

# Message from the General Director of KPO

I am pleased to announce the appointments of General Director and Operations Director of Karachaganak Petroleum Operating B.V. joint venture in Kazakhstan, effective 1st April 2012.

Damiano Ratti, BG Group, will take up the position of General Director and Luca Vignati, Eni, will take up the position of Operations Director.

Damiano joins KPO at an exciting time, with the shareholders having recently reached an agreement with the Republic of Kazakhstan that will support further development of the Karachaganak, one of the world's largest oil and gas condensate fields. As KPO General Director, Damiano will drive the next stages of development of



the Karachaganak field.

Damiano joined BG Group in 2006 and worked as Chief Operating Officer and

then Chief Executive Officer & Chairman of BG Italy. He has valuable experience in managing business activities ranging from exploration, power, gas marketing and LNG. Before joining BG Group, he held various senior roles in Shell, Italy, most recently as General Manager Natural Gas responsible for strategy formulation and business development in Italy, France and CEE countries.

Luca Vignati has considerable experience in executive roles and has a solid technical and managerial background combined with international experience gained in various overseas assignments such as in Norway, Tunisia, UK and Turkmenistan.

Luca is currently the Managing

Director of Agiba – Egypt, an Oil joint venture between Eni and the Egyptian Oil State owned Company operating both onshore and offshore fields.

In wishing Luca a successful time in KPO, I would also take the opportunity to thank Graham Scotton for the dedication and success achieved during his tenure.

I would also like to thank all of you for your support and dedication during my time as General Director. The results and performance of the business has been truly world-class and I am immensely proud of the achievements we have made together.

Regards, Giuseppe Pasi  
General Director

## WKO Akim and KMG Representatives visited KPO

On 31 January, 2012 Nurlan Nogayev, Akim of the West Kazakhstan Oblast and Management of Under Construction Projects Directorate of KazMunaiGas led by Nurlan Balgimbayev visited the Karachaganak field.

During the visit the distinguished guests attended the Karachaganak Processing Complex, where they got acquainted with the organization of production, processing and transportation of hydrocarbons. Also they met with the management team of KPO. During the visit, Paolo Repetti, KPO Acting General Director, briefed



the distinguished guests on KPO performance as well as further plans for the development of the Karachaganak field. KPO's contribution to the social-economic development and the implementation of the Vendor Development program of the region was also discussed.

At the end of the visit, the guests expressed their satisfaction with KPO achievements in the development of the field, and wished all KPO employees continued success in their activities.



## KPO hosts high level visit

On 18 February 2012 KPO hosted a visit from the Deputy Head of the Office of the Prime Minister of Republic of Kazakhstan Mukhamedzhan Abauov, who was accompanied by the First Deputy Akim of West Kazakh oblast (WKO) Gumar Dussembayev and the newly assigned Akim of Burlinskiy district Marat Tussupkaliyev.

The main purpose of their visit was to familiarise themselves with the Karachaganak oil and gas condensate field and to see first hand KPO activities in the Karachaganak Project.

During their stay at Karachaganak the high-ranking officials were provided with a detailed field overview. The guests were also briefed on Karachaganak field development activities, KPO performance and the company's contribution to the social and economic development of the region. After the meeting at the Administration building of KPC, the guests also had an opportunity to tour the Karachaganak facilities including Karachaganak processing Complex (KPC), Unit-2 and Unit-3. The delegation was briefed on the operation of the facilities and the human resources required managing such huge facilities. They were impressed by the current performance of Karachaganak and paid tribute to the KPO team for their efforts.



## New Field Manager appointed

Francesco Paolo Monti was recently assigned to the position of KPO Field Manager.

Francesco has more than 32 years of experience in Oil & Gas Industry and more than 19 years of experience in management roles on a variety of assets in Italy, Egypt, China, North Africa and Iraq.

During the last two years, Francesco was in Iraq as Operation Division Manager for Zubair Project (ENI).

The newspaper "Karachaganak News" congratulates Francesco and wishes him all the best.



## Postgraduate Certificate with distinction

On the eve of 2012, Zulfiya Muzafarova, KPO sustainability manager, completed the studies in the Australian University of Queensland, obtaining the Postgraduate Certificate with distinction.

It was a two years programme aimed at providing skills and knowledge in the area of community relations for resource sector. Zulfiya's programme consisted of 1 week of intensive training in Australia and the rest of her training was studied on-line.

The University of Queensland (UQ) is one of Australia's premier learning and research institutions. It is the oldest university in Queensland and has produced almost 197,000 graduates since opening in 1911. Its graduates have become leaders in all areas of society and industry.

According to Zulfiya Muzafarova, "national employees of KPO are given tremendous opportunities to gain international education not only in Kazakhstan but in foreign countries as well. In addition, KPO invests intensively in a various training programs for the national staff. Importantly, there is also a great chance for those



nationals who wish to build their career and to develop their skills in a number of areas".

All training programmes of KPO are aimed to develop professional skills of local personnel. KPO employees who demonstrated high performance and potential will have opportunities to further develop their career and participate in the Project's management. This training programme of KPO has already proved its effectiveness.

## KPO hosts NEBOSH graduation ceremony

On 17 February 2012 Karachaganak Petroleum Operating B.V. (KPO) announced that eight KPO employees have completed the NEBOSH Certificate and three KPO employees NEBOSH Diploma Programme.

