HEALTH, SAFETY, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT COMMITTEE

STATEMENT BY THE CHAIRMAN OF THE HEALTH, SAFETY, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT COMMITTEE

Given the particular focus on industrial safety issues, the Committee conducted in-depth reviews of safety management metrics and methods at each of our facilities and at our contractors. I am pleased to highlight that no work-related fatalities were recorded across KMG Group in 2020. During the year, the Board of Directors approved the Corporate Standard on Contractor Engagement in Health, Safety and Environment at KMG as recommended by the Committee. It is currently being implemented across KMG Group to minimise the number of work-related incidents. In this way, we were able to conduct an end-to-end review to gain a better understanding of how management takes action to improve safety performance and how we can improve the security culture at all levels of the organisation.

The Committee has introduced the practice of making deep-dives into key HSE issues at its meetings, which, in 2020, included among others climate change (GHG emissions), Carbon Disclosure Project (CDP) and Water Disclosure Project (WDP) reporting, improvements to APG utilisation across KMG Group, contractor engagement in HSE and KMG's Environmental Transparency Rating.

The Committee also consistently reviewed reports on the situation with COVID-19 at KMG and on measures taken across the Group to prevent the spread of the virus.

The Committee was launched in 2019 as part of KMG's commitment to the health, safety, environment and Sustainable Development Goals (SDGs).

The Committee had 4 meetings during the year, reviewing 40 issues related to HSE, strategic management of ESG (Environmental, Social, Governance) aspects and sustainability reporting.

Transparency in our sustainability reporting was an important focus during the year. The Company continues publishing its Sustainability Report. KMG's Sustainability Report was ranked second in a competition of annual reports and sustainability reports for 2019 in the Best Sustainability Report category. According to KMG's Corporate Governance Code and Development Strategy, long-term sustainability is one of KMG's key strategic goals and objectives, which is aligned with JSC Samruk-Kazyna's vision, the Development Strategy of Kazakhstan and the global investor community agenda.

During the year, the Committee approved six priority SDGs for KMG:
◆ Ensure healthy lives and promote well-being for all at all ages
◆ Ensure access to affordable, reliable, sustainable and modern energy
◆ Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
◆ Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
◆ Take urgent action to combat climate change and its impacts
◆ Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

In 2021 and onwards, we will take practical steps to achieve these goals.

The Board of Directors reaffirms its strong focus on ecology, environmental protection, health and safety of KMG employees and contractors across the Group's operations, as well as on building a talent pipeline and committing to universally recognised Sustainable Development Goals by delegating these issues to the Health, Safety, Environment and Sustainable Development Committee.

Our agenda for 2021, same as last year, will focus on the key themes of safety, health, environmental protection as well as on building a sustainability framework. We will also maintain our focus on improving our ESG rating components.

Timothy Miller

Chairman of the Health, Safety, Environment and Sustainable Development Committee
Independent Director

KEY ISSUES REVIEWED BY THE HEALTH, SAFETY, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT COMMITTEE IN 2020:

- Climate change (greenhouse gas emissions, CDP (Carbon Disclosure Project) and WDP (Water Disclosure Project) reporting)
- KMG's ESG (Environmental, Social, Governance) score
- Approval of the List of Priority UN SDGs for KMG
- KMG's Health, Safety and Environment reports
- Reports on the situation with COVID-19 at KMG and on measures taken across the Group to prevent the spread of the virus
- Improvements to APG utilisation across KMG Group
- Environmental Transparency Rating of KMG Group
- Identification of potential safety threats, prevention of high-risk employee health and safety incidents
- Contractor engagement on HSE across KMG Group
- Implementing a sustainability framework across KMG and its business units and embedding sustainability principles into key business processes
- Establishing KPIs (key performance indicators) for individual executives of the Company involved in embedding sustainability principles
- Investigations and prevention of fatalities, traffic accidents and safety incidents, applying sanctions to managers based on incident investigation results
- Social policy pursued by KMG Group, social stability and social responsibility across KMG group
- Results of an anonymous survey on health, safety and environmental issues across KMG Group conducted by KMG's Internal Audit Service in 2019
- Training and testing of skills and competencies in ethical procedures and principles conducted for KMG employees

Members as at 31 December 2020:

1. Timothy Miller – Chairman of the Committee since September 2020
2. Christopher Walton – member of the Committee since December 2018
3. Uzakbay Karabalin – member of the Committee since May 2019

Documents and regulations reviewed and approved by the Committee in 2020:

- KMG Group's Corporate Unified Occupational Health Management System Standard
- KMG Group's Corporate Industrial Safety Standard
- KMG Group's Sustainability Management Guidelines

In 2020, the Health, Safety, Environment and Sustainable Development Committee held

4 MEETINGS

and reviewed

40 ISSUES

Attendance of the Committee's meetings by its members in 2020

Meeting No. and date	Committee member					
	T.G. Miller	C.J. Walton	U.S. Karabalin	P.J. Dayer	S.J. Whyte	L.M. Palha
1/2020 11 February 2020		+	+	+	+	+
2/2020 2 April 2020		+	+	+	+	+
3/2020 5 October 2020	+	+	+	Resigned from the Committee	Resigned from the Committee	Resigned from the Committee
4/2020 7 December 2020	+	+	+	Resigned from the Committee	Resigned from the Committee	Resigned from the Committee
Interest, %	100	100	100	100	100	100