

KPO attends meeting with RoK Prime Minister

On 22 July, a meeting was held in Uralsk attended by the RoK Prime Minister Karim Masimov, heads of the WKO and senior government officials as part of the WKO element of the Prime Minister's tour of the western regions of Kazakhstan.

One of the agenda items was to review the progress of KPO's fulfilment of its obligations for social projects, local content and nationalization. Giuseppe Pasi, General Director made an extensive presentation, which highlighted KPO's social projects program in the region, the Venture's most recent achievements in enhancing Kazakh content and progress on nationalisation.

The information presented was received with much interest. Towards the end of the meeting the Prime Minister assigned the relevant authorities to develop and implement an action plan required to ensure the maximum use of local vendors and manufacturers when implementing the Karachaganak Project.



Giuseppe Pasi at a meeting with RoK Prime Minister Karim Masimov

KPO commenced a total shutdown

On 11 September, KPO commenced a major facility shutdown in accordance with legislative requirements of the Republic of Kazakhstan to complete Mandatory Vessel Inspections every two years. It will take 35 days to complete. One of the major challenges KPO face is managing this technically complex field in a safe way.

It is expected that during the shutdown activities KPO will complete mandatory and safety critical scope of over 100 vessels and 500 pressure safety valves, Material Replacement Project and Compressor re-wheeling Train C, Maintenance and Major Works Scope, Gas Utilisation Project Scope, Minor 4th Train Tie Ins.

Shutdown means a planned general outage of the equipment and assets that are an enterprise's major means of production for the purpose of essential maintenance and statutory checks.

In all cases there is high potential for massive customer inconvenience and dissatisfaction.

Because of this, a shutdown demands the very highest management attention.

The major goals of the maintenance programme are to ensure equipment asset reliability, continued production integrity, and reduce the risk of unscheduled outages.

"BG Energy Challenge 2010 – Kazakhstan"



In late August 2010, BG Kazakhstan hosted the fifth annual "BG Energy Challenge 2010" which took place in the territory of the national park "Kokshetau" in Zerendy. The two-day event hosted teams from various companies across the Kazakhstani energy sector.

The BG Energy Challenge is a worldwide teambuilding and networking event for the energy sector annually held in the UK, India, Brazil, Egypt, Oman, and Trinidad & Tobago. Designed exclusively for companies associated with the energy industry, events are an exciting mix of mental, physical and strategic challenges to test communication, team working and leadership skills whilst raising vital funds for charity.

In Kazakhstan this project has been carried on by BG Kazakhstan since 2006. As in the previous years, KPO representatives together with the other teams from energy sector took part in the event.

Taking part in the BG Energy Challenge is about more than an exciting weekend in the great outdoors; it is also about raising essential funds for charity. Fundraising for the event can be as much of a challenge as taking part in the event itself and each team is required to raise a minimum of \$5,000.

Since 2006, teams from across the energy sector have raised over \$350,000. This year, the charity is the non-profit organization "Society of Disabled Children of Astana City". The Society of Disabled Children of Astana City was founded in 1998 and is chaired by Mrs. Kamka Zhasanova, a member of the Human Rights Commission under the ROK President. The Society of Disabled Children of Astana City is the first NGO for disabled children in Astana and provides support to more than 500 families. The Society's mission: to assist disabled children and their families to socially adapt, to form skills of self-care, to socialize, to extend potential for personal and professional development.

Safety Leadership at the workplace

At the beginning of 2010, KPO conducted a series of one day sessions for all KPO Managers and Supervisors. These sessions were delivered by an independent consultant, internationally recognised expert – Dr. Bruce Staley who has rich experience of delivering these sessions in a number of international progressive oil and gas companies (e.g. Eni, BP, Shell etc) around the world.

Bruce is widely respected for the development and introduction of a number of highly successful training programmes specifically designed for leadership and has spoken on many global industry conferences on leadership and cultural change. Bruce was in Aksai in February and April. He arrived in Aksai again in June to continue Safety Leadership Training courses for KPO Managers and Supervisors, including supervisors from contractor companies.

A correspondent of "Karachaganak News" had the good fortune to interview Bruce during his recent stay in Aksai.

- Bruce, could you please tell us about the purpose of your visit to Aksai?

- Based on the 2009 annual results of HSE performance, KPO executive management have identified key areas for improvement. Safety Leadership was identified at KPO as one of the key areas of focus for improving safety performance and upgrading the existing knowledge and skills. The purpose of my visit to Aksai is to help KPO staff to understand what



Dr. Bruce Staley

4 and Bonatti yard. I very much hope that conducted sessions are really helpful and I am expecting feedback on whether participants' behaviour has changed since the Safety Leadership course.

- Bruce, what is Great Safety and who is a Great Safety Leader?

- Great Safety means setting a rigorous goal of zero injuries. Great Safety cannot be done without teams of people dedicated to hitting the goal: A Zero-Injury Workplace. Great Safety Leaders are those who maintain high safety standards by correcting deficiencies and modifying inappropriate safety behaviour. Great Safety Leaders must be able to organize a team and motivate it towards the goal. Imagine everyone leading each other to the goal of a zero-injury workplace. Safety leaders accomplish great things. Safety leaders appreciate the people who make things happen. Also I would



At the Safety Leadership Training courses

safety means and how they can all become more effective Safety Leaders. In order to enhance these skills I was invited to Aksai by KPO management.

