

SUSTAINABLE DEVELOPMENT



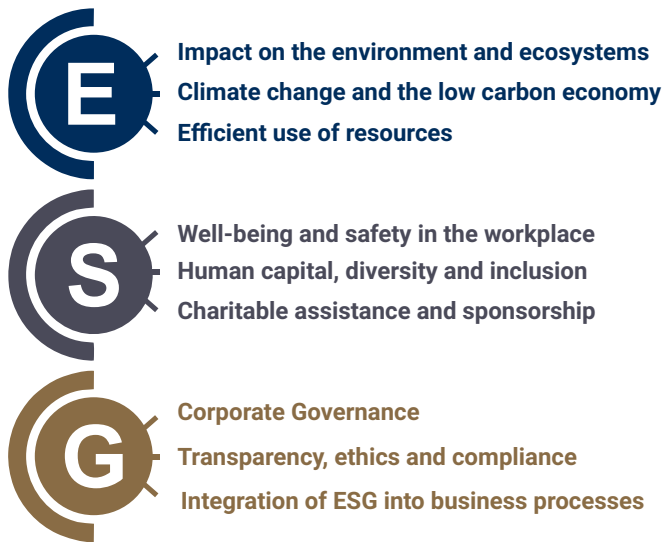
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ESG-TRANSFORMATION

PRINCIPLES OF SUSTAINABLE DEVELOPMENT



One of the key objectives of the Fund is to promote sustainable development through the introduction of economic, social and governance principles (ESG principles).

In 2021, the Fund started developing an ESG Policy to establish common principles of ESG activities for the Fund and its Portfolio Companies (PCs) and declare for investors the commitment of the Fund to ESG principles. The Fund develops recommendations for PCs regarding the voluntary disclosure of information about financial risks of companies that arise in connection with global climate change.

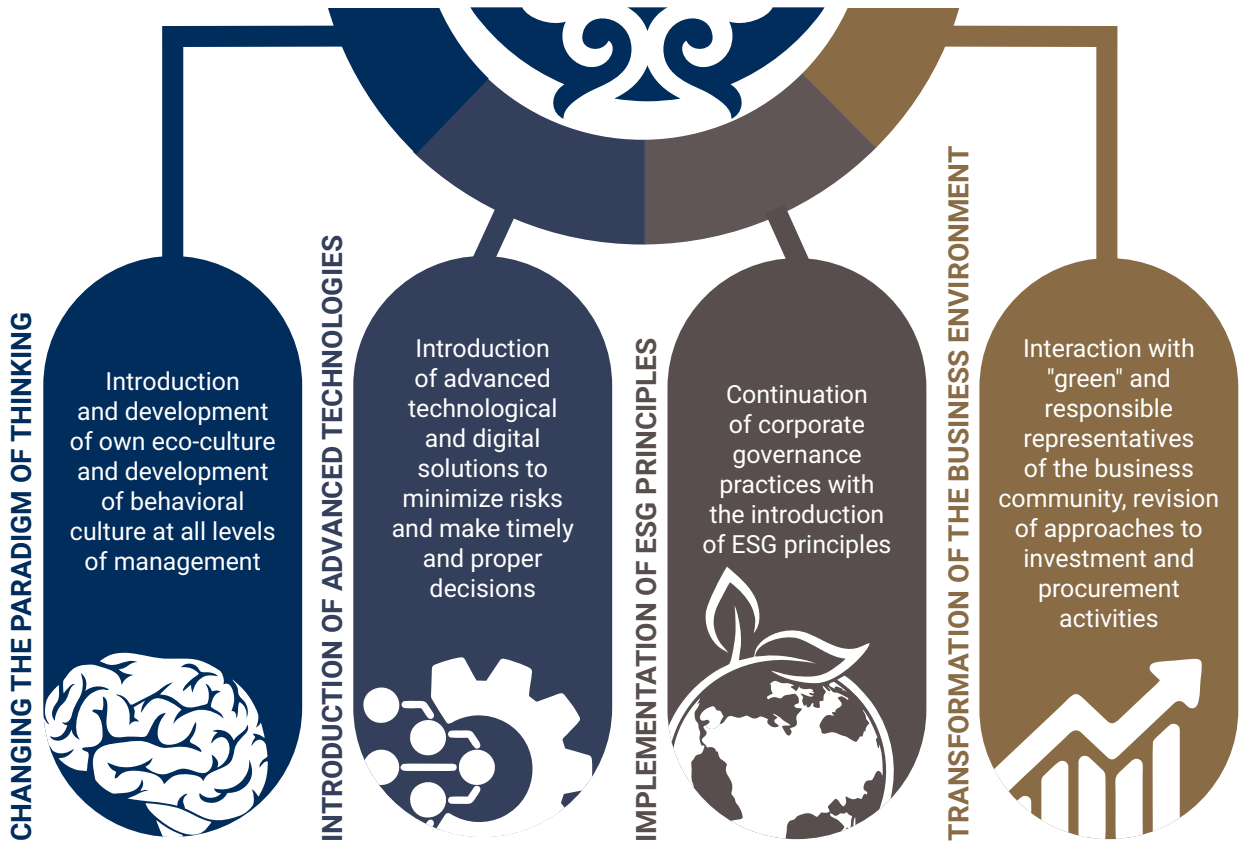
These are based on the TCFD (Task Force on Climate-related Financial Disclosure) recommendations, which promote the strengthening and development of corporate risk management practices.

