

OCCUPATIONAL SAFETY

Occupational health and safety

2024 highlights

As one of the industry leaders in Kazakhstan, KMG places a strong emphasis on health and safety of its employees and local communities across its footprint. According to our employees, the Company creates safe working conditions and complies with the highest standards to ensure health and safety at the workplace.

The number of injuries associated with workplace accidents decreased by 28% year-on-year (from 29 in 2023 to 21 in 2024).

The number of road accidents dropped by 68% year-on-year (from 19 in 2023 to 6 in 2024). Just like in 2023, no fires occurred in 2024.

Despite the improvements in accident rates, one fatal workplace accident occurred in 2024, involving an employee of Ozenmunaigas. During the operation of a compressor unit to inflate a tyre, a locking ring got

ejected from the wheel rim and struck the operator in the head, causing instant death at the scene. Under the collective bargaining agreement, the victim's family received financial assistance from Ozenmunaigas.

The investigation revealed that the accident resulted from the victim's gross negligence, violation of occupational health and safety rules, and inadequate workplace arrangements. The implemented corrective measures included safety briefings and awareness sessions, installation of protective barriers in work areas, review of tyre inflation procedures, updates of safety instructions, risk assessments, installation of safety signs, and prohibition of tyre inflation operations in unauthorised locations. To prevent similar accidents going forward, 57 wall-type barriers were installed across 12 subsidiaries with a view to ensuring safe inflation of tyres for cars and special vehicles. Additionally, compressor units were fitted with quick-release nozzles for tyre inflation.

Key highlights	Unit	2022	2023	2024	Change 2024/2023	%
Accidents	Number of accidents	35	28	21	-7	-25
Number of injuries	People	36	29	21	-8	-28
including fatalities	People	1	2	1	-1	-50
Road accidents	Number of accidents	24	19	6	-13	-68
Fires	Number of accidents	1	0	0	-	-

Accident and fatality rates¹

Indicator	2022	2023	2024	IOGP ²
Lost Time Incident Rate (LTIR), per mln person-hours	0.36	0.30	0.22	0.22
Fatal Accident Rate (FAR), per 100 mln person-hours	1.0	2.11	1.03	0.68

¹ During the Annual Report preparation, these indicators undergo verification by independent auditors, and there may be minor revisions to the figures later on.
² Available IOGP figures for 2023 (<https://www.iogp.org/>).

Process safety management

In 2024, as part of our ongoing efforts to prevent accidents and incidents, we conducted consulting and advisory work with our subsidiaries and associates to clarify issues related to organising and ensuring process safety and managing barriers. Additionally, 18 scheduled audits were carried out to assess industrial safety practices of our subsidiaries and associates. The auditors issued 824 recommendations aimed at enhancing industrial safety at hazardous production facilities of KMG Group.

Transport safety

In 2022, Embamunaigas successfully implemented the Travel Management vehicle monitoring system, which helped significantly improve its transport safety performance. As part of the system's phased rollout to Oil Services Company, the Kalamkas and Zhetybai fields introduced transport management processes (transport requests and dispatch planning) integrated into the information system under the Travel Management project.

In 2024–2025, the project will be gradually rolled out to the Company's subsidiaries and associates with the largest vehicle fleets. This initiative is part of KMG's 2024–2027 HSE Improvement Roadmap.

In 2025, the Travel Management project is expected to be implemented at Oil Transport Corporation and Oil Construction Company. Both subsidiaries have already completed the automation of transport requests and dispatch planning. The entire workflow – from request submission to the identification of available vehicles – has been fully digitised, significantly enhancing the efficiency of transport management.

Injury, fatality, and motor vehicle crash rates, including contractors

Indicator	2022	2023	2024	IOGP ³
Lost Time Incident Rate (LTIR), per mln person-hours	0.52	0.15	0.32	0.24
Fatal Accident Rate (FAR), per 100 mln person-hours	1.28	5.08	3.86	0.90
Motor Vehicle Crash Rate (MVCR), per mln km travelled	0.17	0.28	0.05	0.058

³ Available IOGP figures for 2023 (<https://www.iogp.org/>).