- We are aware that your first visit to Aksai was in February and this is your third trip. How long Safety Leadership course will take to complete here at KPO? How do you conduct the course and do you have your own methods?

- Safety Leadership programme has been devised in four intakes throughout 2010. My next and final visit to KPO is scheduled for September. Sessions accounting for some 16 people in a group structured in an interactive way, with no use of PowerPoint slides. Participants are engaged in debates coming out of questions asked by myself. In-depth discussions are structured around three areas - concentrating on people, structured approach and great leadership. The course itself is based on the leadership intervention in the workplace. We have also visited four locations with a selection of KPO personnel and conducted practical exercises on intervention techniques at Unit 2, KPC, Train

like to add that Safety Leader who understands and skillfully applies the knowledge and abilities of their workforce will achieve far safer and more efficient performance. Knowing your workforce and developing their safety competencies will produce benefits in all areas of the operation.

- Why dedication to safety is so important?

- Safety should be a key topic of conversation whenever the opportunity arises. Discussion is the access to learning and route to the next level of safety performance. Demonstrate your interest, ask how you can help and what support you can give.

I know that Safety is the core of KPO business and will always be a focus area for the company.

Every day in various parts of the world, workers lose their lives as a result of injuries. These people leave behind themselves families, friends, and co-workers. The single most common cause is complacency - an attitude that "it will never happen to me." Too often individuals and companies become complacent when it comes to safety. Managers are satisfied with mediocre safety performance

and do not work to improve the environment by raising safety awareness and eliminating the potential for injury. Employees are content and are not attentive to their work environments. They become convinced that management is not concerned about safety. They begin to think they are not responsible for their own safety. Over time, the entire organization gives little meaningful attention to safety. The result is that employees begin to get in a hurry and take shortcuts on the job. They are more focused on production and getting the job done than getting it done safely. That attitude becomes an organizational norm. Research shows that many incidents occur because people are distracted and do not pay attention to their environment and what is going on around them. When managers and supervisors do not make safety a top priority in the organization, it is easy for employees to make personal safety a low priority. Visit employees in their workplaces. Talk about your personal concern for safety, and then listen to their concerns. Take personal action to correct unsafe situations and follow up to let employees know the outcomes. Managers at all levels of the organization can have a profound effect on the safety culture of an organization by following these suggestions. Once they see their supervisors and managers taking safety seriously, employees in turn will be more committed than ever. And, nothing energizes an organization's safety improvement efforts more than employee involvement.

- When attending one of your sessions I have noticed that much attention is paid to Safety Leadership at the workplace. Could you please clarify it?

- When leadership visit the workplace they see the behaviours of their people, but also see reflected in them their own behaviour. Safety's position can only be maintained through good leadership. Management commitment is not effective if it is simply expressed in words, it requires action that is consistent and sincere, demonstrating a genuine concern for the safety and well-being of the workforce.

In the workplace and in your everyday life you should conduct yourself in such a way that reflects your concern for your own safety and for others. Poor conduct will clearly demonstrate safety's low position in your value set. Raising and enhancing safety awareness and continuing to develop a safety culture within the organisation is an area of significant focus and effort.

- What is the best way to manage safety effectively?

- Managing safety effectively is not about processes and procedures but rather about people, as any system relies on the people that operate it. That is why you will have seen and will see in the future more of a focus placed on people not paper. Things will not change overnight; this is a journey...long journey.

Finally I would like to say that those people attended my sessions and who believe in Safety Leadership Programme should be the trainers and pass the message on. I believe that this would be more effective than my visits to Aksai.

- Bruce, thank you very much for your time and the interview. The "Karachaganak News" team wishes you all the best.

School buses from KPO



Congratulations from KPO Corporate Governance Controller Robert Stephens

The 1st of September is a special day for all the children of Kazakhstan which is often called "Knowledge Day." It is traditionally celebrated in Kazakhstan and many other former Soviet republics. This day also marks the end of summer and the beginning of autumn.

On this day, each year, the children of Aksai and nearby villages and especially new starters feel very excited about the "First Bell" and the start of the new school year. When the "First Bell" rings, traditionally a first grade girl is lifted on the shoulders of a 12th grade male pupil, and paraded around, ringing the first bell of the school year. Many proud parents come together with their children to enjoy a day of traditional celebrations.

On this day KPO representatives from the Community Relations section made a special present for the children residing in villages adjacent to Karachaganak field. Six brand-new school buses were delivered by KPO to six villages of the Burlin district – Berezhovka, Priuralny, Uspenovka, Zhanatalap, Kyzyltal and Burlin.

WE SHARE THE PLANET EARTH

In late June, Chevron hosted the annual National Children's Contest of Environmental Artworks "We Share the Planet Earth" dedicated to Kazakhstan flora and fauna. The contest was held in Almaty.

