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Date 27.05.2021
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Mr. Phil Bloomer
**Executive Director of Business &
Human Rights Resource Centre**

Subject: KPO response to HRD interview with Mr. Solyanik

Dear Sirs,

With respect to Business & Human Rights Research Centre's (BHRRC) interview with Mr. Solyanik, posted on your portal on 15 April, 2021, Karachaganak Petroleum Operating B.V. (KPO) would like to state that KPO was not involved in the arrest of Mr. Solyanik and that any action taken by the authorities mentioned in the interview is their prerogative that cannot be influenced or controlled by KPO.

KPO learnt about the incident from the local press article <http://www.uralskweek.kz/2019/05/07/policiya-zaderzhala-ekologicheskogo-aktivista-v-zko/> and considers the allegations made by your interviewee unsubstantiated and even offensive.

KPO is a world class company that operates transparently and promotes and respects human rights as outlined in the UN Universal Declaration of Human Rights, with a strong record of compliance with transparency and universally recognised human rights standards. The same policies were applied to the resettlement of Berezovka and Bestau villages, which was recognized by OECD's UK NCP as consistent with IFC PS5 for Involuntary Resettlement.

KPO conducts its business based on KPO Business Principles, which govern how we conduct our business and set high standards of performance and ethical behaviour including respect for human rights in all their manifestations.

KPO insists on creating a fair and equitable business environment where the ethical business principles in the KPO Code of Conduct are the foundation for all its relationships. To support the Company's legal compliance programme, KPO has had a toll-free, anonymous and confidential Hotline in place since 2012. The Hotline provides an important tool for KPO's employees, contractors and stakeholders to ensure a fair and safe working environment. The topics may include discrimination, sexual harassment, conflicts of interest, safety or environmental violations and/or improper financial practices or bribery. The caller can report on the alleged misconduct either by telephone or by completing an online report form on our website. In addition to this, our communities have access to a community feedback mechanism, whereby they can lodge their concerns, ask questions about our production and operations, projects, and are guaranteed to be provided formal feedback by KPO community liaison team.

In 2020, KPO continued its engagement with local communities despite the restrictions in movement imposed due to COVID-19 pandemic. KPO held ten online meetings with the village councils of three rural districts of Priurlnoye, Zharsuat and Uspenovka in the Burlin District. During those meetings we informed the community members of the community development programmes implemented in 2020, the environmental monitoring programme, and the launching of the KPO Community Scholarship Programme.

KPO maintains fair work conditions, including competitive salaries and various benefits as part of the Collective Agreement. The total number of employees in KPO, both within the company and among those working on temporary projects, as of the end of 2020 amounted to 4,368 employees, with 4,133 of them being Kazakh nationals and 235 being expatriates. Almost 99 % of employees are residents of West Kazakhstan Oblast. Provisions of the Collective Agreement are applied to all KPO employees regardless of their membership in the Trade Unions.

KPO staff are represented by three Trade Unions and continuous dialogue is ensured with them. We believe that this is a unique case of coexistence of three Trade Unions in one company and where the management finds a common language with all of them.

KPO carries out its operations responsibly by adhering to the principles of sustainable development and complying with the highest environmental standards. From the day it assumed responsibilities as operator of the Project, and within the period from 1998 to 2020, KPO has invested 432 mln. USD into the implementation of special environmental actions aimed at environmental protection in the region of our presence.

KPO works to prevent or minimize the negative impacts and maximize the benefits from its presence by strengthening engagement with local communities, thus creating opportunities for societal development. This includes such aspects as compliance, security, environmental health, social infrastructure development, and local content in personnel and supply chain.

Finally, I would like to thank you for your genuine interest in KPO and invite you to learn more about our continued efforts to deliver on our human rights obligations. You can do so by reading our annual Sustainability Reports issued by KPO since 2009 in accordance with GRI4 and that are available on our website. I look forward to being able to share more with you and to help you better appreciate the amount of commitment and dedication to human rights invested by the Venture over the past twenty years.

*For more details please refer to our website at www.kpo.kz.

General Director



G. Giona