

# SHAREHOLDER AND INVESTOR RELATIONS

## KMG's shareholders

Shareholder	Ordinary shares	Ordinary shares, %	Preferred shares	Total shares	Total shares, %
JSC Sovereign Wealth Fund Samruk-Kazyna	551,698,745	90.42	-	551,698,745	90.42
The National Bank of Kazakhstan	58,420,748	9.58	-	58,420,748	9.58

There were no changes in the shareholder structure in the reporting period. The annual General Meeting of Shareholders, with its roles performed by the Management Board of the Fund according to the applicable law and KMG's Charter, is expected to approve the following documents:

- KMG's 2021 annual financial statements (consolidated and standalone)
- KMG's 2021 net profit distribution procedure
- Amount of dividend per ordinary share in KMG

### Dividends

Resolution of the Management Board of JSC Samruk-Kazyna dated 26 August 2021 (Minutes No. 36/21) approved the new JSC Samruk-Kazyna's Dividend Policy for Subsidiaries.

The Dividend Policy aims at ensuring the balance of interests of the Fund and the Companies, as well as predictability and transparency of the approach to determining the dividend amount and payment terms and procedure.

The amount of dividend payable to the Companies is differentiated according to their maturity and financial and economic position determined based on financial stability indicators.

### Securities issues<sup>1</sup>

Type of shares	Authorised shares	Outstanding shares	Unissued shares
Ordinary	849,559,596	610,119,493	239,440,103

### Dividend history<sup>2</sup>

Indicator	2019	2020	2021
Dividend per share, KZT	60.64	133.97	81.95
Total dividends paid, KZT mln	36,998	81,738	49,999

Debt/EBITDA	(1) < 3.6 (2) > 5.0 (3) < 0.9	50–100% of FCF
EBITDA/Interest rate	3.6<(1)<4.6 3.0>(2)>5.0 0.9<(3)<1.4	50% of FCF
Debt/equity	4.6<(1) 3.0>(2) 1.4<(3)	20–50% of FCF

1. Free cash flow (FCF) is a consolidated cash flow from operations, including dividends of joint ventures net of investment spending on current operations.
2. The Company may reduce the amount of dividend payable by the amount of investments of the Company approved by the Investment Strategy Committee of the Fund and the Board of Directors of the Fund.

The dividend payment timeline is fixed by the General Meeting of Shareholders when resolving to pay out dividends.

[JSC Samruk-Kazyna's Dividend Policy for Subsidiaries is available on the Company's website.](#)

[The Charter of Joint Stock Company National Company KazMunayGas is available on the Company's website](#)

[For more details see the Financial Review section.](#)

<sup>1</sup> As at 1 January 2022

<sup>2</sup> Dividends for Samruk-Kazyna JSC and the National Bank of the Republic of Kazakhstan

## Credit ratings

Credit ratings assigned by international rating agencies serve as reliable and independent tools for the Group's credit assessment. KMG aims at aligning its key financial metrics with target investment-grade long-term ratings and exceeding them. The Company provides rating agencies with access to all information necessary for a comprehensive and reliable evaluation of the Group's creditworthiness. Rating agencies and KMG's Management Board hold regular review meetings, and KMG maintains the contacts.

In addition to the Company's operating and financial results and market environment, KMG's credit ratings are linked to Kazakhstan's sovereign credit profile as its change may impact credit ratings of Kazakhstani companies, including KMG.

In 2021, despite material external economic risks, Fitch and S&P affirmed their earlier ratings. Currently, the Company has investment-grade credit ratings from Moody's and Fitch and is two notches below the sovereign rating according to S&P.

- On 28 January 2021, following the revision of its risk assessment for the oil and gas exploration, production and refining sector, S&P affirmed KMG's credit rating at BB with a negative outlook.
- On 30 April 2021, S&P affirmed KMG's credit rating at BB with a negative outlook.
- On 12 August 2021, Moody's upgraded KMG's credit rating from Baa3 to Baa2 due to an upgrade of Kazakhstan's sovereign rating. The rating outlook was changed from positive to stable.