It is expected that all PCs will obtain ESG ratings during 2022-2023 to increase investment attractiveness.

In 2020, KazMunayGas was the first in Kazakhstan and in the Fund to receive an ESG rating from Sustainalytics. In 2021, Sustainalytics international agency upgraded the indicator of KMG's risk rating in the field of sustainable development from 34.5 to 28.4 points (which is above an average indicator).

The implementation of ESG principles is important for the Fund as this will increase the long-term value of assets and investment attractiveness.

The Fund plans a deep ESG transformation, in which the employees of the Fund's Group will play a fundamental role. Only a change in the paradigm of thinking of each employee of Samruk-Kazyna group of companies and an understanding of the importance of their own contribution can ensure the successful implementation of the principles of sustainable development. It is necessary to introduce and develop an eco-culture at all levels of management. Each employee of the company should contribute to the formation of the company's image as a responsible participant in the international market.



Second, it is necessary to ensure the introduction of advanced technological and digital solutions. This will minimize risks and ensure timely adoption of proper decisions.

Third, it is necessary to continue the practice of corporate governance based on ESG principles. Management and members of the Boards of Directors of Portfolio Companies should not only adhere to approaches to sustainable development, but also improve them in a timely manner.

Fourth, special attention should be paid to the transformation of the business environment. It is necessary to further establish cooperation with the "green" and responsible representatives of the business community. There is a need to revise approaches to investment and procurement activities based on the principle of commitment of counterparties and partners to sustainable and inclusive development.

The employer's brand also plays an equally important role. Positioning the company as an organization that supports the green economy development requires the development of its own ESG Policy indicating the key areas and objectives of activities in the field of sustainable development, as well as the fulfillment of stated obligations in the field of social and environmental protection.

In general, a complete ESG transformation requires a radical revision of the business model, both at the Fund level and at the level of Portfolio Companies.

In the long term, the implementation of the sustainable development and ESG principles will become an effective tool to reduce and manage risks related to the environmental, social and economic stability, as well as a source of new opportunities and competitive advantages.

ENVIRONMENTAL IMPACT

Samruk-Kazyna JSC, as the largest driver of the economy, considers the transition to sustainable development as one of the key priorities of its activities. A strategic objective is to ensure transition to low-carbon development aimed at increasing the sustainability and strengthening the competitiveness of the Fund, ensuring an overall reduction of reputational and financial risks for both the Fund and the economy.

With a systematic and balanced approach, energy transition will allow accelerating the diversification of the portfolio and the development of new industries, creating

new jobs, improving the skills of personnel, getting access to finance and investments, and will ensure the transfer of advanced technologies and knowledge.

The strategic goal of the Fund for 2022-2032 is to reduce the carbon footprint by 10% compared to the total volume of direct and indirect emissions in 2021 and achieve carbon neutrality by 2060, as announced by the Head of State.

As part of the implementation of the set goals, the Fund has started developing a Concept of Low-Carbon Development, which defines the vision and goals of the Fund to achieve carbon neutrality.



Current situation

The group of companies of Samruk-Kazyna JSC includes enterprises of the oil and gas and transport and logistics sectors, chemical and nuclear industries, mining and metallurgical complex, energy and real estate segments. Portfolio Companies of the Fund are crucial for the carbon footprint of the key sectors of the economy. Thus, the share of the Fund and its Portfolio Companies to country-wide emissions is about 12.9% .

The share of the Fund's PC emissions in the total country emissions by economic sector for 2021

Sector	Share of emissions from country, %
Energy, incl.	12.3
Electricity and heat production	9.1
Extraction and processing of minerals	1.6
Transport (air, railway, water)	0.8
Pipeline transport	0.7
Industrial processes	0.5
Total	12.9

Carbon footprint (direct and indirect emissions CO₂) for 2021 is estimated at 57.8 million tons of CO₂ (direct – 47 million tons of CO₂, indirect – 10.8 million tons).

Direct greenhouse gas emissions across the Fund Group

The actual volume of direct CO₂ emissions by the Fund's companies with assets in Kazakhstan for 2021 amounted to 47 million tons of CO₂.

Direct CO₂ emissions across the Fund Group for 2021

Portfolio Company	CO ₂ emissions, thous. tons	Share, %
Samruk-Energo JSC	33,032	70.29%
NC KazMunayGas JSC	7,904	16.82%
NC QazaqGaz JSC	2,514	5.35%
NC Kazakhstan Temir Zholy JSC	1,919	4.08%
Samruk-Kazyna Ondeu LLP	848	1.81%
Air Astana JSC	611	1.30%
NAC Kazatomprom JSC	94	0.20%
Kazpost JSC	31	0.07%
Kazakhtelecom JSC	28	0.06%
Tau-Ken Samruk NMC JSC	11	0.02%
KEGOC JSC	1	0.00%
Total	46,992	100%

The main emitters of CO₂ in the Fund's group are JSC "Samruk-Energo" (70%) and JSC "NC "KazMunayGas" (17%), whose activities are focused on the fossil supported types of fuel.

Source of pollution for other PCs (13%) is also the use of "brown" energy sources to ensure its production and operating activities. The main sources pollutant emissions are fuel stations of category I. Marker pollution reducing substances characteristic of thermal power plants are nitrogen oxides, oxides sulfur, carbon monoxide, dust (ash).