Fire safety

No fires occurred at KMG's facilities in 2024.

To strengthen compliance with fire safety requirements, KMG developed and approved the Integrated Fire Safety Action Plan for 2022–2024, providing for short-, medium-, and long-term measures as well as preventive initiatives. In accordance with the integrated plan, all subsidiaries and associates saw scheduled fire drills held in the reporting year. In 2024, drills were held at NMSC Kazmortransflot with the participation of Samruk-Kazyna and Kazakhstan's Ministry of Emergency Situations. KMG's Corporate Centre also conducted two fire drills involving people evacuation and extinguishing of a simulated fire in the building.

To provide methodological assistance and ensure fire safety, KMG subsidiaries and associates drafted and circulated letters explaining fire safety standards and reminding of increased fire safety measures during fire, heating, and holiday seasons.

HSE interaction with contractors

In 2024, KMG continued its efforts to engage with contractors in HSE based on identifying, assessing, and mitigating risks at all stages of work performance and service provision at its production facilities.

The Company conducted 5,883 inspections to check the industrial safety of contractors at KMG subsidiaries, associates, and branches.

LTIR per mln person-hours, including contractors, stood at 0.32 in 2024.

FAR per 100 mln person-hours, including contractors, came in at 3.86 in 2024 due to fatalities involving three contractor employees.

The Motor Vehicle Crash Rate (MVCR) per mln km travelled, including contractors, totalled 0.05 in 2024.

Improving the HSE management system

As a full-fledged member of the IOGP, KMG has learnt and implemented IOGP's best global practices and recommendations. This has positively impacted KMG's performance and overall HSE management system, as well as its capabilities and rating on the international scale.

To enhance the HSE management system, we updated the Rules for Reporting Key Health and Safety Indicators at KMG and Its Contractors. These rules establish the procedure for health and safety reporting and outline key performance indicators for contractors engaged in production activities within the contracted areas of the Company's subsidiaries and affiliates.

In order to promote a safety culture among employees and according to Samruk-Kazyna's Occupational Safety Action Plan, more than 15 thous. employees of KMG and its subsidiaries and associates took training in safety culture in 2024.

In addition to that, the Group organised strategic sessions on safety culture enhancement for 28 subsidiaries and associates, while also assessing the HSE competencies of General Directors, Deputy General Directors for Production, and Heads of HSE.

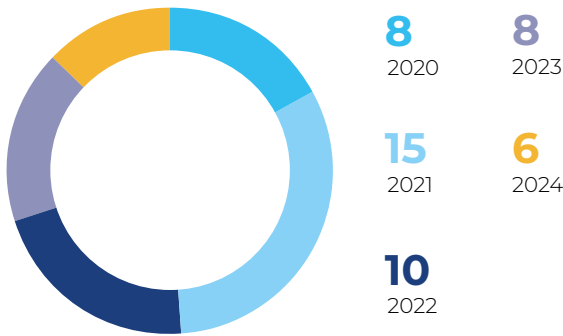
Occupational health and hygiene

The Company manages occupational health and hygiene matters in accordance with Kazakh laws and international occupational health standards. KMG is strongly focused on employee health protection and improvement, irrespective of the specific production process involved.

In 2024, the number of non-work related fatalities among employees of subsidiaries and associates decreased by two incidents, or 25%, year-on-year, the main reason behind these fatalities being cardiovascular diseases.

The Company runs the Employee Health Management Programme¹ designed to improve the quality of medical services and healthcare at production facilities, and to promote and implement employee wellness initiatives across KMG Group.

Fatalities not related to labour activities



- Key objectives of KMG's Employee Health Management Programme:
- enhancing the quality of medical services and healthcare for employees at the production facilities of KMG Group;
 - developing tools to foster employee engagement and motivation in pursuing a healthy lifestyle;
 - improving working, recreation, and living conditions for employees of KMG Group's production facilities.

KMG has formed a dedicated working group focused on medical audits, bringing together experts from its Corporate Centre, subsidiaries, and associates.

A total of 15,126 employees have been trained in first aid skills to reduce the risk of fatalities at production sites.