KPO is striving to implement efficient principles and methods of managing overall security and safety at all levels of its production activities on a permanent basis.

KPO HR Controller Marco Castelli noted in his speech that the education and professional development of Kazakhstani staff was one of KPO's main priorities. He said: "Such programmes allow employees to obtain knowledge and skills necessary for further professional growth and development".

KPO offers a wide range of qualifications that provide the perfect grounding for a career in health and safety. It is necessary to note that the NEBOSH certificate is prestigious and demanding professional qualifications for those wanting to further accelerate their career in Occupational Health and Safety.



## SAP Go Live Announcement

KPO is pleased to announce the launch of SAP here in KPO. The SAP system replaces the SUN and MAXIMO systems. Migration and reconciliation of historical data is now largely complete, and we expect to open the system to users for January transactions on Monday evening, 16th January.

SAP provides KPO with comprehensive management processes and an integrated system which can support the whole business in a coherent and coordinated fashion. These processes support the financial and accounting control of our Company, work management in Field Operations including planned maintenance activities, and the Contracting and Procurement processes on which the Company heavily depends. This is a great opportunity to redefine the way we work and the processes we operate to set us up for the future. And we will continue to change and refine the model after go-live.

We recognize that change is often difficult, and the process of transitioning from our existing ways of working will test us all, and it is likely there will be some challenges as the system settles in. This transition will only be successful with the patience, engagement and support of everyone in KPO.

A large number of you have worked very hard to support the Project so far, and we are very grateful for that time and commitment you have shown. We look forward to your continued support in making this important and strategic project a success for KPO.

## KPO cooperates with Kazakhstan educational institutions

For a number of years KPO is cooperating with Kazakhstan educational institutes, developing different ways for graduates of Kazakhstan universities to join the company and contributing their professional growth for their further participation in the company's development.

These programmes are aimed at developing specialists able to fulfil the resourcing needs of KPO's technical departments, both from a qualitative and quantitative point of view. Through tailored theoretical and practical training and on-the-job experience, young graduates are provided the competences required working in the oil and gas industry, thus contributing not only to KPO's success, but also to the creation of a talented Kazakhstan workforce able to secure sustained economic growth.

KPO's section on cooperation with Kazakhstan educational institutions of HR Operations implements one of the most interesting and important aspects on cooperation with Kazakhstan educational institutions and various departments of the company. It mainly concentrates on such programmes as "KPO Scholarship for national employees and their children", "KPO Student



Placement", "KPO Apprenticeship programme" and also "KPO Scholarship programme for Kazakhstan universities students".

Cooperation with universities of Kazakhstan is a specific work with concrete results, requiring rapid and timely response to changes in the educational sphere. HR Operations section is constantly improving the relationship with educational institutions within the framework of KPO programmes. The number of students wishing to undergo practical training in such a big oil and gas company as KPO increases every year. In addition, giving students a chance to get work experience is also an opportunity for KPO departments to pick up future potential staff member

or participant of Educational programme for graduates.

Annually, for the purpose of cooperation with educational institutions HR Operations conducts such events as "Round-table" sessions, KPO Day, Week of practice, job fairs, Business visits, participation in board of examiners, Petroleum forums, different workshops, KPO scholar's awards and participants of occupational training, etc. In our next issue of "Karachaganak News" we will provide you more detailed information on each KPO's programme on cooperation with Kazakhstan educational institutions as well as the work of HR Operations with Kazakhstan universities.

## KPO hosts OPITO graduation ceremony

On 17th February 2012 Karachaganak Petroleum Operating B.V. (KPO) announced that 18 National employees have successfully gained the OPITO approved Competence Assessor Award International Certificates from the OPITO Oil & Gas Academy.

KPO Management Team is committed to providing a robust Competence Management System that will provide real and lasting benefits to KPO, its employees and the Republic of Kazakhstan.

The vision is for the Competency Management System of KPO to achieve OPITO accreditation and to this end; KPO is at present applying for OPITO approval of its overall Competence Management System (CMS) meaning it will be the first Oil & Gas Production Company in Central Asia to obtain OPITO certification and only the fourteenth worldwide.



In addition to the above, KPO is training National personnel on an ongoing basis to be accredited with the same internationally recognised OPITO Assessor Qualification in support of implementation of the CMS.

From December 10 to date, 75 National employees of Production

& Maintenance have been trained. In total at the moment 42 National employees from 75 above mentioned have successfully gained the OPITO approved Competence Assessor Award International Certificates from the OPITO Oil & Gas Academy.

## KPO hosts drilling supervisor graduation ceremony

Karachaganak Petroleum Operating B.V. (KPO) has announced that 5 KPO employees and 10 graduates of Kazakhstani universities have been awarded with Certificates of Completion of KPO Drilling Supervisor Graduates Programme provided by Eni Corporate University.

Representatives of KPO senior management, Well Operations and Training and Development Department were welcoming the graduates at the Graduation Ceremony. KPO Human Resources Controller, Marco Castelli said: "Increase of professional potential of Kazakh colleagues on sustainable development principles, and also introduction of high technologies and experience is one of mainstems of our work in Karachaganak".

The programme represents a



good mix of theoretical knowledge and practical exercises with use of simulator. This knowledge will benefit Well Operations activities as well company's success.

The programme also contributes

to the social responsibility in West Kazakhstan region as it is aimed at identification of best talent within Kazakhstani universities' graduates and development to their full potential.