The share of the Fund and its Portfolio Companies in country-wide emissions is about

12.9%

(47 mln tons of CO₂)

For the period 2019-2021 there is an increase in CO₂ emissions, due to the increase in production capacities of Samruk-Energy JSC. In the structure of straight lines emissions (coverage 1) is dominated by the following water processes:

- stationary burning of fossil species fuel (coal, gas, fuel oil) for generating electricity tro- and heat energy (boilers, furnaces, gas engine-pressors, power generators)
- combustion of fuel on technological equipment vaniya (furnaces, heaters, gas engine compressors, gas treatment plants, drilling rigs, mining machines etc.)
- emissions from transport (aircraft engines, internal combustion engines, traction needs locomotives, etc.)
- fugitive emissions (equipment leaks, from evaporation, ventilation, etc.) and flare gas flaring
- emissions from the processes of grinding coal and as-socialized seams during coal mining, emissions from endogenous fires, called reactions of low-temperature oxidation carbon removal when storing the internal overburden on external rock dumps.

Indirect CO₂ emissions for the Fund group for 2021 on PC

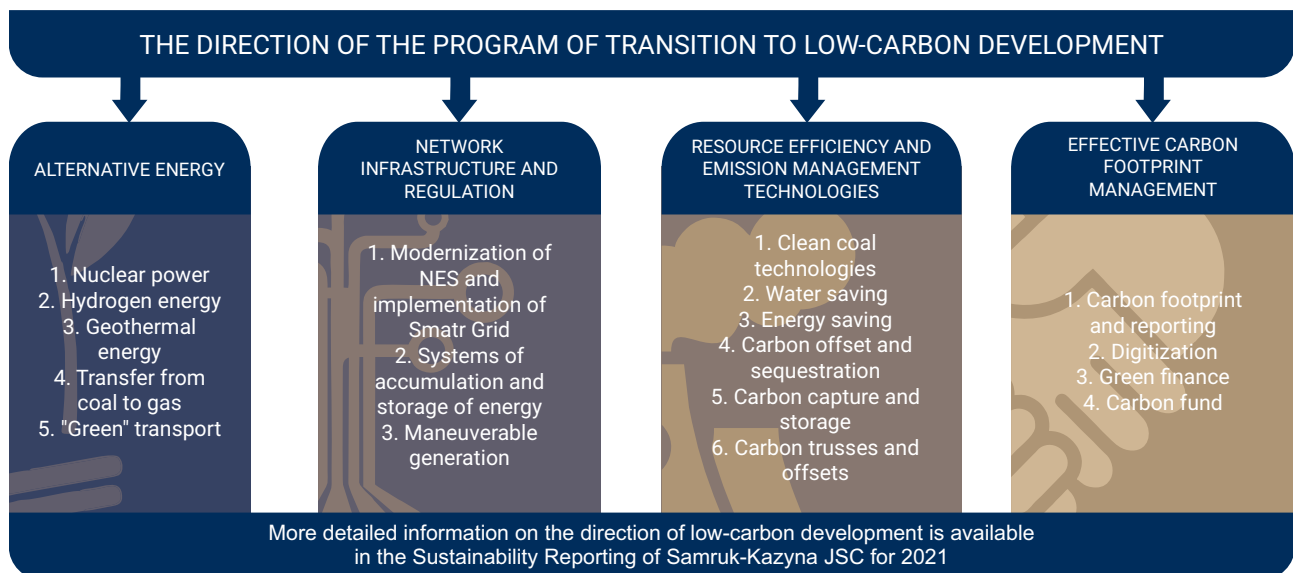
Portfolio Company	CO ₂ emissions, thous. tons	Share, %
Samruk-Energo JSC	24	0.2%
NC KazMunayGas JSC	3,329	31.1%
NC QazaqGaz JSC	79	0.7%
NC Kazakhstan Temir Zholy JSC	3,230	30.1%
Samruk-Kazyna Ondeu LLP	22	0.2%
Air Astana JSC	3	0.0%
NAC Kazatomprom JSC	694	6.5%
Kazpost JSC	32	0.3%
Kazakhtelecom JSC	224	2.1%
Tau-Ken Samruk NMC JSC	3,101	28.9%
KEGOC JSC	27	0.3%
Total	10,715	100%

Key areas of transition to low-carbon development

The Fund shares the concern of the world community susceptibility to the problem of climate change and support lives global efforts to reduce emissions greenhouse gases, energy efficiency, transition to renewable energy sources and gradual phase-out of carbon fuel combustion.

Gradual reduction of carbon dioxide emissions over by reducing energy consumption, efficient production management, network infrastructure and regulation, transition to "clean" coal technologies technology, construction of renewable energy sources and nuclear power plants. For compensation remaining GHG emissions, technologies will be applied gie capture and storage of carbon dioxide.

Figure 1. Key areas of transition to low-carbon development





Energy saving and energy efficiency

Portfolio Companies of the Fund, which are mostly large producers that use energy-intensive technologies, pay great attention to energy saving and improvement of energy efficiency.

To optimize energy consumption, management processes that are in line with the international standard ISO 50001 "Energy Management Systems" have been implemented in all production PCs.

In April 2021, as part of the Transformation Program of Samruk-Energo JSC, the project of introducing the Integrated Planning System (IPS) was successfully implemented at power plants of national importance – Ekibastuz GRES. According to the results of the IPS project, the specific consumption of conventional fuel was reduced by 13.51 g/kWh at GRES-1 and by 8.30 g/kWh at EGRES-2.

