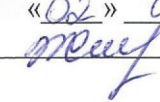

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Name of the document:	Personnel policy of JSC NC "KazMunayGas"	
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Developed by: Dzhakupova J.K. «02» 09 2024 	Verified by: Dzhumagazieva S.K. «06» 09 2024 	Approved by the decision of the Board of JSC NC “KazMunayGas” dated “__” ____ 20__, Minutes No. __, Approved by the decision of the Board of Directors of JSC NC KazMunayGas dated “__” ____ 20__, Minutes No. ____/20__

1. GENERAL PROVISIONS

JSC NC KazMunayGas (hereinafter referred to as KMG) is committed to internationally recognized human rights enshrined in the International Bill of Human Rights, ILO Labor Standards, and strives to implement the UN Guiding Principles on Business and Human Rights.

KMG strictly complies with the requirements of the labor legislation of the Republic of Kazakhstan and does not violate its norms, according to which no one can be subject to any discrimination in the exercise of labor rights on the grounds of origin, social, official and property status, gender, race, nationality, language, attitude to religion, beliefs, place of residence, age or physical disabilities, as well as membership in public associations.

We do not use child labor, do not practice forced labor, recognize the equal rights of all employees, regardless of their race, religion and gender. The HR Policy of JSC NC KazMunayGas (hereinafter referred to as the KMG HR Policy) defines the principles, key areas, requirements and approaches in the field of human resources management in the KMG group aimed at implementing the Development Strategy of JSC NC KazMunayGas for 2022–2031.

The HR Policy is based on the Company's mission: "Efficiently and rationally develop natural resources to ensure energy security, development and prosperity of Kazakhstan with care for future generations" and is designed to support its implementation.

KMG's corporate values are safety, efficiency, responsibility and team. Commitment to values underlies all actions and decisions that affect the value of the Company, its development, sustainability and competitiveness in market conditions.

The HR Policy is based on the strategic goals of the Company:

- Sufficient resource base to ensure the growth of the Company;
- Improving the efficiency of the Company's value chain;
- Business diversification and expansion of product portfolio;
- Sustainable development and progressive reduction of carbon intensity of production.

2. SCOPE OF APPLICATION

The KMG HR Policy is the basis for the development of internal documents regulating HR processes and extends its effect to the KMG Group. The application of this Policy by KMG subsidiaries and dependent organizations is carried out in accordance with

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the established procedure by developing and approving similar policies or bringing the internal documents of organizations into compliance with this Policy, taking into account the specifics and characteristics of the activities.

3. DEFINITIONS AND ABBREVIATIONS

Automation of HR processes	a set of modern software solutions and tools designed to effectively solve key problems in the management and development of human resources by automating and optimizing HR processes using artificial intelligence, synchronizing chatbots with the main CRM systems, digitalizing personnel document management, implementing electronic digital signatures of Employees, etc.;
KMG Group	KMG and legal entities in which fifty or more percent of the voting shares (participatory interests) are directly or indirectly owned or held by KMG on the basis of ownership or trust management, as well as legal entities whose activities KMG has the right to control; <i>Indirect ownership by KMG means the ownership or trust management by each subsequent KMG organization of voting shares (participatory interests) in another organization. Control over the activities of legal entities means the ability to determine the decisions they make;</i>
Subsidiaries and dependent organizations/subsidiaries	subsidiaries and dependent companies, including jointly controlled organizations and joint ventures of JSC National Company KazMunayGas;
Unified corporate network/NS	an information system designed to develop KMG's internal communications, exchange of knowledge and experience;
Individual development plan/IDP	a tool used for employee development and describes development goals and specific measures aimed at achieving them to improve the level of professional skills and competencies of employees;
KMG	Joint Stock Company National Company KazMunayGas;
Companies/Employer	Joint Stock Company National Company KazMunayGas and its subsidiaries and affiliates;
Corporate culture	the values, principles, norms of behavior and relationships adopted in the KMG Group;
Corporate values	the moral and business principles that all employees adhere to;
Personnel reserve	employees selected on the basis of a comprehensive assessment of potential and work results, capable of achieving the level of compliance with the requirements imposed on management and executive positions;
Competencies	qualities and skills of an employee (personal and business,