Children from KPO's Mobile School of Arts, Olga Polishuk and Nataliya Yusipenko were selected to represent WKO in the contest. During the contest they demonstrated their high professionalism and were awarded with a diploma and certificate.

The Grand-Prix of the Contest went to Sarym Musrepov from Aktobe. The first place was taken by Bakhtiyar Aushakhmanov from Astana. Second and third places were taken by Ayan Zhumadilov from Taldykorgan and Anastasiya Khovina from Almaty.

The main purpose of the Mobile School of Arts is to assist children and youth in the remote rural areas in gaining aesthetic and vocational training skills. The Mobile School of Arts was launched by KPO in May 2005 to facilitate an organised after-school time for the children of rural schools in the Burlinsky district.



Olga Polishuk and Nataliya Yusipenko

KPO to support professional education in WKO

In late June, KPO hosted the Forum entitled "Professional Education & Business. The Dialogue of Partners" which was held in the Sports Hall of the Czech Camp. Along with the representatives of KPO, the Forum brought together a lot of businessmen representing various companies from WKO, as well as officials from the education department of the region. The Forum was also attended by the Akim of Burlin district Bolat Shakimov and principals of technical schools of WKO.

According to the organisers of the event, the primary purpose of the Forum is to assist professional



Participants of the Forum

education and graduates of the technical school. The Forum was opened by the Akim of Burlin district Mr Shakimov who emphasised the important role of qualified industrial workers to develop the economy of the country. During the conference KPO Training and Development Manager Yelena Zemlyanskaya stated: "Developing and operating the Karachaganak field requires thousands of dedicated and qualified workers. KPO invests heavily in the development of our national workforce, using the international expertise of our Partners in the Venture. This makes working in KPO not only a

rewarding professional experience, but also an opportunity for personal development."

"For many years, KPO has been developing different ways for graduates of Kazakhstan universities and technical schools to join our company, develop themselves and contribute to future growth. We are very interested in the local workforce who will stay here at Karachaganak for the further development of the Project. The technical school located in Aksai (Lyceum No15) has been the first focus for development, due its proximity to KPO operations", added Yelena.

Health & Safety of KPO staff are under strict control

Occupational Health & Hygiene Section (OHH) was established in 2005 as the part of Health department of KPO. The main task of the department is the qualitative and quantitative evaluation of the impact of working conditions on organism, according to which the development and introduction of measures which will be able to ensure the maximum working efficiency and absence of harmful impact on employees, and the prevention of occupational diseases, is implemented.

At present, several programmes have been developed and introduced by the department, among them, there are sanitary compliance monitoring programme, radiation safety control at company's facilities, workplace assessment, food safety control and etc.

Health Risk Assessment (HRA) is "The identification of health hazards in the workplace and subsequent assessment of risk to health." This assessment takes into account existing or proposed control measures. Where appropriate, the need for further measures to control

exposure in identified. HRA must be carried out for: All new activities and development; All existing operations; Where there are changes to existing activities; Post-operating activities; Acquisitions.

In accordance with OHSAS 18001, the HRA is an integral part of the Occupational Health Management system. In KPO, 30 "field critical positions" have been assessed for health risks and resulted in improvements to controlling health hazards. The Occupational Health and Hygiene Section played a leading role in carrying out these assessments.

In compliance with OHSAS 18001 requirements, a HRA procedure has been developed to establish the framework within which further HRAs should be conducted.

A Health Risk Assessment conducted by the KPO Health Department's Occupational Health and Hygiene Section in 2007 revealed areas of concern and noise exposure was one of them. A Hearing Conservation Program (HCP) was developed to prevent

noise-induced hearing loss in the exposed workers.

In order to prevent food-borne diseases and with the aim to ensure compliance with food hygiene regulations, regular inspections are carried out of the catering facilities that provide a service to KPO employees.

Catering facilities are epidemiologically significant objects, i.e. present a health risk if run with neglect of RoK legislative requirements, becoming a source of infectious disease.

One of the objectives of Food Safety Inspections is to assist the catering service provider in reducing the risk of food-borne disease to a minimum by the timely identification and elimination of violations of hygiene requirements.

Portable water safety control is performed by a Contractor (Sanitary Expertise Laboratory) with assistance from the KPO Sanitary Laboratory. It is required by Parent company occupational health standards and covers facilities in the Field, Czech camp accommodation blocks, Atyrau



terminal and Bolshoi Chagan sites. Both tap water and bottled water used by KPO for food preparation and drinking is checked for organoleptic, microbiological and chemical parameters.

Radiation Monitoring Programme is assigned to provide documentary data of characteristics, radionuclide content in waste, equipment and other materials required to evaluate the radiation risk factors, exposed on employees and affected on the environment.

According to the programme there are screened for contamination

with radionuclide: technological equipment, industrial areas, area for temporary waste storage, site for liquid and solid waste storage, producing wells, drilling wells, sanitary-protective zone, and also equivalent volume activity of radon, thoron of first floors of administrative and production buildings.

Radiation Monitoring is performed by Contractor Company. The recent monitoring has shown that ionising radiation levels in the Karachaganak Field do not exceed exposure limits.