As for RES, in 2013-2021, the Fund commissioned 2 MW Samruk-Green Energy SPP, 1 MW SPP in the Alatau Park of Innovative Technologies SEZ, 416 kW SPP in Kapshagai, 45 MW WPP and 5 MW WPP in the Shelek corridor. In 2020,

the renovation of Shardara HPP was accomplished with a complete upgrade of equipment and an increase in installed capacity from 100 MW to 126 MW.

Portfolio Companies of the Fund plan to use energy-efficient equipment and improve resource-saving technologies, as well as to introduce energy efficiency technologies in energy production, transmission and distribution systems.

All Portfolio Companies of the Fund install or plan to install energy-saving lighting equipment and take measures to reduce electricity consumption.

Thus, KazMunayGas plans to optimize furnaces and track heaters in the production segment, increase the efficiency of the oil refinery, as well as to reject burning fuel oil at POCR and PKOP. KEGOC, in turn, plans to install electric heating thermostats.

Once every 5 years, enterprises that consume more than 500 tons of fuel oil equivalent per year undergo a state energy audit, following which action plans for energy conservation and improvement of energy efficiency are developed.

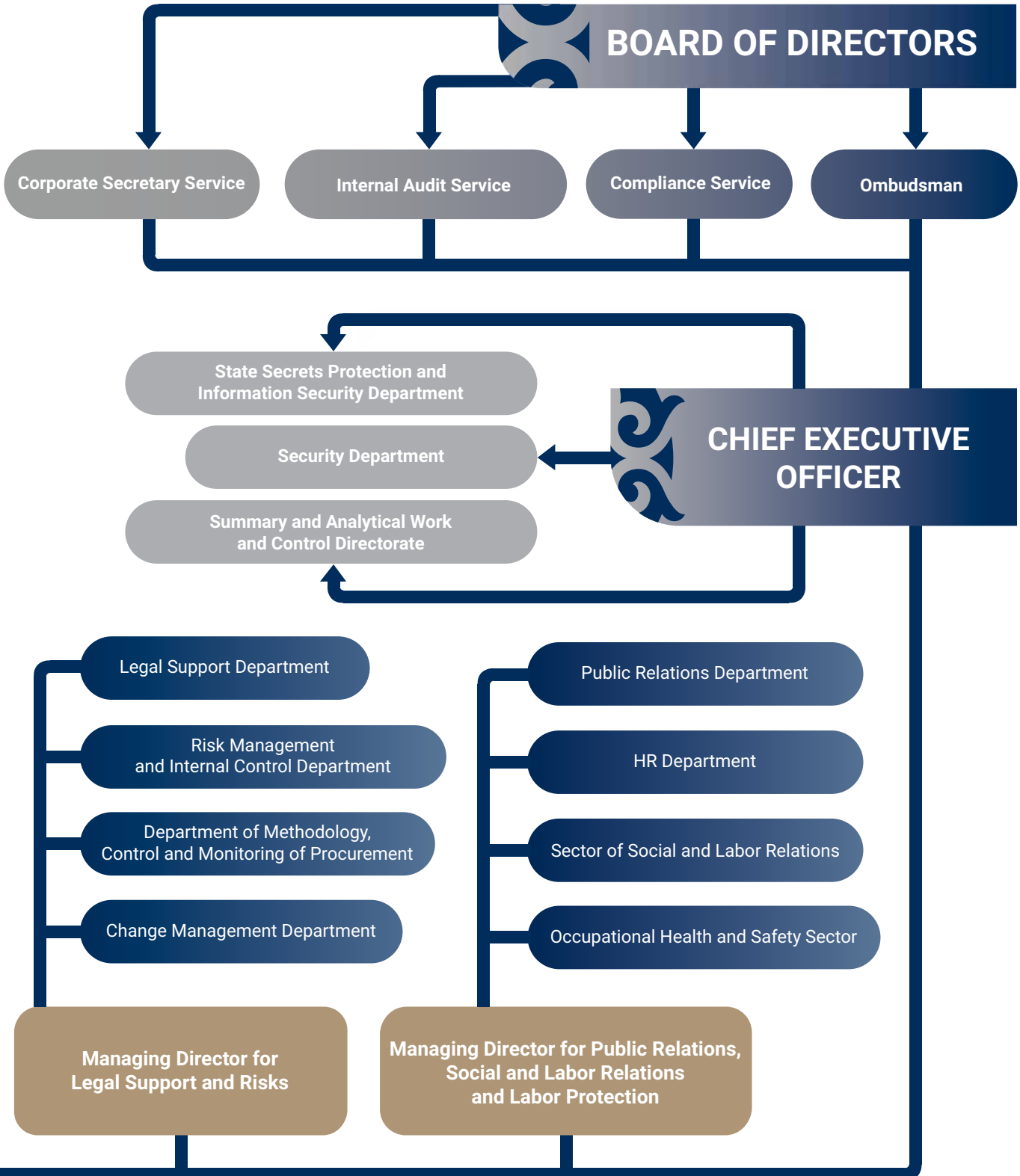
SOCIAL MANAGEMENT

ORGANIZATIONAL STRUCTURE OF THE FUND

In accordance with the order of the Head of State to accelerate the reformation of the Fund, on January 24, 2022, a new organizational structure of the Fund was developed, which provided for the redistribution of functions in order to increase the efficiency of processes and strategic activities of the Fund. The new

organizational structure meets the requirements for optimizing the costs of maintaining administrative and managerial personnel, ensuring the maximum efficiency of business processes, including transparency of procurement activities of the Fund's portfolio companies and reducing administrative barriers.





