

Minutes of

Tengizchevroil LLP Future Growth Project -Wellhead Pressure Management Project

Consultation Meeting

Venue: Karat Cinema, Tengiz Rotational Village (RV)

Date & Time: October 11, 2018

15:00 - 16:30

K. Joldasbayev, TCO FGP-WPMP Industrial Relations Manager, 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. K. Joldasbayev emphasised 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. K. Joldasbayev 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.

Then, according to the agenda, Nurtas Kenganov, FGP-WPMP Regulatory Affairs Manager, delivered a presentation on TCO and FGP-WPMP activities.

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

Then Q&A session took place.

P. Prokk: 1. No pedestrian sign is installed near the village of Kazakaul and Sicim. 2. Once the FGP project is completed, what will become of the RV? 3. TCO Contractors often delay payment to subcontractors and as a result wages to employees are paid late. What measure does TCO take against those unscrupulous contractors that do not pay their subcontractors on time?

A. Kassanov (TCO): Roads and sidewalks which form part of TCO's property have been fully renovated. However, there are land and land allotments which are not owned by TCO. Therefore, TCO has no right to perform works within that area. TCO can only advise landowners to place road signs. As for the second question - those structures that were built as part of the RV renovation project will belong to TCO, and TCO will be held responsible for above- and underground facilities, including the roads.

K. Zholdasbayev (TCO). Once the Project is completed, TCO won't cease its activities, so we will continue using the RV camp. Regarding the third issue - the matter relates to the civil-legal relations between two legal entities. Based on contractual obligations, one organization should be obliged to make payments to the other for specific scope of work and supplies delivered. The situation like this naturally entails labor relation issues, since subcontractor does not pay its employees earned wages. I would recommend the subcontractor to take the matter to court to resolve the non-payment issue through judicial proceedings. Provide TCO with detailed information in writing so that we can work out this issue with the contractor through the contract owners since we understand that this cause salary non-payment. We've been through this before and we dealt with each case individually at the contractor's top management level.

O. Bissembiyev (Zhylyoi Region Akimat): Orak Bissembiyev - Tengiz Enterprises Affairs Lead State Inspector of Zhylyoi Region. I came to this position in March and since then I observe and also directly participate in TCO works carried out in the RV. My question relates to the development and landscaping of the RV territory. As for development, TCO paves the roads, but as for landscaping, contract organizations plant trees only within their respective territories. Is it possible to allocate a budget for planting trees along central roads? Please include this question in the MoM. The second question – there are 20 thousand RV tenants, why not to ensure uniformity of all central roads? I have, on several occasions, approached the company's management on this subject. Please, also include this question in the MoM. Also, the meeting includes representatives from various companies such as Bolat Zhol, Mako, Karat, Ziuar and other small companies, the property of which is adjacent to 300 - 400 meters of access roads requiring pavement. There is a small area where trucks are parked with a "NO PARKING" sign installed. More than once this was addressed to the above companies and they stated that the asphalt pavement was not a part of the design. Another point is the parking lot, since all vehicles, including trucks, are parked near accommodation blocks. Is it possible to construct a single parking zone for the whole area?

A. Kassanov (TCO): As for asphalt pavement for access roads - this falls under the responsibility of the landowners. Since these lands are not TCO's property, we have no legal grounds to perform works there.

N. Kenganov (TCO): The owners may have different plans for this territory. The state acts issued in the process of lands endorsement clearly specify lands belonging to TCO and other companies. Prior to submitting a request for land within the RV, companies should apply to TCO Land Team. This question will also be included in the MoM. All questions will be brought to the notice of TCO management.

K. Baker (TCO): TCO supports contractors' initiative aimed at landscaping their respective camp's territory. However, TCO does not support usage of potable water for watering trees. TCO can supply treated water for watering trees, so if you want to plant trees, contact TCO to get treated water provided for watering. I agree with the representative of the Zhylyoi Region Akimat that the camp will look better with trees and plants. Plant trees, but use treated water for watering. Potable water should not be used for irrigation. Several contractors, such as Ariadna, already use treated water for watering.

O. Bissembiyev (Zhylyoi Region Akimat): I am not satisfied with the answer. As I said there are now more than 100 companies operating in the Tengiz RV. I recently launched a social initiative among companies. Those companies supported the initiative received a special recognition by Akim of Zhylyoi Region. During this initiative it was notable that companies were interested in greening territories where they live and work. However, my question was about making central streets look neat and well-groomed.

