



**“Karachaganak News” takes this opportunity to congratulate all KPO employees and its readers on the New 2012 year.**

**Editorial staff of the newspaper wishes you all a very Happy New Year and look forward to seeing you all in 2012.**

**Take Care and enjoy your holidays and thanks for all of your hard work in 2011!**

### Dear friends,

Before the holiday season begins, I would like to resume on our achievements and lessons learned in the passing year 2011.

Despite all the challenges about the Projects' governance that continued throughout the 2011, we are glad that the agreement about the Kazakhstan's share in the Project has been reached a few days ago. This gives hope and aspiration to all of us for the future development of Karachaganak.

As a business, KPO undertakes many investment projects and programmes targeting both operations and sustainability aspects. The major 2011 milestone achieved in operations is a completion of the Fourth Stabilisation Train at KPC. The Fourth Train enabling the stabilization capacity of the KPC to increase by 2.57 million tonnes of condensate per year has been highly evaluated by the President of the Republic of Kazakhstan this month.

In HSE, we have learned the fatality lesson occurred in March and during the year have been working to ensure zero incidents in future. Among the actions to enhance HSE effectiveness I would emphasize the Stand for Safety event, emergency response and preparedness activities, launch of the new HSE card programme.

In September, KPO has successfully extended certifications for our Occupational Health and Safety Management System and Environmental Management System against the international standards OSHAS 18001 and ISO 14001.

Implementation of the SAP project being finalized these days is a big internal change in managing our processes in accordance with industry standard requirements. Not only will the new SAP system ensure effectiveness of our internal business processes but introduce the new ways of working.

Karachaganak-Uralsk Gas pipeline completed in September included the necessary integrated commissioning stage of all the start-up complexes is under the handover to the local owner. The pipeline connecting community settlements from the Karachaganak field to Uralsk is a highly significant social infrastructure project that will ensure stable gas supply to more than one hundred thousand residents of five districts of the Western Kazakhstan Oblast.

In 2011, KPO has completed a few social infrastructure projects, such as construction of the heating networks from the constructed 54 MW Gas Turbine Station in Uralsk, water pipeline Aksai-Akbulak, reconstruction of the Boiler house in micro-district 10 of Aksai and the school in Priuralnoye village, and construction of music school in Zhampety village.

In the area of Local content, during the nine months of 2011 KPO has awarded contracts worth over US\$ 328 million to 288 Kazakhstani companies for the provision of goods, works and services.

All the above and many other achievements and initiatives in place in our company demonstrate the role KPO plays in sustainable growth of Aksai, Burlin District, Western Kazakhstan Oblast and the Republic of Kazakhstan in whole.

I thank all and each of you for your hard work and dedication in 2011 and encourage you to further integration and internal cooperation in the coming 2012. We can achieve high results only working together as one team.

On the eve of Christmas and New Year 2012, I wish good health and happiness to you and your families. Enjoy the upcoming holiday season and have safe festivities!

Happy New Year 2012!

Sincerely,

Giuseppe Pasi  
General Director



## Lyazzat Kiinov was appointed Chairman of the Board of JSC NC “KazMunayGas”

The Board of Directors of “SWF “Samruk-Kazyna” JSC in consultation with the Prime Minister of Kazakhstan has come to decision to terminate the authority of Chairman of the Board of KazMunayGas National Company JSC Bolat Akchulakov.

Lyazzat Kiinov was appointed Chairman of the Board and a member of the Board of Directors of KazMunayGas National Company JSC.

L. Kiinov was born on December 7, 1949 in Mangistau region. In 1971 he graduated from Kazakh Polytechnic Institute, specialty “Geology and exploration of oil and gas fields”. He is a Doctor of Technical Sciences, Academician of International Engineering Academy.

In 1971 he began his work as an oil and gas production operator at “Zhetibayneft” Oil and Gas Production Department and in future has become the Head of the Exploitation Analysis Laboratory.

Since 1977, he worked in the city of Shevchenko (Aktau), in the position of an Instructor of Industrial and Transport Department of Mangistau regional party committee, chief engineer of the “Mangyshlakneftpromhim” Territorial Production Office, chief of “Karazhanbasstermneft” Oil and Gas Production Department, “Komsomolskneft”.

In 1992 he held the post of the Director General of the Production Association “Mangyshlakneft”.

In 1993 he was appointed head of the Mangistau Regional Administration. In 1995 Lyazzat Kiinov held the post of Deputy Minister of Oil and Gas Industry of the Republic of Kazakhstan. From 1997 to 1999 he worked as Deputy Director General of the Caspian Pipeline Consortium. In 1999 he was appointed Akim of Mangistau region. Since 2002 he was the President of JSC NC “KazMunayGas”. Since March 2003 he held the post of Vice Minister of Energy and Mineral Resources. Since April 2010 he held the post of Vice-Minister of Oil and Gas of the Republic of Kazakhstan.

