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Approved by
Resolution of
“Samruk-Energy” JSC
Board of Directors
dated _____, 2016
minutes No. _____

CORPORATE GOVERNANCE SYSTEM

Occupational health and safety policy of “Samruk-Energy” JSC

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1. The Purpose

1. This policy of "Samruk-Energy" JSC in the field of occupational health and safety (hereinafter - the Policy) is developed in accordance with the legislative acts of the Republic of Kazakhstan, international standards covering the issues of health protection and ensuring workplace safety, as well as the internal regulations governing the activity of "Samruk-Energy" JSC (hereinafter - the Company).

2. The Policy is a tool of implementation of a long-term strategy for the Company's development in the field of occupational safety and health.

3. The purpose of the Policy is to reduce occupational injuries across the Company's group, as well as prevention of fatalities in the course of employment.

2. Scope

1. The Policy applies to the Company and organizations, more than fifty percent of voting shares (equity stakes) of which belong to the Company on the right of ownership or held in trust (hereinafter - subsidiaries and affiliates).

2. Dissemination of the Policy in subsidiaries and affiliates (hereinafter - SA) where the ownership of voting shares (equity stakes) on the right of ownership or trust management of the Company makes fifty percent or less shall be agreed with other shareholders.

3. Definitions and abbreviations

1. The following definitions and abbreviations are used in the Policy:

- 1) The sole shareholder of the Company - "Samruk-Kazyna" JSC;
- 2) The company - "Samruk-Energy" JSC;
- 3) SA - subsidiaries and affiliated companies of "Samruk-Energy" JSC;
- 4) the group of a Company - "Samruk-Energy" JSC and its SA;
- 5) KPI - Key performance indicators;
- 6) HPEWS- health protection and ensuring workplace safety;
- 7) BU - business unit of the Company;
- 8) BUC- business unit of the Company in charge of HPEWS matters;
- 9) OHSS – Occupational Health and Safety Service;
- 10) employer – an individual or legal entity with which the employee has an employment relationship;
- 11) employee – an individual who has an employment relationship with the employer and directly performs work under an employment contract;
- 12) employee representatives - the bodies of trade unions, their communities, and in their absence, elected representatives, elected and authorized at a general meeting (conference) of employees by a majority of the votes of participants, with the presence at it of not less than two-thirds of employees (conference delegates) .

4. Responsibility

1. The Head of the Company in charge of BUC activity shall be responsible for introduction of requirements and management of the Policy.
2. BUC Head shall bear responsibility for arranging the implementation of activities specified in the Policy and management.
3. BUC employee shall be responsible for keeping the Policy up to date.
4. BU Head shall bear responsibility for introduction of BU employees with the Policy.
5. BU Employees shall be responsible for compliance with requirements of the Policy.

5. Regulatory references

6. These Rules were developed to meet the requirements of the following legislative acts of the Republic of Kazakhstan and internal regulations of the Company:
 - 1) Labor Code of the Republic of Kazakhstan;
 - 2) Long-term strategy for the Company’s development;
 - 3) Rules of management of the Company’s internal regulations.

6. General provisions (Statement of Intent)

13. The Company was established in order to implement long-term state policy on modernization of existing and introduction of new generating facilities.
14. The Company's core activities are the management of energy assets in the Republic of Kazakhstan, as well as assistance in modernization of existing and construction of new generating facilities, the introduction of new technologies in the energy sector of the Republic of Kazakhstan.
15. The Company is the largest diversified energy holding company successfully integrated into the international power balance, aimed at formation of high-performance power supply system that ensures sustainable development of all sectors of Kazakhstan.
16. The Company strives to be a leader in the field of HPEWS. The Company is aware of its responsibility for preservation of life and health of participants of its operations.
17. The Company develops and promotes personal and collective responsibility of the Company's employees for compliance with occupational health and safety requirements; it promotes and implements the adoption to the fullest extent possible of best practices, responsibility both for own life and health and for the life and health of working with them.
18. The Company determines the following as the main priorities of the Policy:

- 1) The priority of life and health of an employee in relation to the results of production activity;
- 2) Prevention of injuries and worsening of personnel’s health;
- 3) Continuous improvement of occupational health management systems and safety and increasing its effectiveness;
- 4) Continuous improvement of security level through the use of modern types of equipment and means of collective and individual protection.

