

## Celebrating Oilman's Day

On 3 September KPO hosted a celebration dedicated to the Oilman's Day which was held in the House of Culture of Aksai. The meeting was attended by KPO General Director Giuseppe Pasi and senior managers of the company.

In his welcoming speech Giuseppe Pasi extended his sincere

congratulations to all attendees on the occasion of this professional holiday which is widely celebrated across the country.

"Oil and gas is no doubt one of the most sustainable and profitable sectors in the Republic's industry. Being the largest gas producing field in Kazakhstan, Karachaganak accounts for some 45 per cent of the

country's total gas production and around 16 per cent of total liquids production. Without you this would have not been possible as you are a key to success both of KPO and oil and gas industry of this country. Today we are producing at record levels and I thank you personally and wish all the best in your lives and professional arena."

"From my side, I can promise you to do my very best to lead this professional team in a way you will be proud to be part of."

In conclusion, addressing the attendees, Giuseppe Pasi concentrated on three main targets of KPO.

- Completion of the Fourth train project that would allow KPO to ultimately increase production to over 10 million tonnes per year. This would finally imply a period of steady operations where the focus will be on maintaining safety, production and cost efficiency.

- Organisational efficiency to



Giuseppe Pasi congratulates Anatoliy Kapralov

position the company for future major investments. The new management team has been working on optimisation of the organisation to improve efficiency. KPO is to put finishing touch on the organisational changes in 2011.

- Strengthening KPO position and image of a corporate responsible citizen of Kazakhstan. The construction of Uralsk Gas Pipeline worth \$300 million is a very significant contribution in this direction.

"This is our strategy for the next two years and I trust for your continuous support and dedication. I would like to ask you to pass this message on when you come back to your work places", continued Giuseppe Pasi.

During the celebration of the Oilman's Day a number of KPO employees were recognised for their outstanding contribution to the Karachaganak field development and presented with commemorative plaques.



Yuriy Yanishevskiy receives congratulations from Giuseppe Pasi

## KPO COMPLETES CONSTRUCTION OF SECONDARY SCHOOL IN AKSAI

KPO has successfully completed the construction of a secondary school for 900 pupils situated in the 10th micro-district of Aksai.

On 30 of August, representatives of Western Kazakhstan Oblast and Burlin district authorities, the regional Department of Education, KPO and its contractor organisations, veterans and members of the Aksai community attended a ceremony commemorating the opening of the new school.

WKO Deputy Akim, Nurlan Nogayev, noting that the school

noted: "Successful completion of the Project is a result of close mutual cooperation between WKO Akimat, Burlin Akimat and KPO". In closing, Nurzhan Kamalov wished children and their teachers successful school year and fruitful studies in such a modern, highly equipped school.

The construction of the secondary school took less than two years. The total volume of investments by KPO has exceeded \$8 million. The Uralsk based construction company ZhaiKSelStroy was selected the

history, biology, geography, and experimental work were constructed.

Thanks to KPO funding, the school was completely equipped with necessary equipment, furniture, computers and methodological materials. In addition, KPO has constructed a Road Safety court and significantly improved nearby areas and planted trees around the school.

As part of Sponsorship Programme, on the eve of the new school year KPO has also purchased six brand new buses for rural schools in Priuralnyi, Berezovsky, Uspenovskiy, Karasu and Kyzyltal rural districts and Burlin Boarding-school.

Also, as part of Social Performance Projects, KPO funded refurbishment of Karachaganak primary school and purchase of stationery for 135 children from low-income families.

Thanks to KPO social infrastructure investments, a big number of new facilities and structures have been built in the West Kazakhstan Oblast, including new schools, hospitals, sports facilities, as well as social and cultural centers and new roads; overall. Dozens of rural settlements in WKO have been gasified and supplied with water systems. During the period of the Final Production Sharing Agreement, these investments will exceed \$500 million which ensure further development of the region for the benefit of Kazakhstan and its people.

main contractor for the project.

In addition to a modern school with two sport halls, choreographic and computer classes and meeting hall for 560 seats, as part of the project, a school stadium with sport courts and a military training zone and special grounds designed for labor training, natural



WKO officials with KPO management at the opening of the new school

is being opened at the 15th Anniversary of the Constitution of the Republic of Kazakhstan, thanked KPO and its contractors for constructing a modern school providing all necessary conditions for a pupil to receive in-depth knowledge of various subjects.