### KMG's credit ratings

Rating agency	Date	Rating	Outlook
Moody's Investors Service	23.12.2021	Baa2	Stable
S&P Global Ratings	26.11.2021	BB	Negative
Fitch Ratings	20.09.2021	BBB-	Stable

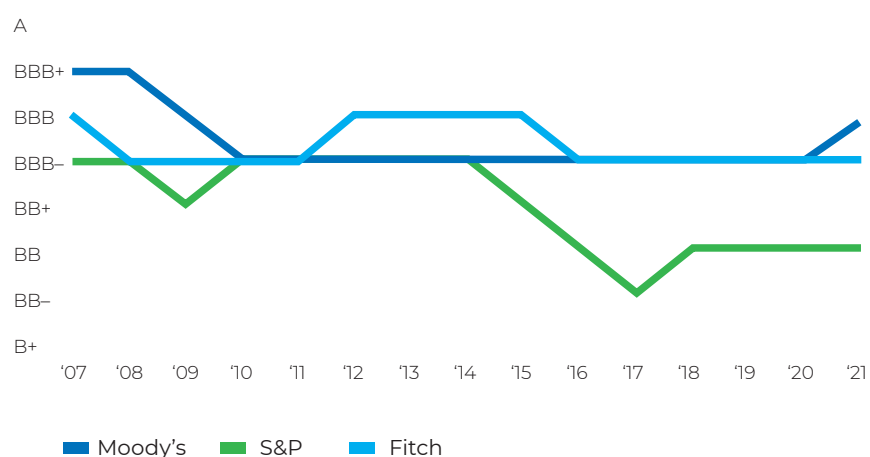
### Kazakhstan's credit ratings

Rating agency	Date	Rating	Outlook
Moody's Investors Service	11.08.2021	Baa2	Stable
S&P Global Ratings	04.03.2022	BBB-	Stable
Fitch Ratings	04.02.2022	BBB	Stable

### Change in KMG's ratings

#### KMG credit risk dynamics

Source: Moody's, S&P, Fitch



- On 20 September 2021, Fitch Ratings affirmed KMG's long-term issuer default rating at BBB- (one notch below the sovereign rating) with a stable outlook.
- On 26 November 2021, S&P affirmed KMG's credit rating at BB, after

the transfer of JSC KazTransGas directly to JSC Samruk-Kazyna, with a negative outlook.

- On 23 December 2021, Moody's affirmed KMG's credit rating at Baa2 with a stable outlook.

## Bond issues

As at 31 December 2021, KMG's consolidated debt (expressed in USD) was USD 8,760 mln, including USD 6,250 mln (71%) in bond issues.

KMG Group's projects are largely financed through its own net cash flows. At the same time, KMG and its subsidiaries and associates may enter the bonds market, if the conditions are favourable, in order to finance individual strategic projects

or to maintain financial stability as per the Company's financial strategy.

KMG borrows both on the national and global capital markets in line with its flexible and balanced debt management policy. KMG bonds are among the most liquid instruments among those offered by Kazakhstan's issuers. KMG's FX-denominated bonds have been historically attractive to a wide range of investors. KMG bonds' investor base includes thousands of institutional and retail

investors, mostly based in the USA, Europe and Asia. The Company's Eurobonds are traded in the London Stock Exchange, the Kazakhstan Stock Exchange and the Astana International Exchange.

[For more details see the Financial Review section.](#)

As at 31 December 2021, KMG had six outstanding Eurobond issues at the Corporate Centre level for a total amount of USD 6.25 bln on par value.

### KMG's outstanding Eurobonds<sup>1</sup>

Currency	Issue date / maturity date	Issue size, USD mln	Outstanding bonds, USD mln	Coupon rate, % p.a.	ISIN: RegS / 144A
USD	19.04.2017/19.04.2027	1,000	1,000	4.75	XS1595713782 / US48667QAN51
USD	19.04.2017/19.04.2047	1,250	1,250	5.75	XS1595714087 / US48667QAP00
USD	24.04.2018/24.04.2025	500	500	4.75	XS1807299174 / US48667QAR65
USD	24.04.2018/24.04.2030	1,250	1,250	5.375	XS1807300105 / US48667QAQ82
USD	24.04.2018/24.04.2048	1,500	1,500	6.375	XS1807299331 / US48667QAS49
USD	14.10.2020/14.04.2033	750	750	3.50	XS2242422,397 / US48126PAA03

<sup>1</sup> Senior unsecured, as at 31 December 2021 at the Corporate Centre level.