According to the Regulations on Emergency Medical Care, KMG Group regularly tests the Emergency Medical Response Action Plan at each production facility on an annual basis. In 2024, subsidiaries and associates had 91 medical drills, including those involving contractors deployed at production sites.

The Company continues the automatation of medical examinations and rolled out 63 dedicated hardware systems at its subsidiaries and associates by the end of 2024.

SOCIAL RESPONSIBILITY

The Company achieves its key social responsibility objectives through the existing systems of internal communications between employers and employees, cooperation with local executive bodies and trade unions, and fair collective bargaining with employees.

KMG complies with the legal and regulatory requirements applicable in the Republic of Kazakhstan, as well as with international laws and treaties regulating oil companies, and is aware of its responsibility to shareholders, communities, and investors for the impact on the economy, environment, and society, for the creation of long-term business value, and for sustainable growth in the long run. All employees of the Company have the right to safe and healthy working conditions, recognition and fair evaluation of their contribution to the Company, assistance in enhancing their professional skills, and an open and constructive discussion of the quality and effectiveness of their work. The Company has a zero tolerance policy for discrimination by nationality, race, religion, age, gender, political beliefs or other grounds.

We promote meritocracy, fairness, and integrity while providing every employee with a workplace conducive to new achievements and assessing their respective contributions to the Company's overall success based on merit. We also foster a culture of understanding, engagement, and support among our employees at all levels.

HR Policy

Approach to management and maintaining social stability

In 2024, social stability among KMG's employees remained strong, with the Samruk Research Services (SRS) index at 79%, up 4% vs 2023.

Based on SRS surveys, each enterprise develops action plans to minimise and eliminate the areas of concern identified in the course of determining the social stability indicators. The action plans set out initiatives designed to boost staff satisfaction levels, enhance confidence in the management, put in place feedback channels, and improve working, living, and catering conditions, etc.



In 2024, the Corporate Centre developed a unified form of the SRS improvement plan for all subsidiaries and associates, and introduced the practice of visiting KMG enterprises and providing assistance in drafting action plans to promote social stability.

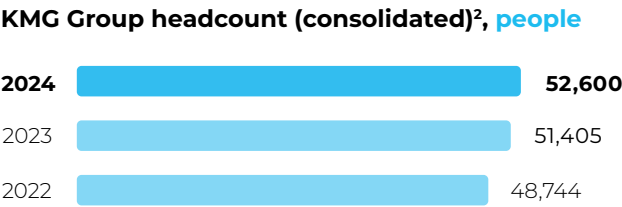
However, in late 2024, employee representatives from the Drilling Operations Department of Ozenmunaigas pressed demands regarding hiring, remuneration, unemployment in Zhanaozen, social support for employees of pre-retirement age, upgrading operator ranks, and additional payments.

Since 18 December 2024, a Conciliation Commission has been handling the claims from the Drilling Operations Department employees. KMG's negotiation strategy focuses on bringing the protest within the legal framework, addressing demands in line with Kazakhstan's labour laws, resolving legally addressable issues, and declining unlawful demands. This work proceeds in coordination with national and local government bodies.

To ensure unbiased consideration of employee demands, representatives of the Ministry of Labour and Social Protection of Population attended the Conciliation Commission's meeting on 30 January 2025. The meeting minutes stipulate that the Conciliation Commission will await Ministry clarifications and convene on a quarterly basis to monitor the implementation of adopted decisions.

Staff composition

KMG Group employs around 50 thous. people across its regions of operation. KMG Group's headcount at the end of 2024 was 52,600 people, of whom 49,243 were full-time employees, while 3,357 employees were outstaffed.



¹ Approved by the resolution of KMG's Management Board dated 23 December 2022 (Minutes No. 68) as part of Strategic Initiative 24 (Personnel Health Management).

² Headcount includes the actual headcount for KMG Group, as well as employees who are temporarily absent due to long-term education or maternity leave and/or parental leave. As of the date of drafting the Annual Report, the indicators are verified by an independent auditor, with minor adjustments possible going forward.