

Approved by Resolution of
JSC NC “KazMunayGas” Management Board
dated December 24, 2019, No. 54

**Model Regulations
of the Unified System of Internal Communications
in the JSC NC “KazMunayGas” Group**

1. Document Objective and General Provisions

- 1.1. These Model Regulations of the Unified System of Internal Communications in JSC NC “KazMunayGas” Group (hereinafter referred to as the “Regulations”) define the procedure, conditions for creating and maintaining feedback between employers and employees in KMG Group in order to improve the KMG Group psychosocial climate.
- 1.2. The purpose of these Regulations is to improve the effectiveness of internal communications between the focus groups, to define the manner and responsibility for creating, disseminating and using various types of internal communications, and other aspects related to internal communications.
- 1.3. The main goals of implementing a unified internal communications system are to establish the principles of informing and receiving feedback from the Management and employees of KMG and KMG Organisations, to create a system of timely informing of KMG Group activities, and to enhance KMG reputation among the employees of KMG and KMG Organisations.
- 1.4. The types of internal communications created and applied in KMG Organizations include but are not limited to:
 - 1) Performance assessment meeting of the Chief Executive Officer with the personnel
 - 2) Chief Executive Officer’s meetings with young employees
 - 3) Meeting of the KMG Management with the KMG Organization Management
 - 4) Meeting of KMG employees with the Chief Executive Officer on personal matters
 - 5) Chief Executive Officer’s blog
 - 6) Sociological research
 - 7) Consultations with the Trade Union
 - 8) Video announcements
 - 9) Corporate newspaper
 - 10) Information stand
 - 11) Team building.
- 1.5. The types of internal communications created and applied in KMG include but are not limited to:
 - 1) General meeting of KMG employees
 - 2) News releases
 - 3) Corporate newspaper
 - 4) Video footage
 - 5) Corporate Portal.
- 1.6. Information transferred through the types of internal communications used in accordance with these Regulations shall be accurate and clear, timely, necessary and reliable.

2. Scope

- 2.1. These Regulations apply to KMG Group in accordance with the established procedure.

The application of these Regulations to KMG Organisations is carried out in accordance with the established procedure by developing and approving similar Regulations or by bringing internal documents of KMG Organisations into compliance with these Regulations. At the same time, the requirements provided for by these Regulations shall not be lowered in similar regulations and internal documents of KMG Organizations.

3. Definitions and Abbreviations

3.1. Basic concepts and terms used in these Regulations:

Chief Executive Officer's Blog	— a page on the corporate website of the KMG Organization, which may be used by an KMG Organization employee to address the Chief Executive Officer.
Unit (Functional Unit) <i>(for the purposes of these Regulations)</i>	— one or more Business Units of KMG responsible for management of a certain business area / project, for resolution of the issues related to effective management of the block of shares (interests) of the respective KMG Organization.
Internal communications	— a set of information channels that enable business content to be transmitted and received within KMG Group.
Corporate Portal (Intranet)	— an instrument of communication between KMG Management, KMG employees and KMG Business Units, building and maintenance of corporate culture, and transfer of the Organization's values and mission.
Types of internal communications	— information channels which may be used by the employer to communicate and interact with internal focus groups.
KMG Group	— KMG and legal entities with fifty and more percent of voting shares (interests) directly or indirectly owned or held by KMG on the basis of title right or beneficial ownership, as well as legal entities that KMG is entitled to control.
Social Stability Index	— sociological surveys conducted among KMG Organization employees for the purpose of monitoring social climate among KMG Organization employees.
KMG	— Joint-Stock Company "National Company "KazMunayGas".
Team building	— corporate events held at KMG Organizations (corporate holidays, professional competitions, sports competitions, etc.).
KMG Organization Sponsor	— Deputy Chairman of the Management Board / Managing Director / Head of the KMG Business Unit, whose competence includes solving issues of effective management of the block of