Nurzhan Kamalov, KPO Government Relations and External Affairs Director congratulated residents of West-Kazakhstan Oblast and Aksai with Constitution Day of the Republic of Kazakhstan and said: "Construction of the new modern school is a very good present for all of the children of Aksai for this grand Holiday on the eve of the new school year".

He also thanked WKO and Burlin Akimats for cooperation and



During the opening of the new school

## New Field HSE Manager at KPO



KPO is pleased to announce the appointment of Bryan Popowich to the position of Field HSE Manager. He brings with him 22 years of experience and professional qualifications in HSE and Emergency Response gained at a number of senior positions including HSE Manager, Chief Fire Officer, and Paramedic. These positions were held in various civilian and oil and gas industry sectors including upstream/downstream and offshore in North America, Middle East, Africa and the CIS with his employment in Kazakhstan.

"Karachaganak News" newspaper congratulates Bryan with his appointment and wishes him every success in his new position supporting KPO's commitment to providing health and safety to the workforce and contractors.

## SaiPar Rig 2 surpassed seven year record with no LTI

On Wednesday 18 August, SaiPar Rig 2 surpassed an important safety milestone of seven years without a Lost Time Incident (LTI). This tremendous achievement in safety performance over such a long period is the result of everyone's continued commitment to working safely across the Venture.

On the occasion of this significant event, KPO Deputy General Director Graham Scotton arrived at the production site of the rig and congratulated the management and staff of SaiPar Rig, their contractors and the KPO team who have worked together to make it possible. He also encouraged everyone to strive for excellence in operations and safety awareness. Finally, Graham has presented the crew with a Certificate of Health, Safety and Environmental performance.

Addressing the rig's team Graham said: "We should all be proud of your achievement but remember that we must continue to keep each other safe by avoiding complacency and intervening when appropriate, considering safety, managing risks in our work activities and applying the Golden Rules and LifeSavers. Our primary goal is safe operations in Karachaganak. The crew of Rig 2 is an example to us all."

"Thank you all for your continued effort and dedication to safety at KPO", added Graham Scotton.

The newspaper "Karachaganak News" also congratulates the management and all staff of SaiPar Rig and their contractors on this outstanding achievement.



SaiPar Drilling Rig 2

# KPO HOSTS OPITO GRADUATION CEREMONY



Giuseppe Pasi congratulates the graduates

On 2 September KPO hosted OPITO graduation ceremony which was held in Aksai. During the official ceremony one hundred Kazakh trainees were awarded with Higher International Certificates from the OPITO Oil & Gas Academy.

The Production Operators and Maintenance Technicians Professional Development Programme based on UK Oil & Gas Academy's Modern Apprenticeship

Scheme (OPITO) is the most reputable international professional institution in oil and gas industry. KPO is the first company in the CIS to run OPITO certified training.

At the Graduation Ceremony, welcoming the graduates and dignitaries from PSA, WKO and Burlin Akimats, KPO General Director, Giuseppe Pasi said: "At Karachaganak we aim to share our knowledge and expertise with our Kazakh colleagues, partners and contractors. Capacity building through sustainable development and skills transfer are central to the way we work."

"We have put in place long term development programmes and we are pushing forward with our nationalisation agenda. Since signing the Final Production Sharing Agreement (FPSA), KPO has invested over US\$ 150 million in training and development initiatives. Currently, all of the skilled and clerical positions, 90% of the professional and supervisory roles, and 51% of the managerial positions in KPO are filled with national staff," added Giuseppe Pasi. He also noted that all OPITO 2009 graduates were employed by KPO.

Abirov Technical Training General Director, Dastan Kokeyev said: "The programme we delivered in Kazakhstan completely follows



OPITO graduates

the methodology, structure and content of OPITO scheme. All trainees are selected through aptitude testing, looking for abilities to learn at technical disciplines."

"On average, trainees take some 80 exams during theoretical part of the programme. Upon completion of the Higher

International Certificate (HIC) and Petroleum Processing Technology Certificate (PPTC), trainees are assigned for on-the-job training. The training scheme provides an opportunity for high performing individuals to secure employment with KPO", added Dastan Kokeyev.

## Karachaganak personnel completes STEP programme

On 23 August Karachaganak Petroleum Operating B.V. (KPO) announced that 135 health, safety and environment (HSE) professionals of the company and contracting organisations were awarded with certificates of the UK Institute of Occupational Safety and Health (IOSH) as a result of the successful completion of the internationally-recognised Safety Training and Enhancement Programme (STEP).

