OUR PERFORMANCE AND TARGETS

Our targets in 2012	Target achievement (yes, no, status)	Actions taken in 2012	Targets for 2013
HEALTH AND SAFETY			
Surveillance audits on ISO 14001 and OHSAS 18001 standards to be conducted by a certification body	✓	All the non-conformances were closed by the end of July 2012. Integrated Surveillance Audit on ISO 14001 and OHSAS 18001 held in October 2012 confirmed KPO's compliance.	Conduct a surveillance audit to ensure compliance of KPO's HSE MS with ISO 14001 and OHSAS 18001 standards requirements
Develop and implement HSE cards e-learning	✓	HSE Card Programme e-learning materials were developed, tested and launched.	
Expand Major Hazard Awareness Training programme to Managers	✓	Major Hazards Awareness Workshop was held in Spadeadam (UK) for KPO Senior Management Personnel.	Hold training for all level 2 critical safety positions
• Expand safety leadership skill base to those already trained and extend the programme to include health and environment; • Following the HSE Culture Survey outcomes, to align training materials and roll out further HSE intervention techniques programme.	~	Effective HSE Leadership Tour training was developed and delivered to 85 per cent of mandatory personnel trained (133 out of 157 Level 1, 2 and 3 Managers) plus 108 extra non-mandatory personnel was also trained. Supporting materials were developed including LifeSaver HSE Leadership Tour Checklists.	Train the remaining 15 per cent of L1, 2 and 3 managers and any additional attendees nominated by their managers
• Finalise documentation related to Contractor Management processes; • Improve KPO Contractor Management processes; complete outstanding HSE related actions of the CMWG Action Plan; • Roll out training on new/revised processes; • Develop an overarching KPO standard to monitor the HSE performance of contractors; • Conduct workshops for Contract Owners and integrated Contractor/KPO fora.	~	• Partially implemented; 2 documents left to complete which are due for completion in Q1 2013. • Partially implemented; with the exception of the two documents referenced and the one referenced below, all other actions have been completed; • Partially implemented; first phase roll-out training has been provided to approximately 102 key personnel involved in contractor management processes across the company. Due for completion by end Q2 2013; • Partially implemented; final draft currently undegoing peer review and comment. Due for completion end Q1 2012; • Completed. Approximately 147 Contract Owners have undergone the training and both scheduled contractor fora were held.	Complete the outstanding deliverables in the Contractor Management Working Group action plan and the Contractor Monitoring Strategy and provide supporting training to user groups

Our targets in 2012	Target achievement (yes, no, status)	Actions taken in 2012	Targets for 2013
HEALTH AND SAFETY			
Complete application of the new HSE audit and inspection procedure at the end of Q1 2012	✓	The HSE Audits and Inspections Procedure is implemented and functioning. The audits are performed according to the schedules. Performing of 101 audits by the end of the year	
Develop a KPO wide Life Saver roll-out campaign for all Life Saver topics including supporting materials – presentations, posters, tool box talks and leadership tours cards and e-learning	~	Seven out of eight of the rejuvenated LifeSaver topics have been issued.	Complete the roll-out of Safe System of Work Life Saver
			Review the Incident Management and Crisis Management procedures; implement corrective actions following the integrated exercises held
			Continue HSE Competence Assessment of Line supervisors programme
ENVIRONMENT			
Achieve total project reduction of GHG emissions by 30.97 kt CO_2e	✓	GHG emissions reduced by 51 kt CO_2e	Achieve total project reduction of GHG emissions by 70 kt CO_2e
Complete the Fieldwide Wastewater Upgrade Project	~	The Project is ongoing in a number of operational facilities including KPC, Unit 3, Bolshoi Chagan Pumping station and KCC.	Complete the Fieldwide Wastewater Upgrade Project
Conduct a study of further sewage treatment efficiency improvement	✓	The 2-year study of effectiveness of biological treatment (post-treatment) of the KOGCF wastewater using eichornia (water hyacinth) was started in 2012.	Complete the study of further sewage treatment efficiency improvement
Install two new automatic Environmental Monitoring Stations at the Sanitary Protective Zone (SPZ) boundary	✓	Two new EMSs #15 & 18 were installed at the SPZ boundary.	Install two new automatic Environmental Monitoring Stations #16 & 17 at the Sanitary Protective Zone (SPZ) boundary

LEGEND: ✓ implemented; ~ work in progress; ✗ not completed.

