

Eni's CEO Paolo Scaroni receives "Petroleum Executive of the Year 2008" award



Paolo Scaroni, Chief Executive Officer of Eni, receives the award.

Paolo Scaroni, Chief Executive Officer of Eni, is the first Italian to receive this prestigious award made by Energy Intelligence in cooperation with the International Herald Tribune, universally recognised as the most important in the oil industry. This unique industry award was presented to him at a special banquet at the Dorchester Hotel in London on 28 October as part of the Oil

& Money Conference. Mr Scaroni was chosen by his peers in a confidential selection process.

The Petroleum Executive of the Year award is given in recognition of outstanding leadership by an executive in the international energy industry. Petroleum Executive of the Year award recipients are chosen through a confidential peer selection process and honoured at the annual Oil & Money conference,

convened by Energy Intelligence and the International Herald Tribune. Every year the Petroleum Executive awards the top manager who has most distinguished himself, in the judgement of his peers, for his contribution to the entire oil industry. Candidates for the prize are proposed by the heads of more than 100 of the world's most important oil companies. The final selection is made by a jury, made up of previous recipients of the award.

Paolo Scaroni also took part in the "Oil and Money Conference 2008", the world's most prestigious energy forum, which for more than 20 years has brought together the leaders of the oil sector. The Oil & Money Conference, hosted by Energy Intelligence and the International Herald Tribune, is an annual industry summit where the world's most influential decision-makers examine the macroeconomic and geopolitical issues that are shaping the international oil and gas sector. This year's conference was an exciting and productive forum, setting the stage for great discussions among

the industry's giants.

Paolo Scaroni became CEO of Eni, one of the most important integrated oil companies in the world in June 2005. From 2002 he was CEO of Italy's leading electric utility, Enel, and prior to that he enjoyed a wide ranging career in international business. He began his career at Chevron in 1969 after graduating with an economics degree from Milan's prestigious Bocconi University.

He also received an MBA from Columbia University in New York in 1973. He then worked in a series of industrial management and senior executive positions in France and the UK at Saint Gobain, Techint and Pilkington. Unusually for a top petroleum executive, Paolo Scaroni has also held senior executive leadership positions at major firms in other industries in both the public and private sectors.



Paolo Scaroni at the Oil Money Conference 2008

Deputies of Kazakhstan Parliament visit Karachaganak

On 17 November, KPO hosted a visit from parliament deputies representing various committees of the Kazakhstan parliament (lower house). The visiting group was accompanied by Bolat Shakimov, Akim of Burlin district administration and other officials of the WKO.

According to the deputies of Kazakh parliament, the major purpose of their visit to Karachaganak was to see first hand what KPO does in terms of environment protection and how the company realises its ecological

projects.

During their stay at Karachaganak they met with KPO senior management who provided them with a detailed field overview. The guests were briefed on Karachaganak field development activities, KPO performance and the company's contribution to the social and economic development of the region.

Acting General Director of KPO, Colin Orr Burns, informed guests about some of Karachaganak's recent awards including the



KPO Services Director Colin Orr Burns

DuPont Safety Award for 2008. This was recently presented to the company in Geneva and serves as recognition of the fundamental change KPO has undergone with respect to its Safety culture over the past three years.

Ruslan Mukangaliev, Deputy Manager of Corporate Environment also briefed the guests on KPO's environment programme and recent ISO 14001 Certification.



Deputies of Kazakhstan parliament with KPO representatives

Francesca Ciardiello joins KPO as Corporate Affairs Manager



On 15 October, Francesca Ciardiello arrived in Aksai and joined KPO's Corporate Affairs Department from Eni Rome. Francesca will work back to back with Trina Fahey who joined KPO in late 2007.

Prior to her new appointment at KPO Francesca worked with Eni SpA and she has extensive experience in the areas of social performance and sustainability, having spent just over five years with Eni SpA as a Sustainability Analyst within the Public Affairs and Communication Department. In addition, Francesca also has extensive experience in the development of human rights tools.

The newspaper "Karachaganak News" wishes her all the best and good luck in her new assignment.

Francesca Ciardiello, Corporate Affairs Manager.

KPO is the first Kazakhstan company to receive DuPont Safety Award

In a previous edition of "Karachaganak News" it was reported that KPO became a winner of the 2008 DuPont Safety Award in the category of Performance Improvement at a ceremony which took place in Geneva, Switzerland.

KPO has become the first Kazakhstan company to receive this prestigious award. The award, which recognizes companies and organizations that have done outstanding work in the field of safety, was announced at an event held in conjunction with the 2008 DuPont Leaders Forum, an ongoing DuPont initiative to expand thinking and foster collaboration and actions that promote safety.

Attended by approximately 200 delegates from international corporations, government and non-government organizations, this year's forum focused on "Building the Future of Safety" and exploring global trends in safety and protection.

The five winners were acknowledged for their initiatives to enhance safety for critical stakeholders including employees, customers and local communities. Apart from KPO winners included Deutsche Post (Germany), Colas (France), Firmenich (Switzerland), and Saipem (Italy).

On the part of KPO, DuPont Safety Award 2008 was attended by Gulnara Daulova, MS Section Head of Corporate Environment and Tony Keeling, Program Section Head.

Speaking about the award ceremony, Gulnar Daulova, pointed out that KPO's submission was based on health, safety and environmental performance for the periods 2006 and 2007 and covered areas such as reductions in lost time injuries, road safety and emissions. "I am very proud to receive this award on behalf of KPO – the first Kazakhstani company to receive it", said Gulnara.



