

for counterparty checks and the use of data analytics as a powerful tool to identify non-compliance within the various business processes. Measures were also announced to prevent and minimise the risk of fraud in a remote work environment, all resulting in more productive interactions on compliance and ethics issues between senior management and the Compliance Service. On top of that, the 2021 action plan was announced along with the shareholder's expectations from subsidiaries and associates' efforts in this area.

Integrity is a cornerstone of the entire framework of good governance, providing an assurance that the Company's interests are protected and prioritised over own interests. The Compliance Service will continue proactive efforts to raise awareness of managers' accountability for corruption offences by their subordinates and failure to take anti-corruption measures.

OMBUDSMAN OFFICE

One of the key roles of the Ombudsman Office is to improve KMG's ranking and profile through early prevention, dispute settlement and conflict resolution, and escalate systemic issues requiring action to relevant bodies and officers, as well as to make proposals to stabilise conflict situations. KMG's Code of Business Ethics clearly states the principles stipulating that KMG employees and officers shall not tolerate intimidation, even in the form of a joke, discrimination against anyone on the basis of race, religion, nationality, gender, political or other affiliation, social origin, material position, job, language or other circumstances, as well as the granting of any privileges to individual employees based on the above characteristics. KMG ombudsman's activities are guided by Kazakhstan's laws and KMG's internal documents.

The Ombudsman submits regular report detailing their activities for review by KMG's Nomination and Remuneration Committee and Board of Directors.

In 2020, in order to communicate the Code of Business Ethics requirements, as well as ombudsman's roles and objectives, meetings were arranged with the leaders of KMG's business verticals, executives from subsidiaries and associates, representatives of trade unions and conciliation commissions of subsidiaries and associates, the heads of HR and social teams, and members of legal, engineering and technical teams from subsidiaries and associates.

KMG's Ombudsman took a number of actions to settlement disputes and conflicts during the COVID-19 lockdown:

- ◆ A message to KMG employees calling for greater unity, understanding and accountability;
- ◆ A video with a message from Ombudsman explaining ethical standards;
- ◆ A training for OzenMunaiGas employees on KMG's corporate values, held together with LLP KMG Engineering within the Professional Foreman modular programme;
- ◆ In order to mitigate the risk of conflicts, a Memo on Ethical Standards of the Code of Business Ethics was produced and circulated to KMG employees to provide a practical quick reference guide;
- ◆ As part of KMG employees training and implementation of the Corporate Governance Plan, an online training course was developed themed "The Code of Business Ethics for all Employees Training Programme" based on the existing in-person programme. The course was also made available to new employees as part of the onboarding course to introduce them to the corporate values and ethical standards;
- ◆ To avoid conflicts, the Ombudsman provided support to the HR team throughout the corporate workforce rightsizing programme implemented as we seek a leaner structure

During the reporting period, the Ombudsman received 44 enquiries, of which:

- ◆ 32 were sent to the sponsors following preliminary review;
- ◆ 12 were reviewed by the Ombudsman.

Swift action was taken wherever possible in response to the enquiries received to settle the reported issues early on, and to give recommendations, including to restore the violated rights and lawful interests. As a result, repeat complaints were avoided, including to judicial bodies and other public authorities.

Enquiries to the Ombudsman Office