Lyazzat Kiinov was awarded with the Order “Parasat”, Medal devoted to 10 years of Independence of the Republic of Kazakhstan.



## KPO employees receive government awards

On 6 December during the official ceremony dedicated to the 20th anniversary of independence of Kazakhstan which took place at WKO Akimat in Uralsk, three KPO employees Avtonomov Aleksandr, Vladimir Pogrebnoy, and Suleimenov Berik were awarded RoK government medals.

As was noted during the ceremony, the three KPO employees received medals for their great contribution to the development of the Karachaganak project.

The editorial staff of the newspaper “Karachaganak News” and all KPO employees also congratulate Aleksandr Avtonomov, Vladimir Pogrebnoi, and Berik Suleimenov with the high governmental awards and wish them further success in work.

## The HSE Card Programme

On 10th of December 2011, new Health Safety and Environment (HSE) card programme was launched in KPO. Hazard reporting and Behavioural Based Safety programme were cancelled

The aim of HSE Card programme is to make life easier by having a single reporting card, to simplify reporting the process, centralise data collection and co-ordinate follow up action.

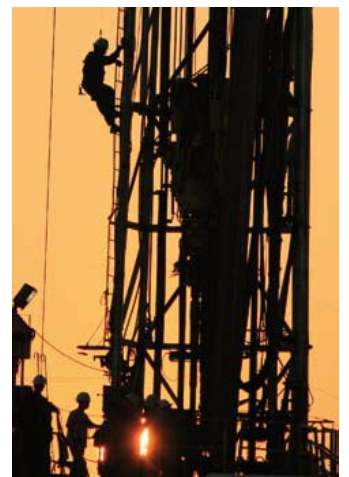
HSE Card is to be used by KPO and contractors personnel and implemented and available at each KPO unit/department.

The HSE card will enable all KPO employees to report hazards, safe or unsafe acts/behaviour observed during work being performed, it will also provide you with an opportunity to offer your suggestions and ideas to improve HSE performance in KPO.

HSE cards are available in Kazakh, Russian and English languages on Information/Safety boards at all units and online in Intranet

Every complete HSE Card can be submitted to the line supervisor, Department/Unit HSE Representative or left in a HSE Card deposit box which are installed in every building, you can also e-mail them to programme coordinator HSECardSup@kpo.kz.

All completed cards will be collated and analyzed and where necessary the appropriate actions will be taken.



In order to ensure that all personnel get sufficient information on this exiting new integrated reporting system and on the HSE Card completion process, HSE Card training will be provided to all KPO and Contractors' personnel.

More detailed information on the HSE Card Programme can be found on internal KPO intranet.

# Stop illegal dumping of waste

In previous issues of our newspapers, we wrote about the problem of illegal dumping in the Karachaganak field, as well as on the work of KPO aimed to prevent illegal dumping and the elimination of industrial and household wastes within Karachaganak field.

Waste management plans prescribed in the contracts must completely be supported, carried out, and controlled by each contractor working in the field. All works, carried out by contractor companies must be conducted in complete

agreement to the requirements of the environmental legislations of the Republic of Kazakhstan.

The company's leadership reiterates its call upon all contracting companies to strictly comply with all the requirements of KPO within the overall policy of the company related to waste disposal. KPO is taking serious actions in protecting the environment in the Karachaganak field and keep performing the explanatory work with its contractor companies.



## Do you speak Italian?

The Italian Language School successfully operates for many years in the Czech Camp. It is rather not a school but a Cultural Centre to study Italian language. The school has its own library, consisting of numerous dictionaries, art books and textbooks for grammar.

Many years ago, the Centre was founded by several Italian and Kazakh specialists of KPO. The idea for the establishment of this school belongs to Gianluca Chiarenza who used to work with

KPO long time ago and now he lives and works in his native Italy. With his departure the interest in studying the Italian language did not extinct and nowadays a lot of KPO national employees attend Italian language courses provided not only by native speakers but their Kazakh specialists as well.

Zhanar Rosselbaeva, the Executive Assistant to the KPO General Director was recently assigned as the director of the Italian School. She studied Italian



for many years and she speaks very good Italian. Zhanar and her colleague Yelena Axenova, the translator of KPO Corporate Safety department, share their knowledge with other KPO employees. According to Zhanar and Yelena, first of all, the beginners learn the basic elements of the language, namely, the alphabet, the most used words and pronunciation. Gradually they move from simple to more complex, the basics of grammar. Here at KPO there are many Italian specialists who are happy to share their knowledge with their Kazakh colleagues.

Zhanar and Yelena say: "Every year a number of KPO employees decide to attend the Italian language courses. They understand that speaking Italian means having access not only to an extremely valuable literary heritage, essential to the history of Europe and to extremely precious humanistic and scientific texts, but also to Italian theatre, music, opera, cinema and television."