19. For implementation of the Policy priorities, the Company intends to provide:

- 1) Continuous professional development of staff;
- 2) Personal responsibility of managers and employees in charge of occupational safety and health matters;
- 3) identification, assessment and control over production risks, workplace appraisals as regards working conditions with the development and implementation of program aimed at prevention of occupational accidents and diseases;
- 4) Coherent involvement of all staff of the Company’s group to actively participate in activities in HPEWS area, improve activities aimed at facilitation of this participation;
- 5) develop in the Company’s employees a consistent motivational mechanism of safe occupational conduct and skills for foreseeing and preventing occupational incidents;
- 6) Introduction of advanced knowledge and experience in the field of occupational safety and health;
- 7) Inclusion of occupational safety and health matters in all existing and newly introduced processes;
- 8) The openness of important information on the Company's activities in the field of occupational safety and health to all interested parties.

20. The Company must comply with the requirements of the Republic of Kazakhstan legislation in the field of occupational safety and health, as well as international standards in the field of HPEWS.

7. Organization

21. A responsible business unit (BUC) was established to achieve the objectives in the field of HPEWS. Responsible business unit carries out its functions in accordance with the Regulations on a business unit. Effectiveness of the business unit is determined by the Company’s motivation system (KPI and goals maps).

22. OHSS are established in SA of the Company for implementing internal control over compliance with occupational health and safety requirements (while performing production activity). OHSS carries out its activity in accordance with labor legislation of the RK, regulatory requirements of SA and the Company in the field of HPEWS. In compliance with the Company’s requirements, OHSS of SA must report directly to CEOs of an organization.

23. Occupational health and safety works council is established in the Company’s SA at the initiative of an employer and (or) employees or their representatives.

Works councils operate in accordance with labor legislation of the Republic of Kazakhstan.

24. The basis for the establishment of effective and efficient management system in the field of occupational safety and health in the Company’s SA is the fulfillment of requirements set out in the international standards in HPEWS.

25. The CEO of the company and SA are responsible for occupational injuries in accordance with the legislation of the Republic of Kazakhstan

26. The CEO of SA is the person who is responsible for creation, operation and effectiveness HPEWS management system in the enterprise, for the state of working conditions for employee and the work carried out to prevent occupational injuries.

27. The employment contract concluded with the CEO of the Company’s SA as well as job description of the CEO shall include the following obligations:

- 1) to provide a safe and healthy working conditions at the enterprise;
- 2) to introduce a transparent system of registration and recording of all accidents;
- 3) complete training on occupational safety and health;
- 4) participate in committees for special investigation of accidents (fatal /with serious outcome, group);
- 5) meet the regulatory requirements of the Company in HPEWS.

28. The employment contract / job description of SA's CEO shall contain the responsibility for effectiveness of HPEWS management system in organization and the concealment of accident related to the performance of work.

29. In order to achieve the objectives in the field of HPEWS, the CEO of SA shall create organized HPEWS management system, which provides a clear distribution of roles and responsibilities, as well as the efficiency of the transfer of powers and official relations.

8. Activities

30. The sole shareholder of the Company set KPI " Occupational injury rate". The first step in the execution of KPI is "Introduction of a transparent system of registration and accounting of all accidents". The second stage is introduction of lost time injury frequency rate (LTIFR). To achieve KPI, the Company develops and executes action plans for introduction of a transparent system of registration and accounting of all accidents with established timelines and responsible persons.

31. The Company provides the following activities for implementation in the field of HPEWS:

- 1) quarterly review of labor protection matters (report of SA CEO) at the meetings of the Board of Directors / Supervisory Boards of the Company’s SA;

2) an unscheduled meeting of the Board of Directors / supervisory boards of the Company’s SA (the report of SA CEO) in case of accident with serious consequences (group, as well as an accident with fatal / serious outcome);

3) Development of action plans for the reduction of occupational injuries;

4) the implementation of SA checks for compliance with legislative requirements, regulatory documents of the Company and its SA, development of measures to eliminate detected violations;

5) constant monitoring of action plans execution;

6) approval of SA documents in the field of HPEWS.

31. SA must be certified according to the management system in the field of HPEWS.

32. Improvement and maintaining of management systems in the field of HPEWS of the Company’s SA are based on best practices.

9. Final provisions

33. This Policy shall enter into force from the date of its approval by the Company’s Board of Directors.

34. Representatives of the Company in the Board of Directors / Supervisory Boards of SA are required to ensure approval of the Occupational health and Safety Policy on the basis of this Policy.