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	leadership, professional) that contribute to the effective performance of work in the position;
Coaching	a system of principles and techniques that contribute to the development of the employee's potential, as well as ensuring the maximum disclosure and effective implementation of this potential;
KPI	key performance indicators characterizing the effectiveness of financial and production activities and the degree of achievement of strategic goals;
Talent Map (nine-cell matrix, English-9-matrix)	a talent management tool in the Company that allows making informed management decisions regarding employees based on the results of a comprehensive assessment (performance assessment and competency assessment);
Competency Model	a set of competencies approved in KMG that describe the qualities necessary for employees to be successful;
Motivation	mechanism of influence on labor efficiency, process of stimulating an employee or a group of employees to work towards achieving strategic goals and objectives;
Young Professional	an employee of the KMG Group under thirty-five years of age;
Mentor	an employee of the KMG Group with relevant experience and competencies to transfer professional knowledge and experience, assisting the mentee in adaptation, professional development, career growth and participating in the assessment of their activities;
Mentoring	individual work with the mentee, a form of adaptation and support for the professional development and career growth of KMG Group employees with regular constructive feedback;
Performance Assessment	a comprehensive and regular process covering performance assessment and competency assessment
Successor	an employee with the necessary personal and business competencies and the potential to occupy a more complex position in a certain time perspective;
The 70/20/10 Principle	an approach to organizing corporate training based on balanced development: the correct combination of practice and theory according to the "70/20/10" model, where: 70% of the time is spent learning by solving real problems in the workplace; 20% of the time is spent learning on the job through feedback from colleagues, with a more experienced employee (mentoring, coaching, mentoring, tutoring, etc.); 10% of the time is spent learning at

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	seminars, trainings, etc. This model is a conductor of change, promotes effective and efficient learning, achieving high productivity, developing thinking, as well as changing and developing behavior;
Secondment	performance by the Employee (seconded) of work in a certain specialty, qualification or position (labor function) stipulated by the employment contract, or in another position, specialty, qualification with another legal entity, with the exception of restrictions stipulated by the legislation of the Republic of Kazakhstan;
Managers	the Chairman and members of the Board of Directors of the Company;
Employee/Staff	this is an individual(s) in an employment relationship with the Company under an employment contract;
Rotation	simultaneous horizontal movements of employees within the KMG Group;
Remuneration system	a set of measures to attract, retain and motivate employees;
Talent management	this is the process of identifying Employees with high potential, assessing and improving their skills and competencies, as well as preparing them for movement to positions that are key to the success of the KMG Group;
IR ((Industrial Relations)	relations between workers, work teams and KMG on the one hand, and managers, Companies and employers' organizations on the other;
EVP (employer value proposition)	a set of benefits that the Company as an Employer offers to a candidate;
HR	human resources management;
HR service	a structural unit for human resources management;
HR metrics	indicators that allow us to evaluate or measure the effectiveness of human resource management processes in the Company.

4. MAIN GOALS, OBJECTIVES AND PRINCIPLES OF HR POLICY

4.1. Main objectives of KMG's HR policy:

- 1) promoting the achievement of KMG's strategic goals through the construction of an effective human resource management model, a sustainable corporate culture, team and individual work of qualified and motivated employees who share corporate values;
- 2) ensuring and developing the Company's competitive advantages;
- 3) flexibility and effective adaptation to socio-political and economic factors.