HR policy of the Fund

The HR policy of the Fund is aimed at forming a team of highly professional employees capable of ensuring the effective and stable development of the Fund. The Fund creates conditions to reveal the intellectual, professional and creative potential of its employees.

The Fund implements a large-scale complex of measures to work with human resources, including the creation

of an effective system for motivating and retaining employees, training and improving their qualifications, implementing the institute of mentoring, attracting young specialists and promoting their professional growth.

The Fund Group remains one of the largest employers in the Republic of Kazakhstan. In 2021, the average number of employees in the Fund Group amounted to 247.1 thousand people.

Employee headcount and turnover in the Fund Group and in the Fund*¹

Index	2019	2020	2021
Employee headcount and turnover in the Fund, %	185	156	165
	15	10	25
Employee headcount and turnover in the Fund Group, %	307,637	265,820	258,155
	9.2	9.0	11.3
Involvement of production personnel of the Fund Group, %	56	82**	78**
Involvement of administrative personnel of the Fund Group, %	61	84**	83**

* according to the updated methodology

Corporate activities and values of the Fund

The fundamental factor in the success of the Fund at all levels is the corporate culture that unites professional and motivated employees.

It is this culture that will allow us to implement a growth strategy and successfully carry out our own activities.

Continuing the annual initiative of active support and development of social areas, in 2021, the Fund Group implemented measures aimed at developing charity, promoting the idea of universal labor and popularizing industrial professions. For example, the Fund implemented Uzdik Maman project; on March 8, as part of the celebration of the International Women's Day, a Koktem Shuagi competition was held among female employees from among the production staff. Support of WWII veterans and home-front workers within the framework of Zhenis social and charitable project was provided in all regions of the Republic of Kazakhstan. In addition, the Fund organized planting of trees and clean-up events in the format of quests and games.

As part of the human capital development, in accordance with the Fund's HR Policy for 2018-2028, the Fund continues to implement measures to develop investment competencies of relevant employees, further develop the corporate culture and increase personnel involvement, improve the employer's brand, and implement Zhas Orken and other programs for the development of future leaders.

Search and selection of personnel

In 2021, 82 vacancies were announced and closed in the Fund. At the same time, the average number of applications per vacant position was 56, and the average duration of the search and selection of 1 candidate was 32 working days.

By the end of 2021, the following results were achieved using Samruk Qyzmet, a unified platform of the Fund's group of companies for the search and selection of personnel: 5,669 vacancies were announced, 1,810 people were employed through the platform, and 51,383 candidates were registered on the website.

* The Table shows the average staffing number of employees.



Professional employee development

In 2021, to support the implementation of the updated Development Strategy of the Fund, a Carbon Footprint conference-seminar was held, which was attended by 250 employees of the Fund and PCs. In addition, the Cyberday forum was held for 110 employees of information security departments of PCs and PC subsidiaries, at which leading experts in the field of cybersecurity presented new approaches and modern solutions.

The English Common Law and IPO Certification corporate programs were organized for the Fund’s employees on the platform of the AIFC. The training programs were developed and implemented by practicing subject matter experts. Trainees had the opportunity to ask questions in real time and apply new knowledge to analyze real cases.

As part of the industrial and innovative development of the Fund, training was organized on the topic: “Growth and Development: R&D, Innovation, Digitalization and Sustainable Development”. The program was developed taking into account international experience and the

understanding of the Fund’s growth as a continuous process of increasing long-term sustainability and increasing the value of assets by improving operational efficiency, developing and implementing R&D projects, sustainable development, digitalization and innovative projects.

Numerous educational events were implemented for managers of the Fund: the “Care of the Manager” marathon, corporate training in evaluation of employee performance, management of team involvement, development of people management skills, provision of feedback, etc.

A Backup Employee Day was held where employees were given the opportunity to try themselves in a new/desired position, learn about its characteristics in practice, skills and behavior required to hold such a position in the future.

In addition, online trainings aimed at improving professional, managerial, personal and business competencies of the staff are organized on an ongoing basis.

Remuneration and assessment

The system of remuneration and bonus payment is based on the assessment of positions and the performance of employees:

- To assess positions, the Fund and its companies use a grading system based on the methodology developed by Korn Ferry company. A unified approach to assessing positions makes it possible to objectively compare positions between companies as well as to compare salaries of specialists in the country, in the region and at a global level;
- The performance assessment process is a basis for remuneration, incentives, bonuses, training and professional development, and also serves for employee retention purposes.

Assessment of the employee performance allows determining the requirements for work results, skills, knowledge and competencies of employees that are needed in order to achieve the strategic goals of the Fund and is based on the following basic principles:

- providing fair and objective feedback based on trust;
- assisting in identifying training and development needs;
- assistance in improving individual performance indicators.

The motivation system adopted by the Fund ensures a clear dependence of the remuneration of our employees on the results of their work, including the implemented system of performance evaluation and remuneration.

