascular system among workers are complications after the COVID-19 pandemic or "postcovid syndrome".

In 2022, an increase in the number of cases of deterioration of health in the workplace was recorded to 6 384 (3 877 in 2021). One of the reasons for the increase in cases of deterioration of health is the COVID-19 pandemic. In 2022,

201 463 employees (of 207 407 to be examined) underwent periodic medical examination.

In order to reduce cases of deterioration of health, as well as to improve physical well-being, the formation of useful habits to improve the quality of life of employees in portfolio companies, the following work is carried out:

- 1) an annual medical examination, pre-shift and post-shift monitoring of the health status of employees is carried out; based on the results of the medical examination, recommendations are issued for the prevention of socially significant diseases, as well as for further monitoring, treatment and rehabilitation;
- 2) an annual action plan is developed to improve the health of employees and improve working conditions, agreed with the territorial subdivision of the department of the state



body in the field of sanitary and epidemiological welfare of the population;

- 3) sports contests, sports events are held at enterprises and central offices of the PC, aimed at improving the health of employees;
- 4) medical workers carry out sanitary and educational work in the form of lectures and talks on the prevention of diseases of the circulatory system, tobacco smoking, alcoholism, irrational nutrition at production facilities;
- 5) employees are sent for sanatorium-resort treatment, financial assistance is provided for vacation in order to improve their health;
- 6) in JSC NC Kazakhstan Temir Zholy, on the recommendation of the Fund, a new indicator of industrial safety has been established, consisting of 4 indicators, including the Coefficient of the frequency of deterioration of the health with a fatal outcome with cascading to the network and regional levels of management.

[GRI403-6](#), [GRI403-7](#)

Further growth areas

Our goal for 2023 is to achieve an LTIFR of 0.14, which is the corporate KPI of the Fund. Additionally, the KPI of portfolio companies includes the registration of behavioral safety observations, occupational safety and health cards, audits of contractors and others, which should positively affect the minimization of injury cases.

We intend to continue our work to improve the level of safety culture of employees, develop leadership of top management,

ensure the reliability of equipment and the use of effective methods to prevent emergencies.

For these purposes, an Action Plan for Industrial Safety for 2023 has been developed and approved by the CEO of the Fund, consisting of 38 specific measures with set deadlines, including:

- 100% training of all production personnel on safety culture;
- implementation of motivation systems and definition of clear criteria of responsibility for violations of security requirements;
- development of courses and training of employees on methods of safe implementation of the most dangerous types of work;
- development and control of the implementation of technical re-equipment plans;
- implementation of the “Lockout/tagout” (LOTO) blocking and labeling procedure;
- continuation of work on automation of reporting and application of digital solutions.

In particular, portfolio companies are working on the implementation and financing of the following instruments:

- automatic notification of the approach of railway rolling stock to the place of track work;
- remote video monitoring system when moving cars forward – “technical vision”;
- employee positioning system;
- equipping large-sized equipment with a light indicator of hazardous areas;
- tracking the health status of employees using wristbands and other solutions.

- creation of a permanent headquarters for systematization of work and rapid response to possible emergencies;
- conducting command and staff exercises to eliminate accidents, emergencies with the involvement of the Fund and government agencies;
- analysis and, if necessary, installation of additional devices that automatically monitor the excess of the maximum permissible concentration of hazardous substances in the air of the working area;
- continuation of work on the management of contractors.

In 2022, the number of identified inconsistencies during audits in the field of industrial safety in contractors amounted to 15 863, 14 707 of which were eliminated. Thus, it was decided to continue to work actively with contractors outside the Fund's group of companies from 2023 on the formation of a culture of responsible behavior in the field of industrial safety. One of the first stages of the work is the introduction of reporting on the state of industrial safety in contracting organizations in companies. Starting next year, the responsibility has been fixed to hold meetings at least once a quarter with the management of regional divisions of companies with contractors carrying out work at facilities, which will increase the level of formation of a safety culture among contractors.

The Fund will continue systematic work in improving the system of industrial safety and support each of the group of companies who show leadership and consciously comply with occupational safety requirements, encourages their colleagues to do so.

[GRI403-6](#)