4.2. Objectives of KMG's HR Policy:

- 1) providing the KMG Group with highly qualified, loyal to the KMG Group

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employees who share its corporate values;

2) creation of an atmosphere conducive to innovative development/thinking, employee activity, and the ability to make non-standard decisions;

3) increasing the individual efficiency and independence of the Employee;

4) effective use of the Employees' potential, promoting professional development, career growth;

5) formation of a corporate culture;

6) commitment to the goals and values of KMG;

7) strengthening labor discipline, formation of a responsible attitude to work, based on compliance with the principle of "zero tolerance" for violations, including fraud and corruption.

4.3. Principles of KMG HR Policy:

1) Meritocracy, fairness and responsibility of managers for personnel management. Managers at all levels are responsible for the management of the personnel entrusted to them, support Employees with high potential, and the HR function provides the necessary support and tools;

2) creating a culture of employee involvement in the joint achievement of strategic goals. The HR function contributes to the formation of a culture of understanding, interest and support by employees at all levels of KMG of strategic, operational and production goals;

3) social responsibility. KMG promotes the growth of the well-being of Employees, creates working conditions and a motivation system that ensure safe, highly productive work and compliance with international standards for labor practices;

4) teamwork and creativity. KMG is interested in forming a team spirit and a cross-functional approach to problem solving, encourages initiative and creativity of Employees, creating conditions for the implementation of ideas and projects;

5) openness and transparency of processes. KMG encourages open dialogue, open communications and feedback at all levels of human resources management. Each Employee has the right to contact accessible and confidential channels regarding violations of their rights, as well as violations of the property and non-property interests of the KMG Group

6) continuous improvement of training and advanced training programs. The HR function must create all the necessary conditions for the continuous improvement of the knowledge, skills, abilities and competencies of employees and managers by studying modern training programs and implementing them in the training and development process;

7) gender equality, diversity, inclusiveness, non-discrimination of labor rights - equal conditions and opportunities for different social and age groups regardless of gender, race, nationality, religion, age and other characteristics, the formation of teams reflecting different points of view;

8) continuity of experience and knowledge as a necessary condition for building up internal expertise throughout the KMG Group, through the transfer and assimilation of

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corporate, managerial and professional knowledge and skills, cultural values and traditions of the Company from one generation of employees to another.

5. КЛЮЧЕВЫЕ KEY DIRECTIONS OF KMG'S HR POLICY

5.1. The key directions of KMG's HR policy are:

- 1) proactive human resource planning as part of ensuring effective management of the KMG Group, organizing the process of continuous improvement of the qualifications and competencies of the personnel;
- 2) ensuring social stability in teams and promoting the growth of personnel well-being. Creating working conditions and a motivation system that ensure safe and highly productive work, as well as excluding the causes and conditions for committing illegal actions against the interests of the KMG Group and its partners;
- 3) creating a fair remuneration system, including ensuring equal pay for work of equal value to employees;
- 4) continuous improvement of the HR management function, which includes competent selection and hiring of highly qualified and motivated employees, training and advanced training;
- 5) development of a corporate culture that includes ethics, openness, interest and cooperation, where the HR function ensures the formation and development of culture, motivates and increases the interest, understanding and support of employees for the strategic goals of the Company at all levels of its development;
- 6) strengthening corporate identity and self-awareness through the development of internal expertise and the creation of conditions for increasing the value of human capital by improving the level of training of local personnel, as well as favorable conditions for retaining qualified specialists.

5.2. Proactive staffing planning

Managing the quantitative and qualitative composition of personnel involves analyzing the strategic plans of the KMG Group in the field of development of petrochemicals, strengthening the role of KMG in large oil and gas projects, starting production at new fields, energy transition and reducing the carbon footprint, forecasting the need for personnel, assessing the state of personnel (natural attrition, changes in legislation, planned attrition, etc.).

Planning is greatly influenced by the management model of subsidiaries and affiliates (the model of the managing holding company), the digital transformation of the KMG Group, which will be carried out through targeted initiatives, which is associated with different degrees of maturity and conditions of the KMG Group, the rapid pace of technology development, the specifics of the implementation of digital tools, artificial intelligence, etc.