STEP was jointly developed by KPO Field HSE and Training & Development departments, IOSH, and Kazakh company Abirov Technical Training. KPO's investments into the programme made up \$1 million. KPO is cascading this programme further to develop KPO non-HSE related personnel (production and maintenance) and HSE staff of contractor companies.

Graham Scotton, KPO Operations Director, said: "The STEP programme is aimed at raising the competence of national personnel of KPO and contractors to international HSE standards through building up formal compliance of regulations with conscious application of HSE best practices in daily performance. The enhancement of individual and corporate pro-ficiency in industrial safety will also contribute to continued development and career growth of programme's participants", added Graham Scotton.

KPO Field Manager, Roberto Di Mitri, said: "KPO has developed a completely new approach to the professional development of the field's HSE personnel. STEP programme is based on IOSH "Managing Safety" course, which is recognized among HSE professionals worldwide."

"This programme enables KPO to adhere the RoK government strategy of harmonizing its legal system to accommodate international HSE standards. In addition, the STEP initiative manifests the KPO compliance with the OSHAS 18001 safety accreditation for continuous improvement and training of KPO HSE personnel", added Roberto Di Mitri.

KPO supports the development of local capacity and is pushing forward the implementation of the nationalisation and long-term local personnel development programmes. Since signing the Final Production Sharing Agreement (FPSA), KPO has invested over \$140 million in training and development initiatives.



STEP certificate awards

## Medical crew arrives on time

Rapid Medical Response (RMR) is a crucial function of the KPO Emergency Response Organization. The KPO Rapid Medical Response team consists of highly skilled medical staff and professional drivers who are ready to provide emergency medical care at the production sites of Karachaganak field and Aksai at any time. The main goal of the KPO Rapid Medical Response team is to rescue patients in trouble, provide immediate medical care and move them forward in time before they develop serious medical problems.

On Wednesday 21st July, a serious road traffic incident occurred between two contractor vehicles close to a junction between road 4 & 7 which is next to the Karachaganak field. As a result of the incident, three individuals sustained serious personal injuries and needed emergency medical care. As soon as an emergency call on the traffic incident was received, a KPO medical crew from KPC immediately arrived at the site of occurrence and did an excellent job in providing first aid and transferring the seriously injured people to Aksai Hospital. Due to the experience and timely intervention of medical crew consisting of Alexander Dogorov, Saltanat Bakessova and Nikolai Gabdulliyev, the lives of the injured people were saved.

KPO management and the families of the suffered people expressed gratitude to Alexander, Saltanat and Nikolay who did their best to save people lives.

KPO is committed to ensuring the safety of those who perform work on its behalf. All employees and



Rapid Medical Response team

contractors must comply with the following mandatory requirements:

- Seat belts must be worn at all times
- All road signs must be complied with
- Speed limits must never be exceeded
- All vehicles must be in a road worthy condition
- All KPO transport safety requirements must be followed whilst driving within KPO field boundary AND beyond

Failure to comply with KPO's mandatory transport safety requirements will not be tolerated and will be dealt with by KPO's senior management resulting in severe consequences for the individuals and companies involved.

## KPO holds emergency exercise at Karachaganak field

On 10 August an integrated emergency exercise was carried out in the Karachaganak Field involving WKO Emergency Situations Department, WKO Internal Affairs Department and KPO incident management team. The exercise titled "Actions to run by Emergency Response leadership, service assets and resources in case of a major emergency situation at Karachaganak field" was managed very professionally and demonstrated preparedness of the both the community and the Emergency Response and Rescue Service. The event was also attended by representatives of Emergency Situations Department of Russia who arrived at Karachaganak in the capacity of observers.

According to the organisers of the event the main goals of the joint

emergency simulation exercise are to practise joint actions to control and manage an emergency situation, review readiness/preparedness of and interface between emergency rescue units as part of KPO Emergency Response and Rescue Service, and test the effectiveness of emergency communications and notification system. Most importantly however, it was an opportunity to practice skills gained from many years of cooperation.

The simulated scenarios of the emergency exercise included the situation of a terrorist nature, ceremonial review of Fire Service assets and resources, fire in KPC Chemical Laboratory, gas and oil blowout on Well site №9 and evacuation of the village community under threat

of potential gas contamination (Zharsuat village). Prior to this event, KPO, together with the district Akimat, has developed an Evacuation Action Plan for the Zharsuat village in order to protect the population of the village in the event of an emergency situation.

It is necessary to note that the event did not interfere with the normal operations at the process facilities at Karachaganak field.



Emergency exercise at Karachaganak