

Minutes of

Consultation Meeting on the Future Growth Project – Wellhead Pressure Management Project, Tengizchevroil LLP

Venue: Atyrau Oblast, Zhylyoi District, Zhana Karaton village, school No. 23

Date & Time: September 26, 2017

11:00 – 12:30

Shagarbayev K., the Akim of the Zhana Karaton village opened the meeting, welcomed the residents of the village and advised that Tengizchevroil LLP (TCO) is going to present an overview of the Future Growth Project – Wellhead Pressure Management Project (FGP-WPMP). He then gave the floor to R. Artygaliev.

R. Artygaliev (TCO) welcomed the residents of Zhana Karaton village. He advised on the purpose of the consultation meeting that was intended to provide an updated TCO FGP-WPMP progress status and to hear a public opinion on TCO and the Project. Further, R. Artygaliev added that in July 2016 the Partners had adopted final investment decision on the FGP-WPMP Project funding. The Project cost was \$36.8 bln. He highlighted that the meeting was not a Public Hearing event. It was announced that a presentation on the Project status would be delivered followed by Q&A session, and if the attendees wished to ask any questions in written, they could complete the special forms given to each of them. In the future, the questions can be addressed to the TCO contacts detailed in the handouts distributed among the attendees. Then R. Artygaliev introduced Galiya Esenova, the Zhylyoi district Community Liaison Officer, whose area of responsibility includes constant interface with local community.

Then, in accordance with the agenda Nurtas Kenganov, FGP-WPMP Regulatory Affairs Manager, delivered the TCO and FGP-WPMP presentation.

Following the presentation, R. Artygaliev highlighted two main items that required attention. First, the successful cooperation between TCO and the RoK Ministry of Labour and Social Protection of Population resulted in the decision that all TCO FGP-WPMP contractors and subcontractors will use ENBEK.kz, a unified web portal, to post available vacancies and select personnel. Registration in the web portal required is free of charge. All the RoK citizens would be able to access the vacancies data base. The owner of the unified digital Labour Employment Service was the Ministry of Labour and Social Protection of the Population. So far more than 4,000 FGP-WPMP vacancies were posted on the web portal. R. Artygaliev told that the award of the 4 major contracts is to be finalized by the end of the current year and early next year, and it would mean a start of major construction activities in Tengiz, requiring labour resources. At the construction peak 20,000 jobs would be created in Kazakhstan. Considering rotational system, it meant that around 30,000 - 35,000 people would be

employed by the Project. Currently 20,000 nationals work on the Project onshore locations which amounts to 92% of the overall project personnel in Kazakhstan.

The second item to mention was associated with the Cargo Offloading Facility whose construction was underway in Prorva. At the moment, problems were encountered with unauthorized access of local citizens to the construction site for fishing purposes. Atyrau Oblast Akim was informed on the situation and measures were taken. Access to the construction site would be restricted to prevent interference with construction operations at Cargo Offloading Facility. R. Artygaliev requested the residents to pay attention to this information.

Further on R. Artygaliev provided information regarding the action items from the previous meeting. It was told that responses to the questions and comments submitted by participants had been provided after the meeting.

Then the Q&A Session started.

A. Babasov: Were these 80 individuals employed as a result of the Job Fair the Specialists completed special training? Why so few people have been employed?

A. Sagingaliyev (TCO): Currently 20,000 nationals work on the Project onshore locations which amounts to 92% of the overall project personnel in Kazakhstan, whereof over 12,000 people work in Atyrau Oblast. From January through August of the current year around 3,000 residents of Atyrau oblast have been employed by the Project. "These 80 individuals" is the outcome of the Job Fair held on August 3 in the city of Kulsary. As mentioned before, construction contracts are going to be awarded soon resulting in around 15,000 vacant jobs to be posted by contractors and subcontractors.

Contractor and subcontractor companies hire specialists who completed secondary professional education for construction activities. Moreover, the FGP-WPMP Project provided funding for the training to be arranged. In June, the Project held the Forum and invited the Training Centres; and communicated the information on future scopes and training requirements on the project. Relevant activities are to start next year.

R. Artygaliev (TCO): TCO FGP-WPMP Contractors and subcontractors use unified web-portal ENBEK.kz to place data on vacancies and personnel selection. The registration on the web-portal is free of charge. FGP-WPMP Project Director Mick Kraly had sent a letter to all the contractor organizations strictly recommending posting open vacancies on ENBEK.kz.

A. Babasov: During the meeting held last year you have mentioned that oil recovery factor amounts to 35%. What is the percentage extracted as of the last year? How many MM tons have been produced? Have USD 25 MM been allocated for Egilik Program for the year of 2017? What is the operating well pressure? What is the pressure difference between Tengiz and Korolev fields?