A. Yessenov (SICIM): At present there are a number of ATMs installed in the RV. After the 10th day of each month, long queues are observed at the ATMs after work near "Tropicana" and other locations and as a result there is no money left in the ATM. Please supply more ATMs and replenish ATM cash in a timely manner.

O. Bissembiyev (Zhylyoi Region Akimat): I didn't know anything about it, but I will try to solve this. I'm doing my best to improve living conditions and maintain smooth operation in the RV. I ask this also to be included in the MoM, later I will forward this issue to have it followed up.

A. Kozhabekov: The meeting was called the "Future Growth Project", but no specific information was provided either on the project or the construction phase. At what stage is the project now? What other projects to be implemented for FGP and WPMP?

K. Zholdasbayev (TCO): We hold these consultation meetings on an annual basis and detailed information about the project was provided during the first meeting. This year we made a presentation on project's updates. Unfortunately, no representatives from 3GP and 3GI construction teams attended the today's meeting. Information on the project progress is also available on the website www.tengizchevroil.kz.

N. Kenganov (TCO): In short, all get-out-of-ground works at 3GP were completed for PAR receiving. As it was mentioned during the presentation, 13 PARs were delivered to Tengiz from ERSAL fabrication yard and now the installation is underway. Two process modules from South Korea were delivered, the rest are in transit. Fabrication of 5 GTG modules continues in Italy. One GTG module was sailed away to Tengiz construction site, the rest are in the process of fabrication. Works are in progress.

A. Kozhabekov: What works are in progress at 3GI? Will all modules be delivered to 3GP only?

N. Kenganov (TCO): Within the framework of FGP-WPMP project, the modules will be delivered both to 3GP and 3GI sites.

A. Kozhabekov: I didn't get an answer to my question.

K. Zholdasbayev (TCO): We will contact you after the meeting to discuss your question.

P. Prokk: Previously, when moving from one organization to another in Tengiz, it took one day to issue a badge. Now it takes about two weeks. Why? Do people work differently? Was a procedure elaborated? Is there any official data saying how many days it takes to issue a badge?

K. Zholdasbayev (TCO): Badge Office applies a badge issue procedure according to which all requests are being processed. But I can't say how much time it takes to issue a badge. We have recorded your question and the answer will be provided in writing.

P. Prokk: Many are concerned with this matter.

Kurylys-Adilet representative: To date, pass training courses are held in the city of Atyrau. It would be more convenient for those working in Tengiz to go to Kulsary, not to Atyrau, since travelling to the far distance also entails safe issues. Is it possible to arrange these trainings closer to the place of work?

K. Zholdasbayev (TCO): At the moment, company's management is considering this issue, since it was raised more than once during consultation meetings in connection with significant increase in the recruitment of workers for the FGP-WPMP project. The recruited training provider is based and conducts trainings only in Atyrau. This question was also raised by the Department of Employment and Social Programs of Zhylyoi Region. We are currently working on this issue that we hope be solved as soon as possible.

SICIM representative: I live in Aktobe Oblast. Previously, we used Atyrau and Mangyshlak trains, which still keep running. But now there is a very large number of people in Tengiz RV. There are companies that buy tickets for employees, and companies that reimburse travel expenses so that employees buy tickets themselves. My rotation ends on October 28, but I have already bought a return ticket to Tengiz, since no tickets will be available later. Can you advise "NC" Kazakhstan Temir Zholy" JSC to add extra cars to existing trains?

K. Zholdasbayev (TCO): All of us should plan our trip to Tengiz in advance and it is the responsibility of each employee to get to his workplace or collection point, which is designated by the employer. But we will certainly consider this issue and, if possible, raise it at the republican level.

SICIM representative: In many companies, employees rotate on Sundays and it is impossible to buy tickets for this day. This problem would have been solved, had extra cars been added.

Conclusion

K. Zholdasbayev thanked everyone 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 Tengiz Rotational Village is given below:

- RV camp reconstruction project
- Delay in payment to subcontractors
- Landscaping the RV territory

- Additional ATMs in the RV
- FGP-WPMP status
- Time for badge issuance
- Arrangement of training courses in Kulsary
- Addition of extra cars to the existing trains of JSC «NC Kazakhstan Temir Zholy».