	shares (interests) of the KMG Organization in accordance with the order.
General Meeting of KMG employees	— a KMG event where KMG employees and the Chairman of the KMG Management Board meet.
General Information Technology Service Centre	— a specially created legal entity to which the KMG information technology business process has been transferred.
KMG Organization <i>(for the purposes of these Regulations)</i>	— an Organization with fifty and more percent of voting shares (interests) directly or indirectly owned or held by KMG on the basis of title right or beneficial ownership, as well as legal entities that KMG is entitled to control.
KMG Business Unit in Charge	— a business unit of KMG, which administers the unified internal communications system.
KMG Organization Business Unit in Charge	— a business unit of the KMG Organization, which administers the unified internal communications system.
Performance assessment meeting	— the scheduled meeting of the Chief Executive Officer of KMG Organization with the personnel twice a year on the results of the Organization's activity in accordance with the algorithm established by these Regulations.
Chief Executive Officer	— the head of the executive body / individual executive body that currently manages the KMG Organization.
Employee	— an individual who is in labour relations with the employer and works directly under an Employment Agreement.
Employer	— an individual or a legal entity with which an employee has labour relations.
KMG Management (executive officers)	— Chairman and members of KMG Management Board.
Unit Management <i>(for the purposes of these Regulations)</i>	— a representative of the KMG Management responsible for the effective management of a particular activity/process or several KMG Level 1 processes (Managing Directors: CEO 1, CEO 2).
KMG Organisation Management	— Chief Executive Officer of the KMG Organization and their deputies.

KMG Business Unit	— an independent unit within the KMG organisational structure responsible for a particular business area.
KMG Organization Business Unit	— an independent unit within the organizational structure of KMG Organization and responsible for a particular business area.
Focus groups	— Management of KMG and KMG Organisations, and employees of KMG and KMG Organisations.
Social Engagement and Communications Centre	— an organization established by the Fund, whose main task is to monitor social and labour relations in the Fund Group.
Fund	— Sovereign Wealth Fund Samruk-Kazyna Joint-Stock Company.
IPO (<i>Initial Public Offering</i>)	— initial public offering of the organization's shares on the stock market for sale to an unlimited scope of persons.

3.2. The terms used but not defined in these Regulations have the same meaning as in the laws of the Republic of Kazakhstan, the Charter and other internal documents of KMG.

4. Responsibilities

4.1. The heads of KMG Units are responsible:

- For informing the KMG Organization of the provisions of these Regulations in accordance with the established procedure and ensuring that the KMG Organization clarifies and complies with the internal documents
- For ensuring/initiating in accordance with the established procedure the adjustment of the relevant internal documents supervised by the KMG Organisation to these Regulations.

4.2. The KMG Business Unit in Charge is responsible for:

- Creating a unified internal communications policy within KMG Group
- Monitoring the implementation of the internal communications system in KMG Group in accordance with these Regulations
- Summarizing and analysing the monitoring results.

4.3. The KMG Organization Business Unit in Charge is responsible for:

- Development and approval of an internal document on internal communications by the KMG Organization in accordance with these Regulations
- Implementation and ensuring the continued operation of the internal communications adopted by the KMG Organization in accordance with these Regulations.

- 4.4. The KMG Public Relations Business Unit is responsible for implementation and maintenance of internal communications within the KMG competence in accordance with these Regulations.
- 4.5. The Information Technology Business Units of KMG and KMG Organisations are responsible for the development, installation and maintenance of IT-related internal communications in KMG and KMG Organisations, respectively.

5. General Requirements

5.1. Procedure for Creating and Maintaining a Unified System of Internal Communications between Employers and Employees of KMG Organisations

5.1.1. Performance Assessment Meeting of the Chief Executive Officer with Personnel

The performance assessment meeting is held twice a year:

- Before March 1: on the results of the previous year
- Before September 1: on the results of six months.

The Organization sponsors from the KMG Units shall participate in the performance assessment meeting.

Representatives of all Business Units of the KMG Organization shall participate in the performance assessment meeting. At the same time, the participants of the performance assessment meeting shall form a representative cross-section, i.e. employees of all Business Units of the KMG Organization shall be represented proportionally.

The total number of participants in the performance assessment meeting is determined by the KMG Organization itself and shall be at least 15 % of the total number of KMG Organization employees.

The number and location of the KMG Organisation performance assessment meeting with the personnel are planned depending on the number of participants and their location.