OUR PERFORMANCE AND TARGETS

Our targets in 2012	Target achievement (yes, no, status)	Actions taken in 2012	Targets for 2013
ENVIRONMENT			
Start implementation of the Biodiversity Action Plan	✓	According to the KOGCF Biodiversity Conservation Action Implementation Plan 2012-2013 approved in April 2012 by the WKO Branch of ZhCED, the following actions were implemented in 2012: • Field studies on accounting of beaver species were carried out across KOGCF area; • Method statements were developed for water protection zones and belts at the KOGCF area; • Species database of KOGCF was created; • Analysis of the state of ecosystems within KOGCF and adjacent area to create an ecosystems map for 3 different periods was started.	Implement BAP as planned for 2013 including: • Vegetation monitoring within the area of KOGCF influence; • Satellite images review to identify changes in the ecosystems, • Mapping of adjacent ecosystems; • BAP improvement recommendations.
Commission the General Purpose Incinerator (GPI)	✓	GPI was completed and put into operations in July 2012.	-
Remodel the Warehouse #3 for the Waste Segregation Unit and complete construction	~	Project for modification of Warehouse #3 into Waste Segregation facility is fully developed and received positive Sanitary and Epidemiological Expert evaluation and is under Environmental expert review.	Complete remodelling the facility for Waste Segregation Unit and introduce it into service
Commission five additional waste burial cells at the Eco Centre's Landfill	✓	7 cells have been put in operation since 2011. Five additional waste burial cells completed in 2012.	Commission five additional waste burial cells at the Eco Centre's Landfill
• Study waste accumulated in cell 1 for further recycling and disposal in the Landfill; • Study all legacy waste in cells 2, 3 & 4 at old polygon and develop a plan for treatment if necessary and permanent disposal at the Eco Centre Landfill	✓	• Wastes accumulated in cells of the Solid Waste and Spent Drilling Liquid Storage Polygon site were studied. Final report with recommendations was submitted to KPO management for approval. • Project was completed in full volume at the end of 2012 as per the schedule.	-
• Study on re-use methods of wastes after Thermo-mechanical cuttings cleaning facility and Rotary kiln incinerator	✓	• The West Kazakhstan State University completed the work "Development of methodology for the use and processing of carbonate oil-based mud cuttings" in August 2012. The work sets the potential usage of carbonate oil-based drilling mud after its mechanical treatment as mineral powder in asphalt production for road construction.	Implement stage II of the Study on re-use methods of wastes after Thermo-mechanical cuttings cleaning facility and Rotary kiln incinerator to examine options for clay cuttings

Our targets in 2012	Target achievement (yes, no, status)	Actions taken in 2012	Targets for 2013
OUR PEOPLE			
Implement the Nationalisation Plan by achieving: • 70 per cent in Category 1; • 95 per cent - in Category 2	~	Targets have been partially met: • Category 1 – made 69 per cent, • Category 2 – made 95 per cent.	Follow-up implementation of the Nationalisation Plan to achieve 70 per cent in Category 1
Implement the coaching programme	~	The implementation was postponed till 2013 due to ongoing assessments and formalising the plans for identified high-potential employees. The coaching sessions were scheduled.	Start the coaching process for identified group of high-potential employees
Agree with the Authority and develop necessary policies and procedures for the National staff retention programme; Implement retention tools	~	The retention related tools are not part of a particular retention programme, however a set of actions was undertaken in 2012 to address the issue and improve the Company's retention capacity: • Salary review - Market based salary increase for on-site technical and engineering personnel from November 2012. In total, over 1,600 employees received increases, mostly in Production and Maintenance; - Market based salary increase of specialists and management in Contracts and Procurement Controllership with high personnel turnover in previous years; • The Company started giving housing allowances to personnel from non-WKO regions working in shifts; • Improved benefits for employees under the Collective Agreements.	• Continue improving the benefits package for personnel; • Continue adjusting the salaries of key KPO personnel to the market level
• Complete Competency Models development for Finance Directorate • Launch a software application for CMS	~	• Competency Model development for Finance Directorate has been finalised; • Development of software application for CMS started, launch of a software application postponed to 2013.	• Complete development of CMS software
Apply for OPITO site audit to obtain accreditation for technical CMS targeting core operational staff	~	In the light of the overall CMS strategy change in 2011, the process for OPITO accreditation has been expanded both in scope and timeline. Documentation required for conducting OPITO site audit was revised considering comments received from desk top audit. New OPITO criteria being developed entailed postponement of the site audit to Q2 2013. Documentation package is under revision to comply with new requirements.	Execute OPITO site audit, close out actions to achieve CMS Certificate of Assurance

LEGEND: ✓ implemented; ~ work in progress; ✗ not completed.

OUR PERFORMANCE AND TARGETS

Our targets in 2012	Target achievement (yes, no, status)	Actions taken in 2012	Targets for 2013
OUR PEOPLE			
Continue performing technical assessments for front line personnel of Production & Maintenance department and HSE Life Savers awareness assessment	~	The implementation process was split in phases scheduled for 2 year period. Assessments have continued throughout 2012: technical assessment performed – 3,732, Life savers assessment performed – 6,843.	• Complete 75 per cent of technical assessments. • Include other personnel/positions within Operations Directorate by end of 2013 • Put in place a sustainable system with continuous improvement processes, resources, database and documentation. External audits to ensure all requirements are applied with sustainable approach.
ECONOMIC DEVELOPMENT			
Support the Aksai Industrial Park Project in line with the schedule in Q2 2012	✓	Aksai Industrial Park was opened in mid-2012.	-
Achieve 40% Local Content out of total expenditure for purchasing of goods and services of the Kazakhstani origin	✓	56% of Local Content achieved	Ensure Local Content is a part of contracts' preparation process by applying a vendor list review, pre-qualification assessment, technical evaluation plan.
Maintain compliance with RoK legislation on Local Content	~	The Local Content schedule, technical evaluation plan and pre-qualification questions are formally included in the KPO standard contract template.	Continue monitoring of Local Content compliance
COMMUNITY			
Issue the 2012 Social Performance Plan	✓	The Plan was issued in June 2012.	Issue the 2013 Social Performance Plan
Seek confirmation on availability of funding for resuming of the long-term community development projects in 2012	✓	Funding for community development projects was approved. The long-term community development projects (Summer camps for 160 schoolchildren and health improvement for 160 elderly community members) were implemented. Funds were allocated to procure equipment and materials for schools in the Burlin District.	Conduct the quarterly Village Council meetings and implement the community development projects included into the 2013 Social Performance Plan
Continue monitoring of the effectiveness of the Grievance procedure	~	Monitoring is ongoing. KPO Community Grievance and Suggestion Management Procedure was revised in July 2012.	Monitor the Grievance and Suggestions Procedure

LEGEND: ✓ implemented; ~ work in progress; ✗ not completed.