



Greeting from General Director on the Victory Day

Dear colleagues!

This year, on the 9th of May, Kazakhstan celebrates the 67th anniversary of the victory in the World War II.

The Victory Day brings together people of all ages and nations. The war veterans have set a great example of bravery and courage to the younger generation. We always keep those events in our memories and pay tribute to all heroes of that war.

On the eve of this special day, I would like to extend my cordial wishes of peace, good and wellbeing to you and your families.

Sincerely,
Damiano Ratti
KPO General Director

Delegation of «Sovereign Wealth Fund «Samruk-Kazyna» and «KazMunaiGas» visited Karachaganak

At the end of May KPO hosted a visit from a group of senior executives of «Sovereign Wealth Fund «Samruk-Kazyna» and National Company «KazMunaiGas» who was accompanied by the Akim of West Kazakhstan oblast (WKO) Nurlan Nogayev.

The main purpose of their visit was to familiarize themselves with the Karachaganak oil and gas condensate field and to review the progress of the current phase of the Project.

During their meeting with KPO management, the officials were

provided with a detailed field overview and the highlights of KPO performance. The guests were also briefed about the ongoing field development activities, as well as further plans for the development of the Karachaganak field, KPO's contribution to the region's social-

economic development and implementation of the Vendor Development program. After the meeting at FAB, the guests visited some of the production facilities including the Karachaganak Processing Complex (KPC). They also met with a team of KPO staff

operating one of the workover rigs.

Upon the departure, the high-ranking guests expressed their satisfaction with KPO achievements in the development of the field, and wished all KPO employees continued success in their activities.



KPO management meets with trade union leaders

On 16 April a working meeting between leaders of trade union organisations of KPO and the KPO management was held in the Conference Hall of KPO main building.

The meeting was attended by trade union leaders Tuleugali Kenesov and Anatoly Neverov. KPO was represented by General Director Damiano Ratti, Operations Director Luca Vignati and Human Resources Controller Marco Castelli.

The meeting with the KPO top management was organized at the request of the trade union leaders. During the meeting, Mr Kenesov raised some issues related to the development of the infrastructure of the city Aksai.

For his turn, KPO General Director Damiano Ratti introduced himself and told briefly



about the work he did before joining to KPO. He paid a special attention to safety issues and pointed out that KPO was actively involved in the promotion of safety and the prevention of accidents in all areas of life.

At the end of the meeting, Mr. Ratti noted that he had taken note of all the questions that have been raised, particularly issues related to the development of infrastructure in some parts of the town of Aksai. "We certainly must meet with the leadership of the Burlinski district and, in particular, discuss important issues regarding the improvement of social investment in the city."

"We live and work here. Therefore, I believe that Aksai need more investment", added Mr. Ratti.

KPO held Contractor Road Safety Forum



During the Forum four presentations were conducted by KPO representatives and one by "AksaiAutoTrans" contractor company on the following subjects:

- KPO Recent Road Traffic Incidents and Root Causes (Field Passes)-KPO;
- In-Vehicle Monitoring System in KPO;
- Tyres Specification and Safety at KPO;
- Road Safety Management in "AksaiAutoTrans";
- KPO Life Savers programme – Transportation.

The Letter of Appreciation addressed to the name of KPO General Director, Damiano Ratti, was handed over at the forum on behalf of the Chief of Road Police Department under the WKO Department of Internal Affairs, the Police Colonel, Telman Usenov. The WKO Road Police Department expressed its sincere gratitude to KPO for fruitful cooperation in terms of playing a distinctive role played in road safety assurance over the years.

Table discussions in separate groups were conducted during the Forum on such topics as:

- IVMS Management;
- Road safety management preparation plan;
- Driver competence;
- Vehicle maintenance;
- Community RS initiatives;
- General RS Improvement.

The Forum provided a great opportunity to better understand the Road Safety issues, their potential solutions, and to establish a foundation for cooperation between KPO's contractor senior's managers on Road Safety issues.