The Business Unit in Charge of the KMG Organization:

- Together with the Chief Executive Officer, determines the agenda, sets the date and time of the performance assessment meeting based on the results of the year and six months
- Draws up a schedule of the performance assessment meeting with the personnel, ensures quantitative and proportional participation of all KMG Organization employees
- Informs the personnel of the upcoming performance assessment meeting (date, time, place). The Company uses information stands, monitors for video announcements, a corporate newspaper and other types of internal communications to inform its employees of the upcoming performance assessment meeting
- Sends to the Chairman of the Trade Union (if there is a Trade Union) a letter with a proposal to participate in the performance assessment meeting (at least 15 days before the performance assessment meeting).

The Chief Executive Officer determines the Business Unit responsible for preparing the report (presentation) in accordance with the established procedure.

The Business Unit responsible for the preparation of the Chief Executive Officer's report together with the interested Business Units of the KMG Organization shall prepare a report (presentation), which shall mandatorily contain the following information:

- Production and economic indicators, investment plans
- KMG Organization production problems
- Analysis of the labour discipline (indicating KMG employees who have positive labour results and the Business Units of the KMG Organization that have outstanding production indicators, as well as the number of employees who have violated the labour discipline)
- Analysis of industrial injuries and occupational diseases in the Organization
- Data on performance bonus payments
- Information on education, advanced training, preparation and refresher training of the KMG Organisation employees (vocational education)
- Analysis of the provision of social allowances, compensations and securities
- Performance of obligations under the Collective Agreement (if any)
- HR (personnel development and evaluation, organization of work with the bench strength, etc.), social and welfare issues, holding corporate events in the KMG Organization
- Brief results of sociological research to determine the level of the Social Stability Index of the KMG Organisation, which was conducted by the Social Engagement and Communications Centre, and measures taken by the KMG Organisation Management to implement the Action Plan on Improving Social Stability of the KMG Organisation, approved by the Chief Executive Officer as per the Social Stability Index research results
- Information on the issues received, meetings held earlier, personal visits and issues resolved during the reporting period, including quantitative indicators and information on the issues that need to be resolved and planned for implementation.

In the course of the report, KMG Organisation employees shall see positive and negative results of the KMG Organization work; the presentation shall be visualized, simple and understandable for the employees (in the form of infographics, diagrams, charts, tables, etc.).

The Business Unit in Charge of the KMG Organization collects questions from the employees through any available types of internal communications (at least two weeks in advance), analyses the received questions and prepares answers so that the Chief Executive Officer may voice them during the performance assessment meeting.

KMG Organisation employees responsible for the implementation of the internal communications system who record all the questions asked participate in the performance assessment meeting on a mandatory basis. During the performance

assessment meeting, the Chief Executive Officer must define the day when the feedback shall be given on the issues that require some time to be resolved.

Employees of the Business Unit in Charge of the KMG Organization draw up minutes based on the performance assessment meeting results (to be signed by the Chief Executive Officer within 3 days after the performance assessment meeting) as well as an action plan based on the performance assessment meeting results (to be approved by the Chief Executive Officer within 5 days after the performance assessment meeting).

A copy of the minutes is sent to the KMG Business Unit in Charge.

The minutes shall include the date of the performance assessment meeting, number of the personnel present/absent, agenda, issues raised by KMG employees, course of the discussion, proposals, recommendations and comments of the personnel.

The action plan shall include the ways to address the issues raised by KMG employees, indicating deadlines and the persons responsible for the assigned tasks.

The Chief Executive Officer report (presentation) and the action plan based on the performance assessment meeting results approved by the KMG Organization Business Unit in Charge are placed on the KMG Organisation corporate website and in the corporate newspaper (if available), as well as on the information stand and broadcast on monitors for video announcements (if available).

Information on the resolution deadlines shall be communicated to KMG employees personally in writing (in the event that a KMG employee raises a question of a personal nature) or via available information stands.

The KMG Organization Business Unit in Charge constantly monitors the action plan implementation based on the performance assessment meeting results and informs the Chief Executive Officer of its implementation/non-implementation (once a month).