The main approaches to strategic planning of personnel numbers are:

- 1) development of short-term (1 year) and long-term (5 years or more) plans for personnel requirements depending on internal (KMG strategic goals, personnel movement dynamics within the KMG Group) and external factors (macroeconomic

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indicators, development of technology and engineering, political changes, competition and market conditions);

- 2) assessment of risks associated with human resources;
- 3) meeting personnel requirements through personnel migration within the KMG Group in the form of transfers/secondments;
- 4) retraining of personnel in new skills and competencies;
- 5) training of specialists in in-demand specialties;
- 6) formation of a personnel reserve for key positions (operational and strategic) from among reliable candidates and Employees who adhere to the principle of “zero tolerance” for violations;
- 7) succession planning (short-term/long-term).

5.3. Target profile of the KMG Employee

To implement the tasks of the KMG Group, Employees with the following basic characteristics are required:

- 1) employees with expert competencies and successful experience (meeting the qualification requirements described in the job requirements, having successful and proven work experience, and preferably work experience in international companies, focused on results, possessing effective project management skills and specialized certification);
- 2) possessing the necessary personal and business competencies, demonstrating reliability in relation to the KMG Group and adhering to the principle of "zero tolerance" for violations (compliance with the competency model, with a high level of change management and commercial thinking);
- 3) with a high level of involvement and sharing the corporate values of KMG.

5.3. Popularization of working professions

The main principles of increasing the prestige of working jobs are:

- 1) constant and continuous professional development taking into account changing technologies, equipment, materials;
- 2) formation of a positive image and attractiveness of blue-collar jobs through publications in the media and KMG intranet resources;
- 3) non-material motivation through holding professional skills competitions of the KMG Group of Companies;
- 4) work with secondary specialized educational institutions within the framework of dual training;
- 5) internships in the KMG Group of Companies and in oil and gas companies of the CIS countries

5.3. HR – the Company brand

Strengthening the HR brand involves:

- 1) external communications - building interaction with key stakeholders;
- 2) working with specialized educational institutions (career guidance events, organizing industrial internships, expert mentors to help scholarship holders and the best interns write their theses, employee experts in the state certification commission of the university, participation in job fairs);

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- 3) cooperation with external industry experts and the media;
- 4) participation in industry events (exhibitions/conferences/round tables);
- 5) compliance with the principle of consistency and regularity in the work of the KMG website and internal corporate portal, maintain information flow and not create an information vacuum;
- 6) working with social networks;
- 7) informal meetings of the first manager/members of the Board of Directors with the team;
- 8) participation in social projects on ecology, support of culture and sports, charity, sponsorship, etc.
- 9) positive image of the Company (appearance of Employees, logo, image products, corporate insignia, traditions, ceremonies and rituals, etc.);
- 10) regular research of Employees' attitudes towards KMG and management.

5.4. Recruitment of personnel

5.4.1. The search, selection and recruitment of personnel is aimed at attracting candidates who meet the requirements for the level of qualification, professional, business and personal qualities in accordance with the business needs for personnel based on the internal rules in force in KMG and the Competency Model.

Personnel is attracted by promoting an attractive Employer brand and conducting a competitive selection through the use of automated search tools: work.kmg.kz, qsamruk.kz, as well as third-party external resources (industry communities, social networks, direct search on the external market, recruiting agency, business contacts and recommendations, etc.).


The selection of candidates is carried out based on the results of the competitive selection in compliance with the above principles of the HR Policy, compliance with the requirements of KMG. Under equal conditions, priority is given to internal candidates of the KMG Group (internal candidate database), as well as candidates from the pool of successors/Personnel Reserve/Presidential Youth Personnel Reserve.