2008 DuPont Safety Award winners

KPO HOSTS ASSET INTEGRITY AND INDUSTRIAL SAFETY CONFERENCE

Karachaganak Petroleum Operating B.V (KPO), together with the Ministry of Emergency Situations of the Republic of Kazakhstan (MES), recently hosted the first Asset Integrity and Industrial Safety Conference in Aksai on the 6th and 7th November, 2008. Representatives of the State Control Committee for Emergency Situations and Industrial Safety, international oil companies, national technical institutes and KPO, gathered together to discuss

the many challenges around safe operations at hazardous industrial facilities within the oil and gas industry.

Opening the Conference, KPO General Director Roger Fox said: "We are very proud to host this Conference and work closely with the RK MES in advancing our performance in the field of asset integrity and industrial safety".

"In developing and operating such a technically complex field, safety is a crucial success

factor. Our good track record in safety derives from an intense and exhaustive ongoing safety campaign, which involves the commitment and dedication of all our staff and major contractors."

KPO's recent completion of the world's single largest shutdown this year demonstrates that the company is working in the right direction. The shutdown programme was completed without injury or any adverse impact on the environment and ahead of the agreed schedule.

Commenting on success of KPO in HSE performance, Roger Fox noted: "Two main drivers of our safety performance are attention to the human factor and adoption of a risk based approach to Asset Integrity in strict conformance with international best practice".

Already this year KPO has provided safety training courses to almost 24,000 people including staff and contractors who support the Venture's operations. In the last three years KPO has trained a total



Tom Hanson, Unit 3 Manager, with representatives of Kazakh companies.

of more than 60,000 people in the field of health and safety.

KPO is internationally recognised for its achievements in HSE performance. Recently, the company won the DuPont Safety Award, being selected from 34 international companies

During the presentation on Current Status of Industrial Safety in the Oil and Gas Industry, Deputy Chairman of the RK State Control Committee for Emergency Situations and Industrial Safety, Victor Vesnin said: "This inaugural

Conference is a very important event, which will contribute to a better understanding between the RK Government and oil companies in terms of safety issues. The tradition of holding such a conference should be continued."

During the two day conference the delegates discussed issues such as the industrial safety legislation of Kazakhstan, its problems and solutions, as well as technical issues like corrosion and inter-casing pressure management.



Participants of Asset Integrity and Industrial Safety Conference.

Starting own business with KPO's help

As part of the KPO Microloan Project implemented in the Burlinskiy District through the WKO Business Association DAMU, 16 residents of communities neighbouring Karachaganak took part in a six day "Start Your Own Business" training course recently held in Aksai.

The training was initiated and sponsored by KPO and run by trainers from PRAGMA Corporation, a DAMU partner. PRAGMA is contracted to implement this program to strengthen small & medium size enterprises (SMEs). The aim of the training was to create a pool of trainers and management consultants who can apply the program to improve performance of SMEs, entrepreneurs and other social clients.

In her welcoming speech, Francesca Ciardiello, Corporate Affairs Manager of KPO, stressed the importance of such training and especially for those people interested in starting their own business. Francesca also noted that KPO's major initiative was to provide support to the neighbouring communities and in whole to assist the social and economic development of the West Kazakhstan region.



Participants of «Start your own business» training course.

KPO CONSTRUCTS NEW SCHOOL FOR AKSAI CHILDREN

As part of KPO social development programme and according to the resolution issued by the Karachaganak Joint Organisation Committee (JOC), the construction of a secondary school worth a total of eight million dollars commenced at the beginning of October in Aksai.

The construction of the school is currently being realised by the local company, Zhaikselstroy and when complete it will be able to accommodate about 900 children who are mostly residing in the southern part of Aksai.

KPO employees from the Social Projects Department based in Uralsk often travel to Aksai to monitor the implementation of the project which is expected to be completed in September, 2009.

In addition, KPO provides support to cultural groups, boarding schools, elderly homes, hospitals and clinics, invalid societies and needy families in Aksai and Uralsk. KPO also sponsors a variety of education programmes for students and scholars.



In a previous edition of "Karachaganak News" we reported on KPO's successful ISO 14001 Certification. An official award ceremony took place during the annual KIOGE oil and gas exhibition held in Almaty in early October. The ISO Certificate was presented to Roger Fox, KPO General Director by Cyril Bainbridge, Director of Moody International, the certifying body. Mr Bainbridge congratulated Roger Fox on the company's successful certification.

Moody International is a leading global supplier of management system certification, technical and inspection services, and technical training.

Congratulations on successful certification



Group picture with Roger Fox after ISO 14001 award ceremony.

OPITO PICKS UP SPEED AT KPO



Sergio Zanollo, HR Controller, congratulates trainees.

On 3 November, KPO hosted an award ceremony for 44 students who are currently undertaking post-graduate training within the KPO Operations Directorate. During the award ceremony at the Czech Camp students received OPITO international certificates verifying that they have successfully completed the first stage of a training programme

based on the OPITO (UK Oil & Gas Academy) standards.

The official ceremony was attended by KPO top managers including Sergio Zanollo (Human Resources Controller), Vincenzo Mauro (KPC Manager), Oksana Rastorgueva (Training and Development Manager) and Siobhain Whitty (HR Operations Manager) who warmly congratulated

trainees on successful completion of their first stage.

Vincenzo Mauro, addressing the students, noted that it was an excellent opportunity for them to receive an internationally recognised qualification. Vincenzo also passed the students his best wishes in their studies and expressed his eagerness to see them all at Karachaganak field upon completion of the programme.

KPO is very proud that it is the first company, not only in Kazakhstan but in the CIS countries, to run the OPITO programme which has proven to be a great success. Through this programme, young technicians are acquiring the correct basic skills to help them within the Oil and Gas Extraction Industry.

It is also important to note that in 2003 the Kazakhstan President Nursultan Nazarbayev by his decree prescribed to thoroughly research and apply OPITO experience in the development of technical specialists.