Creating a cost-effective remuneration system necessary to attract, retain and motivate employees is a priority. The Fund focuses on the aggregate remuneration, which, besides remuneration and bonus payments, also includes benefits and non-monetary remuneration.

Degree of personnel involvement in the Fund Group and in the Fund

Every year since 2013, the Fund and the Fund Group have been conducting a social research to assess personnel involvement, the purpose of which is not only to determine the level of employee satisfaction and involvement, but also to identify the most pressing problems and issues.

The consolidated index of administrative personnel involvement in 2021 was 83%, which is within stability zone. Compared to 2020, the indicator decreased by 1%. A high level of involvement is noted among employees of Samruk-Energo JSC (89%), NAC Kazatomprom JSC (88%), Tau-Ken Samruk JSC (87%), Samruk-Kazyna Construction JSC (86%).

Stable engagement indicators are observed in all other companies of the Fund Group. Compared to last year, a significant decline in the involvement rate is observed among employees of Samruk-Kazyna Business Service LLP (-19%) and Samruk-Kazyna Invest LLP (-16%). A slight decrease in involvement is observed in KEGOC JSC (-5%), Samruk-Energo JSC (-3%), Air Astana JSC (-2%), NC KTZ JSC (-2%), NAC Kazatomprom JSC (-1%). Some companies of the Group managed to keep involvement at the same level and even increase this indicator to a noticeable level. The growth of personnel involvement is observed in the following companies: Samruk-Kazyna Contract LLP (+8%), Tau-Ken Samruk JSC (+6%), Qazaq Air JSC (+4%), Samruk-Kazyna Construction JSC (+3%), NC KazMunayGas JSC (+3%), Kazakhtelecom JSC (+1%). The involvement index in other companies remained at the same level.

In 2021, questions were added to the involvement questionnaire to evaluate the index of intolerance to corruption. According to the survey, in the context of companies, the highest level of anti-corruption culture is noted in SK Invest LLP – 87% and Samruk-Kazyna Construction JSC – 86%. A relatively low level of intolerance to corruption is observed in NC KTZ JSC (62%).

Staff involvement in the Fund Group over 7 years

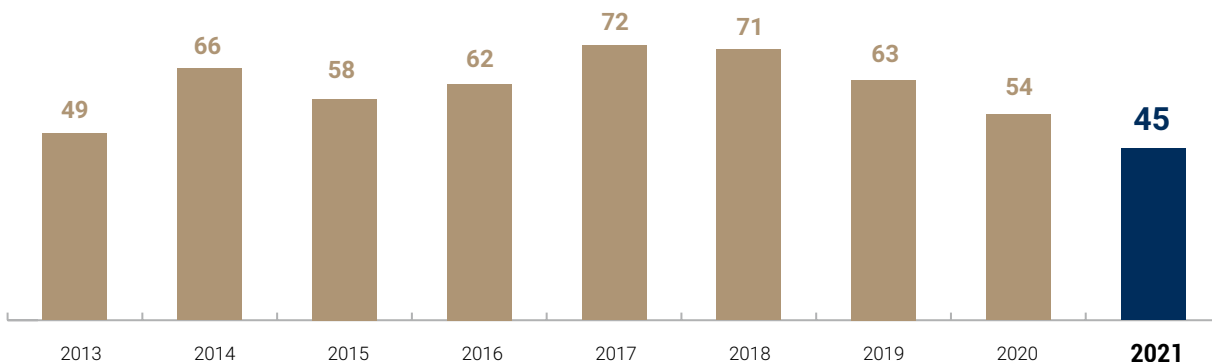
Personnel category	2015	2016	2017	2018	2019	2020	2021
Production staff	50%	51%	66%	58%	56%	82%	78%
Administrative staff	55%	58%	55%	53%	61%	84%	83%
Production staff	stability zone	stability zone	positive zone	stability zone	stability zone	stability zone	stability zone
Administrative staff	stability zone	stability zone	stability zone	stability zone	positive zone	stability zone	stability zone

Samruk Research Services

The Fund’s group of companies conducts annual monitoring of the social situation in production teams. In 2020, the Samruk Research Services (hereinafter – SRS) methodology was developed, while maintaining continuity in the main indices of the previous Social Stability Index and the process of collecting and processing sociological information based on:

- fundamentally new external conditions caused by the COVID-19 pandemic;
- the needs of the management and key stakeholders in obtaining operational information based on the research findings;
- demand for increasing the practical applicability of the research findings on the part of representatives of HR departments of PCs, subsidiaries and dependent companies.

Dynamics of the Social Wellbeing Index



According to the results of the research, the SRS indicator in the Fund’s group of companies for 2021 was 73%. Of the three main indices, the Social Wellbeing Index is the most alarming with an indicator of 45% for the reporting period, which decreased by 9 percentage points since 2020.

The Portfolio Companies of the Fund pay special attention to the social sentiments of employees. The social background and sentiments of production personnel indicate their positive attitude and a constructive approach to solving emerging problems.

The involvement index of Samruk-Kazyna JSC in the reporting period declined by 4 percentage points compared to 2020 and amounted to 78%. Fluctuations of the involvement index in the Fund over the entire period of the research were noted from the minimum of 35% in 2013 to the maximum of 82% in 2020. According to the results obtained, the decline in the index is insignificant: it decreased after the rise in 2020 but is not below the level of all previous periods.

According to most employees, the employer provided the staff with all the necessary working conditions and safety in general, including during the quarantine period.