Recruitment of employees to KMG is based on the formed EVP, which describes the working conditions for a potential Employee and includes:

- 1) unique experience: each Employee has the opportunity to gain diverse experience, thereby increasing the professional market value of the Employee;
- 2) social significance: each Employee makes their personal contribution to the development of the KMG Group, the country and the well-being of the population as a whole;
- 3) competitive working conditions: remuneration taking into account market benchmarks, training and development opportunities, social benefits;
- 4) corporate values: KMG's activities in accordance with the values in an effort to create a favorable environment for productive work and self-realization of Employees;
- 5) recognizable Employer brand.

5.4.1. Personnel adaptation

Personnel adaptation at KMG is aimed at the successful integration of new Employees into the organizational environment, KMG business processes, familiarization with the corporate culture, as well as Employees transferred to a new position/structural unit.

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The main approaches to building adaptation are:

- 1) corporate adaptation: the new Employee is provided with the necessary information about KMG, its development strategy, structure, goals and values (Welcome meeting from HR);
- 2) social adaptation: building effective communications and relationships with colleagues;
- 3) organizational adaptation: familiarization with the corporate culture of the KMG Group, formal/informal rules and policies, including in the area of safety, team traditions, orientation in the workspace;
- 4) technical (technological) adaptation: demonstration/training of the new Employee in working with specialized software and equipment/devices;
- 5) professional adaptation: familiarization directly with the professional side of the Employee's activities and the need to master the professional aspects of the work;
- 6) psychophysiological adaptation: adaptation to a certain work and rest regime, etc.

5.4.2. Training and Development of Employees

Investments in the training and development of Employees must meet the needs of KMG in achieving its strategic goals, the need to use DARQ, technological identity, cybersecurity risk management and readiness to work in the "instant market", the use of new methods, the economic situation in the Republic of Kazakhstan, etc. The training and development of Employees is aimed at improving the professional qualifications, developing personal, business and managerial competencies of Employees, and is also focused on training personnel in strategic business areas: oil and gas chemistry, increasing reserves of geological exploration using modern technologies and methods, including new methods in processing, high-quality reinterpretation of geological and geophysical materials and conducting seismic exploration using new generation technologies, digitalization and IT. At the same time, priority is given to training engineering and technical specialists and blue-collar workers.

The process of development and learning involves:

- 1) strengthening the competencies of Employees required to achieve KMG's strategic goals;
- 2) training middle managers in management skills;
- 3) training highly qualified personnel (Master's, PhD, MBA, DBA);
- 4) training specialists taking into account new areas (petroleum chemistry, renewable energy sources, geothermal energy, CO₂ capture, storage and processing technology (CCUS), production of decarbonized types of hydrogen, etc.);
- 5) certification of Employees in accordance with international and other standards, etc.
- 6) training in working with advanced information technologies (IoT, Big Data, robotic process automation (RPA)), creation of acceleration programs to improve the digital literacy of Employees;
- 7) interaction with universities on issues of training narrowly specialized personnel;
- 8) development of dual training for engineering and technical specialties;

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9) implementation of our own system of personnel training and development using digital technologies, online access to leading electronic libraries, portals, global databases of the oil and gas industry, a system of internal training, mentoring, coaching and coaching;

10) the possibility of partial reimbursement of expenses for independent training;

11) secondment within the KMG Group and major oil and gas projects (creation of a Secondment Center);

12) support for employees who improve their qualifications through participation in international certification programs, as well as the development of an outplacement program in order to open up new employment opportunities for Employees in cases of layoffs, reorganization, liquidation or retirement to acquire an additional specialty;

13) creation of a unified automated system for recording and planning mandatory training, formation of a unified catalog of trainings for the KMG Group to form an IPR;

14) improving the assessment of the effectiveness of both the training process itself (methods used, teacher skills, technologies and manuals, etc.) by creating a feedback base, and assessing the training results (economic efficiency, increase in knowledge-abilities-abilities of Employees in the workplace, personal development of the Employee, behavior change, own project or prepare proposals on how to improve a certain area of work, etc.) through testing/interviews/questionnaires/observation/assessment using the 360-degree method;

15) creating a catalog of trainings on the IS, including using a marketplace platform for training and development of Employees by internal trainers;

16) introducing modern tools for training and development of Employees.

