SUSTAINABLE DEVELOPMENT

The Company also provides social guarantees for voluntary health insurance in case of illness. In case of medical treatment and medical operations, if the cost of treatment exceeds the limit established by the insurance program, employees are provided with financial aid in accordance with internal regulations.

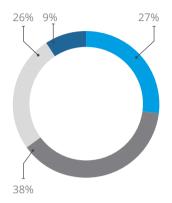
In 2017, social payments stipulated by the terms of a collective agreement amounted to 420 million tenge. In particular, 1,530 people received sanatorium treatment totaling to 264 million tenge, and the amount of 224 million tenge was allocated for rest of 1,136 children of employees. In 2017, the amount of 336 million tenge was allocated as material assistance to pensioners, including 117 million tenge for rehabilitation and rest of the Company's pensioners and veterans in sanatoriums of Kazakhstan.

Social policy

In 2017, EMG JSC celebrated its 95th anniversary. Since the establishment of Embaneft trust in 1922 through present, the Company has been making a significant contribution to the socio-economic development of the country and Atyrau region.

Since its transformation into a joint stock company in 2012 through December 31, 2017, Embamunaygas JSC, as part of its obligations under subsoil use contracts, allocated about 2.3 billion tenge for the infrastructure development in Atyrau region, paid taxes to the republican and local budgets in the amount of 695.6 billion tenge and allocated more than 2.3 billion tenge for sponsorship and charity.

Sponsorship and charity structure in 2017



- Sport supportAssistance to public organizations
- Assistance to orphan homes
- Assistance to families in need



The Company allocates funds for the construction of kindergartens, housing for public sector employees, fitness and health centres, cultural centers and other social facilities in Atyrau oblast. In 2017, Embamunaygas JSC allocated 840 million tenge for the regional infrastructure development.

Funds allocated in 2016–2017 were used for the construction and commissioning of the following social facilities: a kindergarten for 100 children, five two-family houses in Sagyz and Tashchagyl villages of Kyzylkogy district, a secondary school named after O. Sargunanov for 300 students in Makat district, an additional building to Kulynshak kindergarten and a community center for 200 seats in Tushchykuduk and Zhanbai villages of Isatay district. The construction of social facilities is in progress: a secondary school for 424 students, a kindergarten for 290 children, a medical and obstetrical station and 10 houses for public sector workers in villages of Kyzylkogy district, a fitness and health centres for 160 people in Akkistau village of Isatay district.

Embamunaygas JSC annually provides sponsorship support to sports and public organizations, charitable assistance to children who need urgent surgical operations and rehabilitation as a result of serious diseases, and assistance to socially vulnerable groups. In general, in 2017, the Company provided sponsorship and charitable assistance in the amount of over 319 million tenge.

Emba oil workers always paid special attention to socially vulnerable groups, and the Company started a series of events under the auspices of the anniversary by conducting special events for children: in the building of Atyrau regional children's hospital the management of EMG JSC handed over medical equipment to the staff of the medical facility. The Company organized a charity event "Heat of the soul" which was attended by 350 children with disabilities. The sports and family festival "Altyn Uya" was held for the first time in Atyrau fitness and health centre in honor of the 95th anniversary of Embamunaygas Joint-Stock Company. Holding charitable New Year events has already become a tradition in the Company. For the last three years, EMG JSC has organized New Year events with theatrical performances and gifts for children staying in medical and specialized institutions on holidays. Charitable New Year events have already been held in eight children's medical and specialized institutions.

In 2017, Embamunaygas JSC held solemn events devoted to the 90th anniversary of B. Sagingaliyev, an honored oil worker of Kazakhstan, laureate of the State Prize of the Republic of Kazakhstan. A commemorative tablet was solemnly opened in the house where B.S. Sagingaliyev had previously lived with his family.



In general, in 2017, the Company provided sponsorship and charitable assistance in the amount of over

319 million tenge.