Zhas Orken Program

In 2017, the Zhas Orken program was launched on the initiative of the Fund to attract, select and develop talented graduates of universities with subsequent employment.

Zhas Orken program provides social lifts for talented young people of the country. The program is positioned as an investment in the human capital of the Republic of Kazakhstan, a long-term tool for increasing the managerial potential and attractiveness of the Fund's companies for young professionals who can become successful managers in the future 10-15 years and who will contribute to solving various industry problems using their knowledge and creative approaches.

Over 20 months of participation in Zhas Orken program, each young professional undergoes 4 rotations in the Fund's group of companies (5 months in each company) according to an individual development plan. In addition to on-the-job training, during the inter-rotation period, young professionals undergo intensive trainings to acquire technical, personal and business skills. After successful completion of the Program, 100% of graduates are employed by the Fund's companies, and the project team subsequently monitors the development of graduates' career.

The main advantage of the Program is the accelerated development of young professionals and their participation in real production and business projects under the supervision of individual mentors from among experienced company managers.

The Program involves more than 200 mentors from more than 80 companies. The development of the mentoring institute is a key driver for this initiative. Each mentor is trained to work with young professionals and develop their talents.

In 2021, 23 young specialists successfully completed Zhas Orken 2019 program and were employed (100%) in the following companies of the Fund Group: branch of Kazakhtelecom JSC – Corporate Business Division, JV Katko LLP, branch of KEGOC JSC – National Dispatch Center of the System Operator, NC KazMunayGas JSC, KMG Engineering LLP, Atyrau Refinery LLP, KMG Kumkol LLP, Qazaq Air JSC, Air Astana JSC, Fly Arystan, Samruk-Kazyna JSC, NC Kazakhstan Temir Zholy JSC, branch of NC KTZ JSC – Backbone Network Directorate, branch of NC KTZ JSC – Multifunctional Service Center.

Following the results of 4 rotations, young specialists of Zhas Orken 2019 program received 35 job offers from potential employers-members of the Fund's group of companies.



Kuat Ziyadanov, participant of Zhas Orken program 2021, analyst of the Booking and Information Center of Air Astana JSC in Almaty:



“Zhas Orken, like a theater of dream, brings you to a huge stage where you play an important role. Major national companies, unique projects and mentors – top managers open the way to your dream. At the end of the journey, you become a highly qualified specialist who is ready for all the realities of corporate business. After two years of participation in the project, I received an offer from Air Astana National Airline. Today, I hold one of the leading positions in the center where I organize and coordinate the work of more than 70 employees. When performing my duties, I use the experience gained from my mentors under Zhas Orken program, who worked hard with me and spent a lot of their time and efforts”.

Digital Summer program

To develop human resources, as part of the comprehensive Digital Kazakhstan program, in the period from January to October 2021, the “Digital Summer 2020” Internship Program was implemented.

The program has been implemented since 2018. The purpose of this initiative is to provide conditions that promote the development and support of young talents in the field of information technology and other most popular areas. The program allows involving students and graduates of universities who have relevant knowledge in optimizing processes and increasing the efficiency of digitalization and transformation projects of the Fund’s group of companies.

As part of the Digital Summer 2021 program, 5,868 applications were received. According to the results of the competitive selection, 45 candidates received invitations to undertake an internship. As a result of the employment

process, 5 interns have successfully started their careers in such Portfolio Companies of the Fund as: Air Astana JSC, KMG-Engineering LLP, QazCloud LLP.

The Digital Summer program contributes to the cultivation of the talents of the future who have a broad breadth of professional knowledge and understanding of the business, who are ready for changes and new challenges in the field of transformation and digitalization. The program creates new opportunities for professional development for graduates and mentors, as well as promotes the transfer of valuable knowledge and experience to the program participants, which, in turn, helps to develop leadership skills and a mentoring culture in all Portfolio Companies of the Fund.



Aidana Baizhomartova, participant of the Digital Summer 2021 program:



“For me, participation in the Digital Summer program is an opportunity to leave my comfort zone, test my knowledge and take part in interesting projects. Being a 3rd year student at the Kazakh National University of Arts, I decided to apply for participation in the Digital Summer program in the Marketing direction. I undertook an internship in the Department of Telecommunications of KEGOC JSC under the mentorship of Aidar Musilimov.

Thanks to the Digital Summer 2021 program, 45 talented students gained practical experience in the largest national companies. During the internship, I gained a lot of new knowledge that helped me to develop and grow as a professional sphere.

As part of the internship, I had the opportunity to participate in the annual Hackathon contest “Summer Hack”. The current situation demands us to take on new things and act in unfamiliar circumstances. Everyone is able to achieve great results by accepting new challenges. As my mentor says, the main thing is the desire to create, hard work and a responsible attitude to business.”

OCCUPATIONAL HEALTH, INDUSTRIAL AND FIRE SAFETY

The Fund unconditionally recognizes the priority of employees' life and health over the results of production activities and understands its responsibility for ensuring safe working conditions for employees and trouble-free production activities. The Fund Group is continuously improving approaches to the management of the occupational safety, industrial and fire safety system.

Over the past year, H&S (Health & Safety) indicators improved in the Fund's group of companies. Thanks to joint efforts, the number of employees returned home alive and intact in 2021 was 10.7% higher than in the previous year. The LTIF (lost time injury frequency) rate for 12 months of last year was 0.22, which is 4.2% less than in 2020 (0.23).