5.1.2. Chief Executive Officer's Meetings with Young Employees

The meeting of the Chief Executive Officer with young employees is held once a year. The following issues are discussed at the meeting:

- Ensuring involvement of young employees of the KMG Organization in the process of implementation of KMG Organization strategic goals
- Developing the proactive attitude as well as intellectual and creative potential of young employees of the KMG Organization
- Promoting the professional development of young employees of the KMG Organization
- Developing rationalization by involving young employees of the KMG Organization in the process of development and implementation of new technical solutions aimed at improving the Organization performance.

5.1.3. Meeting of the KMG Management with the KMG Organization Management

The meeting of the KMG Management with the KMG Organization Management is of an explanatory nature and shall be held once a year to discuss the following issues:

- Strategy
- Finance, budget, IPO, etc.
- Personnel and social policy
- Information technology
- Transformation and digitalization
- Procurement
- HSE
- Corporate security.

The date and place of the meeting are determined by the KMG Business Unit in Charge together with the heads of KMG Units. Chief Executive Officers and their deputies, heads of KMG Organisation Business Units, including heads of departments shall participate in the meetings.

During the meetings, the representatives of KMG Organisations are informed of the main implemented and planned programmes, significant KMG projects, etc.

The KMG Business Unit in Charge is responsible for holding a meeting of KMG with KMG Organisations and shall inform all KMG Units of the date and place of the meeting before the meeting.

5.1.4. Meetings of KMG Organisation Employees with the Chief Executive Officer on Personal Matters

The meetings of KMG Organisation employees with the Chief Executive Officer on personal matters are carried out by the Chief Executive Officer according to the approved schedule once a month.

Meetings can be arranged by appointment, phone, e-mail, mailbox, and through the Chief Executive Officer's Blog. Within three days after registering for an appointment, the date and time of the appointment shall be communicated to the KMG Organisation employee who has applied for an appointment. KMG Organisation Management makes one of the following decisions:

- To grant the request by informing the KMG Organisation employee of the procedure and time frame for the decision implementation
- To deny the request, explaining the reasons for the denial and the procedure for appealing the decision
- To accept a written application if the questions raised by an employee of the KMG Organization require further study or verification, explaining the reasons

why the request cannot be resolved in the acceptance process, the procedure and time frame for its consideration.

5.1.5. Chief Executive Officer's Blog

The Chief Executive Officer's Blog on the corporate website of the KMG Organization shall allow addressing a letter or request to the Chief Executive Officer and shall support the state and Russian languages, as well as contain the rules for using the blog.

The most important of the issues received shall be discussed at the meetings of the KMG Organization Management with the personnel. The Chief Executive Officer is obliged to respond to all the requests from KMG Organization employees which have been posted on the Chief Executive Officer's Blog.

5.1.6. Sociological Research

Once a year, the Social Engagement and Communications Centre conducts a sociological research to determine the level of the Social Stability Index of the KMG Organization at the initiative of the Fund. Sociological surveys are conducted in KMG Organizations, the list of which is determined by the KMG Business Unit in Charge.

Based on the results of sociological surveys conducted by KMG, an action plan for improving the level of social stability in the work teams of KMG Organisations is developed and approved in accordance with the established procedure.

KMG Organizations submit quarterly reports to the KMG Business Unit in Charge on the implementation of action plans to eliminate weaknesses and alarm zones in KMG Organizations identified during sociological surveys.

5.1.7. Consultations with Trade Unions

The KMG Organization holds a meeting of the KMG Organization Management with the Trade Union on the most pressing issues (implementation of the collective agreement, work discipline, review of the employees' requests, health and safety issues, provision of social allowances and compensations and other socially important issues).

5.1.8. Monitor for Video Announcements

In order to provide KMG Organization employees with the necessary information, such as orders, instructions from the KMG Organization Management, news, announcements, congratulations and other internal corporate information, monitors for video announcements are installed.

Monitors shall be installed in publicly accessible locations of the KMG Organisation, visited by the majority of KMG Organisation employees (e. g. canteens, service buildings, etc.) and broadcast information about KMG Organisation activities.

Video announcements and video clips shall be broadcast daily and posted in the state and Russian languages. Announcements shall be placed and updated as necessary.