5.4.3. Succession system and talent management

KMG strives to develop highly qualified specialists within the KMG Group, capable of effectively performing assigned tasks and achieving goals, and is also interested in accumulating and transferring experience and knowledge, increasing internal expertise throughout the KMG Group, and supports the internal promotion of Employees within the KMG Group.

KMG's HR policy includes measures to build a system of succession and talent management within the KMG Group to determine the needs for personnel development and training of specialists for KMG's business needs. The direction involves:

1) formation of a pool of successors for the Personnel Reserve: selection of high-potential employees to occupy key positions in KMG. Development of training programs and a career plan for the Personnel Reserve;

2) formation of a system for the transfer of experience and knowledge from foreign specialists to Kazakhstani personnel and criteria for assessing its effectiveness;

3) formation of a system for the transfer of experience and competencies of seconded employees.

The focus is not only on vertical career development and maintaining continuity, but also on developing cross-functional expertise. The process of forming and developing the Personnel Reserve is integrated with the annual assessment of the Employees' activities, based on the results of which a Talent Map is formed, an IPR for reservists is developed, internal expertise, internship programs, and a succession program are developed.

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5.4.4. Implementation of the institute of internal trainers/mentoring/mentoring and coaching

In order to support and accompany the professional development of Young Specialists, newly hired Employees, reservists, and Employees of the KMG Group, an institute of Internal Trainers and Mentors/Coaching has been created.

The main approaches in this direction are:

- 1) formation of a pool of Internal Trainers from experts in their field, possessing training and development skills;
- 2) formation of a catalog of internal trainings, in order to accumulate and disseminate knowledge within the KMG Group and develop its own training base at the level of international standards;
- 3) support of Young Professionals/newly hired employees by Mentors throughout the process of developing and improving skills and professional competence;
- 4) support of reservists formation and training of a pool of internal corporate coaches, who will subsequently be actively involved in the processes of training and development of employees and the introduction of a coaching culture in the KMG Group.

5.5. Assessment of Employees' Performance

The performance evaluation process is aimed at improving the efficiency of KMG, as well as developing the potential of Employees in order to achieve real and specific results.

The main approaches of the performance evaluation system are:

- 1) ensuring the cascading of corporate KPIs (business goals) into specific indicators for business processes/areas of activity;
- 2) ensuring transparency and efficiency of the assessment process through the implementation of a management by objectives system;
- 3) introducing mandatory KPIs for the transfer of experience and knowledge of foreign specialists to Kazakhstani employees (applicable to foreign specialists);
- 4) ensuring feedback on the assessment results for all levels of managers and Employees;
- 5) regular assessment and maintaining a methodological basis for monitoring the dynamics of personal effectiveness of Employees and adjusting the IPR, as well as, if necessary, using additional assessment blocks to track the effectiveness of developing new competencies and performing new tasks.

5.6. Reward and Motivation Management

KMG values the achievements of its Employees and strives to create an effective reward system in order to attract, retain and motivate Employees whose qualifications and performance ensure the successful implementation of the strategy with minimal costs.

The main approaches of the remuneration management system are:

- 1) a flexible and fair remuneration system in order to promote the personal effectiveness of the Employee and his contribution to the achievement of goals;
- 2) maintaining the level of wages in accordance with the goals and financial and economic capabilities of the KMG Group;

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3) an increase in wages or a change in labor in a particular SDC is carried out taking into account the interests of the KMG Group and is supported by open and transparent communications with Employees (in particular, with production personnel in SDCs) in order to explain to Employees the remuneration system, taking into account the current situation in KMG and in the labor market as a whole;

4) differentiation of Employees' wages from the Employee's qualifications: complexity, quantity, quality and conditions of the work performed;