On 17 May, KPO held the Integrated Contractor Road Safety Forum in Aksai.

The Forum was attended by KPO senior management, representatives of the WKO Road Police Department and contractors. 50 delegates representing 27 contractor companies participated in the Forum.

The Forum was aimed to:

- Involve contractor's senior management in group discussions to identify the best ways to meet KPO Road Safety expectations;
- Identify workable solutions on Road Safety issues;
- Generate personal commitment for continuous improvement of the road safety.



Scholarship programme for KPO national employees and their children for 2012

KPO recently announced the scholarship programme for national employees and their children for 2012. Through this Programme KPO will improve the professional knowledge and skills of deserving nationals, preparing them for future leadership roles.

The purpose of this programme is to improve the technical and professional knowledge and skills of nationals and thus will make a contribution to the Venture Development Programme.

The Scholarship Programme provides for 60 scholarship grants per year. 24 scholarships are available annually for employees and 36 scholarships available for the children of the employees.

The Scholarship Programme is one of KPO priorities. KPO hopes that such financial support

will be of value to employees and will allow national employees and their children to improve

their technical and professional knowledge and skill through education. The procedure defines the selection process for scholarship grants awarded. This grant will be paid to the employee when he/she provides the invoice for education in the educational organization stated in his/her application

The Sponsorship Committee will oversee the administration of the policy. Members of the

Sponsorship Committee are the General Director, Operations Director, Finance Director, HSEQ Controller, Services Director, Marketing Director, Government Relations Director,

Corporate Governance Controller and Human Resources Controller. The Policy contains the information regarding



scholarship available to employees and their children, the selection of candidates for scholarship award as well as Application Form and a list of the required documents which should be submitted together with the Application.

The Human Resources Operations Manager will act as a non-voting member of the

Committee. Members of the Sponsorship Committee will each appoint one representative to

become a member of the Panel of Management. The Panel will decide who receives scholarships each year under the procedure.

The period to apply for the Scholarship Programme is from 1 till 31 July 2012. All applications and required documentation must be submitted to Sholpan Igzova, HR Coordinator, no later than 31 July.

KPO announced the Environmental contest 2012

KPO recently announced the "Best Environmental Proposal Contest 2012" dedicated to World Environment Day, which is on the 5th of June.

According to the organisers, the purpose of this competition is to attract the attention of company employees to environmental issues through the opportunity of making efficient environmental proposal for environmental improvement.

As it is known this contest was held in 2010-2011. During that period in overall 73 proposals were obtained of which some have found their practical use in the company. Some proposals are currently at the stage of technical feasibility study and will be taken into account during revision of Environmental Protective Measures Plan for 2011-2013.

All entries will be reviewed by the Independent Board. The following will be taken into account:

- New and unique ideas;
- Its feasibility and perspective utility;
- Detailed description. Also implementation possibility of environmental proposals will be considered.

Three top proposals will be awarded with valuable gifts. Contest results will be announced on the 5th of June.



Kazakhstan has oil reserves for 60 years

According to the Minister of Oil and Gas Sauat Mynbayev, Kazakhstan has reserves to last for 60 years with annual oil production of 120-130 mln. tons.

"Even if oil production will be at the level of 120-130 million tons per year Kazakhstan will have oil reserves for more than 40-45 years. But taking into account the fact that the oil production is reduced Kazakhstan will have oil reserves for more than 50 to 60 years", the minister said at the plenary session of the Majilis on Wednesday.

According to the minister today extractable reserves are about 5.3 bln. tons and the annual oil production is 81 mln. tons.

In addition, the minister said that it is expected to increase oil production up to 90 mln. tons in 2015 and up to 120 mln. tons by 2020.

"This increase is associated with increased production from existing contracts, primarily TCO and Kashagan", he explained.

He also noted that some fields can be reserved for internal needs.