

Minutes of

Tengizchevroil LLP Future Growth Project -Wellhead Pressure Management Project

Consultation Meeting

Venue: Akimat building, Akkiiztogai, Zhylyoi District, Atyrau Oblast

Date & Time: October 11, 2018

10:00 – 11:30

D. Tileuov, Akim of Akkiiztogai village, opened a meeting and welcomed the residents, and then announced that Tengizchevroil LLP (TCO) was going to provide information on the Future Growth Project - Wellhead Pressure Management Project (FGP/WPMP). Then he gave the floor to R. Artygaliev.

R. Artygaliev, TCO General Manager, Policy, Government and Public Affairs, informed participants that TCO continues holding annual consultation meetings with Atyrau Oblast Community. The objective of the meeting was stated, which was to give an overview on work progress within TCO FGP - WPMP and listen to the audience opinion regarding TCO and Project. He emphasized that the consultation meeting was not a public hearing. It was stated, that presentation about the Project would be introduced followed by Q&A Session, and if attendees would like to address their requests in written form, they could use special forms provided to each attendee. R. Artygaliev noted that in case of any further queries the attendees could address TCO by the contact information provided in handouts distributed to all the meeting participants.

Further, as per the agenda, Nurtas Kenganov, FGP-WPMP Regulatory Affairs Manager, delivered a presentation on TCO and FGP-WPMP activities.

It was emphasized by R. Artygaliev, that TCO contacted to all attendees who addressed written requests on previous meeting and provided answers to their questions.

Then the Q&A session took place.

T. Nurseitov: I would like to congratulate TCO on the 25th anniversary and wish you success in your business. Are there any plans for landscaping the district? We are grateful to TCO for the social infrastructure provided. TCO built a clinic for us. But there are problems with heating. The building might have been designed in a wrong way.

R. Artygaliev (TCO): TCO has been working on landscaping the district for 25 years. 70,000 young trees were planted in Tengiz, but, unfortunately, only 1,500 young trees took the roots due to saline soils. We discussed this issue with the administration of the Zhylyoi District Akimat and agreed to build a park in Kulsary instead of wasting money for inefficient planting of trees in Tengiz

field. TCO also planted trees on Allée of Oil Industry Worker in Zhana Karaton village. Now we have landscaping plans, but we are awaiting for review and approval by the Ministry of Health. TCO keeps working on landscaping.

Participant: The clinic was built in 2005 and commissioned in 2008. It is truly cold inside in winter. It would be good to install the thermal insulation on the outside of the building and change the windows.

R. Artygaliev (TCO): We will communicate this issue to the Atyrau Oblast Akimat. TCO will discuss with the Akimat if it is possible to provide a help under Egilik program.

T. Nurseitov: Is it possible to create a park in our village?

R. Artygaliev (TCO): TCO will consider this issue.

M. Bektembiyev: Figures and facts section says that total volume of air emissions generated per one ton of oil produced has reduced by 73% since 2000. Is it possible to reduce the emissions more? Are there any measures to reduce the impact on health?

S. Zhumin (TCO): Starting in 2009, TCO has stopped permanent associated gas flaring. Successful gas processing and flaring reduction projects helped significantly decrease the total gas flaring and air emissions by 73%. However, TCO has not stopped occasional gas flaring, as it is required to ensure safe operation. The flares are used as protection against emergency situations. Today oil industry does not have any technologies that may exclude gas flaring.

M. Bektembiyev: How do emissions take place? Do air emissions take place without flaring? When do the emissions take place?

S. Zhumin (TCO): Gas shall be burnt.

R. Artygaliev (TCO): Oil is produced with associated gas. Sour gas is supplied to the plant where it is separated from sulfur and water. In its turn, the sulfur is supplied to the Unit, it is granulated there and then sent for sale. After the separation process the gas is burnt. It is not possible to identify the time of emissions, as they are emergency emissions. In emergencies the gas is flared. Today TCO processes more than 98 % of produced gas. TCO launched the Evergreen Unit in Tengiz to ensure efficient and safe disposal of wells residual products. The plant reliability amounts to 98-99%. Turnarounds are performed on a regular basis.

Question: Why does not TCO hire the local residents?

R. Artygaliev (TCO): The local residents are hired. It is necessary to register on ENBEK.KZ web-portal and apply for suitable jobs to get employed on the FGP-WPMP project. The Project contractors publish available vacancies on this web-portal. Open jobs from all over Kazakhstan are posted on this web-portal. The web-portal owner is the RoK Ministry of Labour and Social Protection of Population. As for the TCO vacancies, the vacant positions are posted on the TCO web-site. CVs are accepted in electronic format only.

S. Bazarbayev: Is it possible to supply meat and dairy products to the TCO contractors? What opportunities are available to support young people in starting up their businesses?

R. Artygaliev (TCO): We will consider the first question and then respond. As for the second question, TCO is implementing the Zharkyra Social Entrepreneurship Development Program in cooperation with Eurasia Foundation of Central Asia. You may send your business projects for review by TCO as part of this program.

A. Nariyev: Young people are facing housing issues. Most of divorces are resulted from lack of housing. Why not to provide housing and other targeted assistance to the young people from the village?

R. Artygaliev (TCO): In accordance with its corporate policy TCO does not help individuals.

T. Nurseitov: Is it possible to build roads or park in the village?

D. Tileuov (Akimat): Please consider if it is possible to provide technical water supply to the village and do landscaping along Kulsary - Akkiiztogai road as part of Egilik or other programs.

R. Artygaliev (TCO): The raised issues will be communicated to and considered by the Atyrau Oblast Akimat for possible solutions.

Conclusion

R. Artygaliev thanked the residents for participation and noted that consultation meetings with the community will be arranged every year until the completion of the project.

Summary of issues

Following the consultation meeting and based on written questions received during the consultation meeting, a summary of questions and concerns raised by the meeting participants in Akkiiztogai village is given below:

- Landscaping and greenery;
- Social projects;
- Environmental issues;
- Employment;
- Business development;
- Technical water.