## Investor Communications

KMG continues to successfully implement its investor relations programme to ensure stability of financing and reduce its cost of capital. Communications with investors involve the Chairman of the Board of Directors, Chairman of the Management Board, members of the Management Board and heads of KMG's strategic, financial, and operating units, Health, Safety and Environment Department and the Investor Relations unit.

KMG holds quarterly conference calls for investors to discuss financial and operating results with the Deputy Chairman and members of the Management Board, as well as heads of departments. In addition to the quarterly calls, the Company held special one-on-one calls with investors and rating agencies, and also took part in online conferences on the global sustainable development trends and situation in the emerging markets.

The Company adheres to the principles of timeliness, completeness and availability of disclosures for the investment community. Each quarter, KMG publishes quarterly results presentations, financial results, trading updates, IFRS financial statements and analyst databooks. In 2021, the Company continued its practice to promptly inform investors and analysts on KMG's financial and operating performance upon their request.

Guided by sustainability principles, in 2021 the Company considerably enhanced the transparency of its ESG disclosures. In particular, KMG published its comprehensive 2020 Sustainability Report in 2021. In 2021, the Company's 2020 CDP Climate Change and Water Security Questionnaires were published on the CDP's website. In October 2021, Sustainalytics raised KMG's ESG rating from 69 to 72. The Company's ESG risk rating was improved from 34.5 to 28.4, moving KMG from the high risk category to the medium risk category and highlighting the Company's strong

positions in managing material ESG risks in the international oil and gas market.

The materials and publications as well as contacts of the Investor Relations are available in the Investors section on the Company's website.

KMG understands the importance of further enhancing its two-way dialogue with the investment community and regularly conducts investor perception surveys on the Company, with the results reviewed by the Board of Directors.

### 2021 Investor Calendar

<b>Q1 2021</b>	<ul style="list-style-type: none"> <li>Investor conference call on full-year 2020 financial and operating results</li> <li>2020 quarterly results presentation</li> <li>2020 financial results and trading update</li> <li>IFRS consolidated financial statements for 2020</li> </ul>
<b>Q2 2021</b>	<ul style="list-style-type: none"> <li>Investor conference call on Q1 2021 financial and operating results</li> <li>Q1 2021 quarterly results presentation</li> <li>Q1 2021 financial results and trading update</li> <li>Interim condensed consolidated IFRS financial statements for 3M 2021 ended on 31 March 2021</li> <li>Publication of 2021 Annual Report</li> </ul>
<b>Q3 2021</b>	<ul style="list-style-type: none"> <li>Investor conference call on Q2 2021 financial and operating results</li> <li>Q2 2021 quarterly results presentation</li> <li>Q2 2021 financial results and trading update</li> <li>Interim condensed consolidated IFRS financial statements for 6M 2021 ended on 30 June 2021</li> <li>Publication of 2021 Sustainability Report</li> <li>Publication of 2020 CDP Climate Change and Water Security Questionnaires</li> <li>Barclays ESG Conference (digital meeting) on 8 September 2021</li> <li>JPM Emerging Markets Credit Conference (online) on 21–23 September 2021</li> </ul>
<b>Q4 2021</b>	<ul style="list-style-type: none"> <li>Investor conference call on Q3 2021 financial and operating results</li> <li>Q3 2021 quarterly results presentation</li> <li>Q3 2021 financial results and trading update</li> <li>Interim condensed consolidated IFRS financial statements for 9M 2021 ended on 30 September 2021</li> <li>Roadshow on the Eurobond issue, including a series of conference calls with current and potential investors, involving the Deputy Chairman of the Management Board for Economics and Finance and Chairman of the Board of Directors</li> </ul>