5) transparency of the remuneration system, enabling Employees to understand how their wages are determined and what factors influence its change;

6) monitoring the level of remuneration of comparable positions in the labor market, comparison with the level of competitors (benchmarking), determining KMG's position in the labor market; 7) compliance with internal fairness and external competitiveness through a grading system of remuneration for KMG;

8) a program for the improvement of employees (partial reimbursement of physical education and health events);

9) voluntary medical insurance of employees and their family members;

10) non-state pension provision;

11) organization of professional skills competitions, establishment of a ritual of public encouragement, praise and gratitude in front of the team;

12) a system of employee motivation aimed at assessing the creative contribution to the improvement of business processes (implementation of kaizen technology).

5.7. Effective corporate culture

The company strives to create an effective and sustainable organization in which corporate culture is an end-to-end process of the HR function and a key tool for increasing engagement, loyalty and strengthening the trust of Employees in the Employer.

The main approaches to implementing the process are:

1) broadcasting the target profile of the corporate culture - the culture of efficiency and involvement in the overall result, as well as the values, corporate brand in the internal environment. Holding Open Days of departments in the form of meetups / master classes or a department page on the IS. Introducing everyone to the successes of other Employees and the key areas of work of each department;

2) developing the leadership potential and the ability of KMG to initiate changes, actively and effectively manage them;

3) forming and promoting a model of behavior, accepted rules and norms in force in the KMG Group in accordance with corporate values;

4) integrating business processes into the corporate culture of KMG and the daily life of Employees;

5) making management decisions in accordance with KMG values;

6) sharing corporate values by management and Employees;

7) communicating strategic initiatives and management decisions to Employees, increasing Employees' understanding of KMG's strategic goals and the changes being implemented at all levels of its development through internal communications tools; 8) stimulation and formation of team spirit unites and motivates personnel to achieve the goals

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of the KMG Group;

8) conducting research on culture (survey of employee satisfaction and engagement), the results of which contribute to increasing the efficiency of HR processes and are a tool for implementing the necessary changes in the internal environment, as well as contribute to increasing the loyalty and commitment of Employees;

9) working with children of Employees (organization of competitions for holidays, Open Day, Career Orientation Day with visits to parents' workplaces, etc.);

10) forming a team of corporate culture agents through young specialists/mentors/coaches/mentors.

5.8. Social policy and ensuring social stability at the KMG Group facilities

KMG's social policy is aimed at creating comfortable social and living conditions for work, ensuring social security for employees and their families, maintaining a favorable social environment in the regions of presence and plays an important role in the formation of KMG's HR policy.

Main directions of social policy work:

1) implementation of a production culture by increasing the level of knowledge and skills, using the achievements of science and technology;

2) support for projects on continuous improvement of production, dissemination of the ideology and philosophy of continuous improvement of production in the work environment;

3) ensuring inclusiveness and balance, which imply the creation and implementation of social support programs in compliance with equal conditions and opportunities for representatives of different social and age groups, paying them equal attention;

4) implementation of collective agreements, provision of benefits and guarantees to employees;

5) implementation of corporate social responsibility: measures to support socially vulnerable groups of the population (pensioners, veterans of the Great Patriotic War, children and others), as well as social projects aimed at improving the infrastructure in the regions of presence;

6) improvement of social and living conditions, creation of decent working and rest conditions for Employees;

7) financing the training of Kazakhstani personnel in specialties in demand for the KMG Group in accordance with the law;

8) improving the efficiency of internal communications (organizing cultural, sports and festive events, as well as supporting the comprehensive culture, national culture, and spiritual development of KMG Group employees);

9) working with trade union bodies/representatives of employees to ensure social stability of the KMG Group;

10) regularly monitoring the efficiency of the social policy by conducting social stability studies and developing plans aimed at eliminating problem areas;

11) implementing internal communications regulations to increase employees' awareness of the Company's issues;

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12) organizing volunteer programs;

13) developing IR competencies in terms of monitoring social and living conditions, developing internal communications, a culture of feedback and preventing forms of pressure in the workplace.