A significant amount of work was carried out as part of activities of the Occupational Health, Industrial Safety and Environmental Protection Committee under the Management Board of the Fund (hereinafter referred to as the Committee), which includes responsible representatives from 13 largest PCs. The work of the Committee includes coordination and monitoring of the progress of PC's activities to improve the efficiency of the corporate management system in the field of H&S of the Fund Group.

In 2021, as part of the implementation of the Fund's synergetic project to improve HSE management systems, 59 experts from Portfolio Companies were trained in the methodology for diagnosing HSE management systems. An upper-level analysis of Portfolio Companies' documents was carried out to determine the focus zone at the main stage – diagnostics.

In September 2021, HSE sector employees started visiting production facilities in order to check the current H&S state and issue recommendations on the violations identified:

- visits were made to the production facilities of Kazakhstan Temir Zholy JSC in Nur-Sultan and Almaty, Samruk-Energy JSC (CHP-1,2 AIES JSC, Alatau Zharyk Company JSC), Kazatomprom JSC

(Appak LLP, Ortalyk LLP), Kazpost JSC (EMS-Kazpost, Yug Information and Logistics Center);

- field meetings were held in corporate centers of Portfolio Companies to study the findings of trips and the developed action plans to eliminate inconsistencies.

However, despite the work being done, serious accidents, including fatal ones, occur quite often, which indicates a lack of involvement of employees in safety issues. In 2021, 14 of our colleagues died unexpectedly. Appropriate support was provided to their families. Another 48 colleagues were seriously injured. The Fund's group of companies focuses its attention on these incidents, therefore, at the end of 2021 it was decided to announce 2022 as the Year of Occupational Health and Safety in the Fund's group of companies to achieve the following goals:

- Eliminate serious injuries and diseases, including fatal ones;
- Eliminate occupational accidents with particularly dangerous consequences;
- Implement the world's best industry practices.

To ensure the systematic achievement of these goals, a H&S Plan for 2022 was developed and sent to 13 key PCs for implementation. The following events are planned for 2022:

Training

- Organization of training under the following programs: NEBOSH HSE Certificate in Health and Safety Leadership Excellence for line managers and HSE employees, Defensive Driving, Leadership Accountability (CEO and CEO-1 of production companies), Incident Injury Free or an equivalent program to improve safety culture. Thus, KTZ plans to train 305 employees under NEBOSH/IOSH programs and 212 drivers under the Defensive Driving program;
- Launch of a corporate training program and an e-learning course in the HSE field to improve management skills in the Fund and Portfolio Companies.

Development of internal regulations

- Guidelines to ensure the defensive driving process for use during site visits;
- Competence matrix for line managers at production facilities, which clearly defines HSE elements and methods for verifying compliance with positions held.

Exchange of experience

- Exchange of experience with leading companies such as TCO, KPO, NCOC to study best practices for the purpose of their further application;

- Strengthening the field work of Production Councils;
- Holding a Forum devoted to ESG and HSE issues.

Diagnostics and field visits

- Project aimed at improving HSE management systems in Portfolio Companies;
- Visits to production facilities by H&S employees to study the H&S state and provide recommendations on the violations identified.

SPONSORSHIP AND CHARITY

In accordance with the Charity Program the Fund Group and the Charity Policy of the Fund approved by decision of the Board of Directors of the Fund dated January 28, 2016 (minutes No. 126), Samruk-Kazyna Trust Corporate Fund (hereinafter referred to as Samruk-Kazyna Trust), which implements charitable projects on behalf of the Fund Group, carries out charitable activities in four main areas:

1. Aid to people, communities in the social and medical sectors;
2. Providing support to media, cultural community, development of human potential, strengthening labor relations and investing in sustainable development of society;
3. Implementation of the regional program of social investments in the regions where the Fund Group operates;
4. Strengthening the reputation and promoting the image of the Fund and/or the Fund Group.

In 2021, Samruk-Kazyna Trust Corporate Fund continued its activities by implementing charitable projects aimed at solving socially significant problems in partnership with the non-profit sector of the country.

Over the year, the Fund accumulated a lot of experience in the implementation of socially significant projects, launched hundreds of projects, improved the approach to their management, and provided help to hundreds of thousands of people.

Today, Samruk-Kazyna Trust is among the leaders of charity in Kazakhstan and is the largest donor fund that promotes reasonable investments and invests in the development of regions, seeks to develop trilateral cooperation between business, non-profit sectors and government agencies.

In 2021, charity support was provided on behalf of Samruk-Kazyna JSC group of companies to more than 500 thousand beneficiaries. Samruk-Kazyna Trust implements socially significant projects in accordance with the Charity Policy and the Charity Program of the Fund in four main areas.

In 2021, the Board of Trustees of Samruk-Kazyna Trust approved 32 projects worth KZT 7.1 billion, of which:

- 12 projects for a total amount of KZT 2,801,579,131 were implemented to help people and communities in the social and medical sectors;
- 16 projects for a total amount of KZT 2,610,784,509 were implemented to develop the media, cultural community and human potential;
- 4 projects for a total amount of KZT 1,724,237,569 were completed to implement the regional social investment program in the regions where the Fund Group operates.

In addition, Samruk-Kazyna Trust supported 24 initiatives of non-government organizations as part of Ereket project with the aim of developing social entrepreneurship in the regions of the country.