A. Aitzhanov (TCO): 10% have been extracted as of now, this is around 250 MM tons. The pressure in Tengiz and Korolev fields is the same – 400-500 bar.

R. Artygaliev (TCO): USD 25 MM have been also allocated for Egilik Program for the year of 2017. Zhana Karaton kindergarten for 280 children has been completed, Health and Fitness Centre is planned to be completed this year. Let me brief you on the projects executed in the Zhylyoi district. Construction of the National Gymnasium for 320 Gifted Children, Vocational Gymnasium for 624 people and a kindergarten for 280 kids has been completed in the city of Atyrau. The project that is being executed right now: Retro Park. 2 kindergarten construction projects are ongoing in Kulsary, both are designed for 290 seats (completion in Q2 2018). Approved plans for 2018 include cleaning of Kursay River. A kindergarten for 160 seats has been constructed in Koschagyl village. Approved plans for 2018 include Health and Fitness Center. A kindergarten for 100 seats and Health and Fitness Centre are approved for Maikumgen village. Zhana Karaton kindergarten for 280 seats has been completed, Health and Fitness Centre is to be completed this year. In Turgyzba village a kindergarten for 160 seats was put into service and Health and Fitness Centre is planned for 2018. Akkiiztogai kindergarten for 160 seats and Health and Fitness Centre (HFC) have been completed and we are expecting the official opening ceremony of HFC. Health and Fitness Centre in Shokpartogai has also been completed and expecting the official opening ceremony.

Zh. Akkenzhe: I thank TCO for implemented social projects. I would like to ask for help with the playgrounds, Park and street lighting. You have planted the trees, but they wizened.

R. Artygaliev (TCO): Regarding the Park – TCO did assist with the trees planting, and continues to provide for water supply to the village. Watering of the trees and further care is the responsibility of the local Akimat and community. As for the street lighting installation – this issue refers to the competence of the local Akimat. Shall it take the decision to have this scope included into Egilik Program, TCO will then implement this project. Also, construction of the Health and Fitness Center will be completed in the village.

K. Shagarbayev (Akimat of Zhana Karaton village): Street lighting, trees planting – all these projects are covered by our plans. Installation of the street lighting is planned to be completed early in November. You mentioned that the trees have died out: fencing had been installed for the trees, but it has got disturbed in some locations, and people let their cattle into the Park. Shall you see someone behaving disorderly, please inform Akimat.

A. Babasov: We hold regular meetings and raise these issues; our Akim is notified on all problems, required works are underway.

K. Shagarbayev (Akimat of Zhana Karaton village): I suggest to discuss these issues during the presentation of my report.

K. Karabayeva: My question relates to the employment of young specialists. My son fails to pass the interview, and also, no response on the results i.e. the reason for failure is provided. Please explain what are the reasons he wasn't hired. Also, work experience of 3-5 years is required. He has just graduated, where can such experience be acquired?! What is the date for the next Job Fair?

A. Sagingaliyev (TCO): We do provide reasons for Candidate's failure to pass an interview. TCO hiring process is transparent. The Labor Department executes around 15 audits in TCO per year. Your son can apply to us for provision of information. The tests are computerized, none can predetermine the results in advance. Please ask the candidate you are talking about to apply to TCO, and he will be provided with the response.

Question: Is it possible to externally publish information on the results of the tests, interviews?

A. Sagingaliyev (TCO): Pursuant to the Law on Personal Data Protection we cannot publish personal information.

R. Artygaliev (TCO): Next Job Fair will be announced in the newspapers.

Question: Who can we address the issue with garbage disposal and street lighting to?

K. Shagarbayev (Akimat of Zhana Karaton village): As mentioned earlier, the works are ongoing.

B. Zhumagaliyeva: If possible, we would like to ask to put the green lawn in the school yard and construct the playground. Is it possible to construct the playground on the outskirts of the village, provided the land lot is available?

K. Shagarbayev (Akimat of Zhana Karaton village): KZT 6 MM have been allocated from the budget for construction of the playgrounds, relevant Project has been developed. In the end of this month the Akimat of Atyrau oblast is to review our proposal on construction of two training yards. If approved, the yards will be constructed.

S. Zhumabekova: it's been 7 years my son fails to be employed by TCO. He frequently attends interviews with no success. Please explain the reason for my son's failure to be employed by TCO.

A. Sagingaliyev (TCO): A lot of people apply for open vacancies. Please give me the name of your son and I will provide response when I am back to Atyrau.

K. Shagarbayev thanked the residents for active participation

R. Artygaliev thanked the residents for their participation and noted that communication meetings with the community would be facilitated every year until the completion of the project.

Summary of the issues

Based on the Consultation Meeting and the questions submitted by the Question Forms following is the summary of the issues / questions raised by Zhana Karaton residents:

- Employment;
- Training;
- Social Projects;
- Reservoir Pressure;
- Sponsorship.