6. WORKING WITH YOUNG PROFESSIONALS

The company pays great attention to young professionals by:

1) attracting qualified young people through social networks, LinkedIn, Facebook, VKontakte, Habrahabr, Professional.ru, Telegram, professional communities, crowdsourcing platforms with solving complex logical cases/tasks with Big Data elements;

2) involving Young Professionals in the production and socio-cultural activities of the Company (organization of hackathons);

3) identifying and supporting talented Young Professionals (formation of a pool of young leaders with the inclusion of a two-year cycle of in-depth training);

4) fostering citizenship and strengthening a sense of patriotism (participation in social and volunteer programs).

The key areas of work with Young Professionals are:

1) increasing brand awareness among a young audience;

2) selection and hiring of talented young people;

3) improving the knowledge and qualifications of Young Professionals - development through a system of internal and external training, participation in projects and developmental events;

4) ensuring continuity of accumulated experience and knowledge of employees retiring, Young professionals by improving the mentoring/mentoring process;

5) creation and effective functioning of a system for training Young professionals from among students of higher education institutions;

6) encouraging Young professionals to demonstrate creativity, innovation and digital literacy.

7. THE ROLE OF HR SERVICE

HR strives to implement a strategic role that helps KMG management more effectively manage its teams, facilitate the solution of business problems, develop a corporate culture, and also improve HR expertise.

As a standard of professional activity, the HR team is guided by recognized international professional standards that set requirements for the set of competencies of an HR employee, covering both professional and personal-business competencies.

Key tasks for improving efficiency and developing the HR function:

1) development of HR expertise through consolidation, accumulation and dissemination of knowledge and experience within the KMG Group, as well as through the exchange of experience and practices with external expert communities;

2) continuous improvement of professional competencies of HR employees of the KMG Group (including HR certification);

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3) development and digital transformation of the HR metrics system, HR analytics, including standardization and automation of processes, as well as the transition to advanced technologies, digital solutions (e.g. digital assessment platforms, recruitment bots, etc.);

4) creation of a database of HR metrics with target indicators to improve the efficiency of regular monitoring of the HR function and conducting satisfaction studies and analysis of HR metrics;

5) implementation of HR processes and tools through the prism of and compliance with the corporate values of the Company;

6) increasing the role of the HR function and the degree of influence on decisions made by business processes at all levels; 7) increasing the authority of HR in the KMG Group by informing about the results of HR activities through the development of professional HR communities, participation in and holding of professional competitions of HR projects and the introduction of a system of professional awards within the KMG Group.

8. ASSESSMENT OF THE EFFECTIVENESS OF KMG'S HR POLICY

The effectiveness of the implementation of KMG's HR Policy is assessed by such key indicators as labor productivity, staff turnover, percentage of internal appointments, engagement index, well-being index, social support for employees, average annual number of academic hours of training, proportion of women in management and executive bodies, attractiveness of the employer brand and other indicators of the effectiveness of HR management.

The KMG Group is developing a feedback and internal communications system that allows monitoring the effectiveness of the implementation of KMG's HR Policy programs and activities. All participants involved in the processes and procedures regulated by KMG's HR Policy evaluate the results obtained and develop corrective recommendations and activities. The effectiveness of monitoring depends on the timeliness of the provision and exchange of information between all participants involved in the processes and procedures regulated by KMG's HR Policy.

9. FINAL PROVISIONS

Internal regulatory documents, the improvement/development of which is necessary for the purposes of implementing this KMG HR Policy, are approved by the KMG Management Board.

The implementation of the KMG HR Policy and control over its implementation is ensured by the relevant officials of the Company supervising HR management issues, in accordance with the internal documents and procedures of the Company.