Responsibility for the timely posting and updating of the information rests with the relevant Business Unit of the KMG Organization, as determined by the KMG Organisation Management in due course.

5.1.9. Corporate Newspaper (if any)

The corporate newspaper shall cover:

News, announcements, interviews, analytical articles and other information relating to the KMG Organization to be communicated to KMG Organisation employees

Thematic articles containing descriptions of innovations implemented in the KMG Organisation, information about the master classes of experienced KMG Organisation employees and managers, success stories of KMG Organisation employees, and introduction of new team members

Materials on sports, cultural and leisure activities in the KMG Organization, congratulations, etc.

Responsibility for the timely posting and updating of the information rests with the relevant Business Unit of the KMG Organization, as determined by the KMG Organisation Management in due course.

5.1.10. Information Stand

The information stand is used to inform KMG Organisation employees by placing prompt announcements and messages.

The information stand is located in a place of the KMG Organization that is publicly accessible to KMG Organisation employees.

Responsibility for the timely posting and updating of the information rests with the relevant Business Unit of the KMG Organization, as determined by the KMG Organisation Management in due course.

5.1.11. Team Building

KMG Organisation annually holds production professional contests for one or more titles, such as *Best Team / Best in Profession / Best Young Specialist / Best Young Employee* and/or others.

The KMG Organization holds sports competitions.

Corporate events are organized during state and professional holidays and provide for festive meetings, corporate recreation, as well as other activities aimed at team building.

5.2. Procedure for Creating and Maintaining Internal Communications at KMG

5.2.1. Holding a General Meeting of KMG Employees

The General Meeting of KMG employees is held at least once a year in connection with the events significant for KMG with the participation of the Chairman of the KMG Management Board and the entire KMG team in the format of festive meetings dedicated to state and professional holidays.

The KMG Business Unit in Charge prepares a draft agenda and date of the General Meeting of KMG employees, which shall be agreed upon with the Chairman of the KMG Management Board.

The materials for the speech of the Chairman of the KMG Management Board are developed by the KMG Public Relations Business Unit in Charge on the basis of the information received from the KMG Business Units depending on the agenda of the General Meeting of KMG employees, and agreed upon with the Chairman of the KMG Management Board.

The KMG Business Unit in Charge provides general organization of the meeting as well as KMG employees' mailing with an invitation to the forthcoming General Meeting of KMG employees via e-mail.

Depending on the agenda of the General Meeting of KMG employees, appropriate representatives of the KMG Management may be involved as speakers.

5.2.2. News Releases

KMG Public Relations Business Unit in Charge sends a digest (KMG news, economic, social and political life of Kazakhstan, oil and gas market, etc.) to the Chairman of the KMG Management Board and their deputies, managing directors, directors of departments by e-mail every day.

5.2.3. Corporate Newspaper

The KMG corporate newspaper shall cover:

News, announcements, interviews, analytical articles and other information relating to the Company to be communicated to its employees

Topical articles containing descriptions of innovations implemented in the Company, information about master classes of experienced Company employees and managers, success stories of the Company employees, presentation of new team members

Materials on sports, cultural and leisure activities in the Company, congratulations, etc.

KMG Public Relations Business Unit in Charge is responsible for the timely publication of the corporate newspaper.

5.2.4. Placing Video Footage

KMG Business Units in Charge for administration of buildings and offices and for public relations organize video placement agreed upon with the KMG Business Unit in Charge for the respective KMG business area.

Video materials may contain video content created on the basis of the materials provided by KMG Units for production, HSE and social sphere; speeches of the KMG Management and KMG Business Units, news videos about the Company published on national television, commercials and movies created in the Company, photo reports from corporate events.

Video footage is broadcast daily in the state and Russian languages on plasma screens installed in the most visited places in KMG employees' premises and offices.

5.2.5. Corporate Portal (Intranet)

KMG Business Units may place information messages on the Company's current operations on the KMG Corporate Portal (Intranet) using the service provided by the General Information Technology Service Centre.

6. Amendments and Supplements to the Regulations

Amendments and supplements to the Regulations are made in accordance with the established procedure by a decision of the KMG Management Board.