# PEOPLE



#### **AMERICAN LEGAL AGE!**

Twenty first birthday of our Company has been remembered in a special way. Traditionally we celebrate this date in the warm months, but this time it took we had the "Nanaj games" event.

To approach the customs and traditions of the peoples of the North, Chief Shaman was invited to the event. He held a ceremony of our holiday aura cleansing to holy motives and Omya-Moni dance.

All sport events were related to the traditional games of the peoples of the North (blockwood throwing, tent construction, lasso throwing) and accompanied by drumbeat. The most exciting and interesting contests were biathlon and winter football. During all stages of the competition, there was the shamanic tea ceremony by traditions of the northern peoples with infusing of medicinal herbs collected by Chief Shaman at meadows and mountains of the Altai.

"Zhara" dance ballet show, master classes of throat singing, playing the jew's harp and paintball entertained the participants all day over.

At the official part the results of the expiring year were assessed, the Marketing Department prepared charts and presentations for a clear picture. Eight veterans were awarded with gold medals and fifteen advanced workers were invested by gift certificates from the "Sulpak" store.

The event completed by the buffet and disco from DJ. In addition, as place 3 months earlier than usual and expected at a good hunter, roasted pig on a spit was served as the main dish.

Mariya Chelnokova

#### GOD HELPS THOSE WHO HELP THEMSELVES

For the current year 2016 the Company has achieved significant success in the field of IMS, "Information Security" system was implemented and it passed certification for compliance with the requirements of the ISO 27001 International standard. Also AVENCOM successfully passed inspection audits on IMS. For year 2017 the challenge for the QHHSE Department is the transition to the new version of ISO 9001-2015, ISO 14001-2015 and ISO 22000-2015 standards.

An ommense amount of work has been done by the Company in safety field as well, there was no registered work accidents for the year 2016. Within a year, our employees had a variety of training courses for safety culture improving. The Employee Incentive Program for compliance with

QHHSE requirements has continued its work. This Program is being improved and has earned accolades from the KPO audit group during the Company's audit for compliance with Customer requirements for QHHSE as part of the contractual obligations.

Kairat Dusmagulov



# **SCOPE OF SALES BY ACTIVITY**



#### REBRENDING CAMPAIGN

At the beginning of 2016 AVENCOM campaign. Rebranding is an active marketing strategy, consisting of a set of measures to change the brand or its components. Rebranding touched upon logo, slogan and visual design change. Since year 2016 the Company logo has the following style:

AVENCOM

# AVENC@M OPEN AVENUE HINTER 2016-2017

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# THE HIGHEST LEVEL

In year 2016 «AVENCOM» LLP reissued its state license for construction and installation work from II to I category (the highest category), which allowed our Company to take an active part in various bids of foreign and local customers.

Introducing the most important requirements of the RK legislation, we build and maintain good relations with all our partners and authorized RK agencies. As a result, it improves the mutually beneficial cooperation with our customers, gains their confidence and cleans up the overall image of the «AVENCOM» LLP.

Yuriy Sidorov



continuously and steadily improve range of social issues, such as labor remuneration, qualitative improvement of food, living and working conditions; training, optional insurance, the moral and psychological team climate.

Despite the crisis, according to the results of year 2016, we expect a slight increase in the employees' average salary and that will increase the wellbeing of our employees. In the current year, it was possible to make repairs in the "Networker" and "Optik" Aksai hotels, as well as to landscape yard area around the hostel in 4, Koktem micro-district in Aksay. So too has the cottage in Atyrau, where it was possible to make the spot repairs and to update appliances partially. This allowed to improve the comfort of living of our employees. In addition, this year we made significant progress with the repair of the central office garage building, which improved the operating conditions of the company's vehicle fleet.

Year 2016 was no exception in terms of staff development. More than 5.5 million tenge were spent for all types of vocational training, and that has really contributed to the staff competencies development.

AVENCOM continues long-term cooperation with Intertech medical

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# SOCIAL ORIENTATION FOR BUSINESS

AVENCOM Management

company. And we plan to continue this cooperation in the future, adding the contract of corporate optional medical insurance of employees for year 2017 by two points.

This year AVENCOM provided direct welfare support in the amount of more than 2.1 million tenge, which clearly illustrates the care of needy employees.

On the threshold of 2017 New Year, we traditionally prepare gifts to all employees and their children, organize kiddy parties, and decorate working and living spaces, and this consistently leads to a positive attitude.

AVENCOM Company will continue to focus on the main resource and that is its employees!

Andrey Starostenko



# **PROJECTS**

#### 2016 BID PROJECTS



Everyone knows that any valid and successful contract involves the great work of specialists of Technical and Commercial Departments. Initially, specialists provide the pregualification for narrow and wide activities of the Company to participate in the bid, prepare the bid proposal and provide support during bid clarification up to the final stage of the contract award.

In year 2016, our Company has successfully passed prequalification and participated in the bids on projects of such major Customers as:

Tengizchevroil (TCO), that is two bids for security equipment installation and maintenance:

North Caspian Operating Company N.V. (NCOC), which is our long-standing and approved Customer, has sent us the invitation and we participated in seven tenders as well. The result of one of them is already awarded current Contract for the provision of services for technological security systems support for five-year execution term.

Similar Customer for us is the Karachaganak Petroleum Operating b.v. (KPO), with which on continuing basis, we process the requests for the supply of materials and equipment, as well as bids for the professional services provision;

During the expiring year AVENCOM has been complying with the terms of the Contract for the supply of materials and equipment for the Caspian Pipeline Consortium (CPC) Expansion Project. CPC is of great importance for development of major oil fields in the Caspian region. AVENCOM is a component supplier of such brands as RITTAL, CISCO, TELDOR and PANDUIT for the CTC

and Telvent Energia S.A., a General Contractor in Kazakhstan. This Contract is extended until the end of 2017.

Evaluation results of some of the above bids will be announced in the coming 2017.

Of course, there are gaps and losses in our work, but for us it will be lessons learned and work on the mistakes for the upcoming bid projects.

We are open to new projects and providing our professional services!

Yelena Bondarenko



#### THE INDIAN GAMBIT



The bid for the supply of pipeline protection system for the BHARAT PETROLEUM CORPORATION LIMITED (BPCL) Indian Company develops slowly, as, indeed, all business in India. At the moment AVENCOM Company is pre-qualifying for this tender. In February this year we demonstrated OptaSense production system at the section of Piyala -Bijwasan active oil pipeline, thereby proved our ability for supply, installation, configuration and commissioning of the system. In India pipelines run through the densely populated areas. Almost everywhere above the pipeline there are either agricultural areas, or brick factory, which requires very accurate tuning of detectors of the pipeline intrusion

detection system. Despite the difficulties, the system demonstration was successful. Customer acquainted with our Company. AVENCOM experts were able to assess the specifics of working with Indian companies, local climatic conditions and cultural traditions.

For a long time I remember the trip to the spiritual hub of India - Varanasi city, located on the sacred Ganges River, where I took part in a morning walk on a rowing boat on the Ganges River, became a witness to the ritual cremation of the dead and even attended the ritual ceremony of Aarti.



#### MANAGING THE WHEATHER



Climate control direction is considered to be one of the key activities of our company. For a few vears, this direction provides by stable work our specialists.

professionalism of our employees, AVENCOM is associated with successful, reliable, solvent company, where young specialists strain to get a job.

This status is confirmed by the existing projects and contracts. Especially if the bid for similar services was won not for the first time. An example of this is the contract for the provision of HVAC systems maintenance. Under this contract we have received and approved a draft of supplement to increase the amount of work and to change the discounts percentage of monthly volume. contract with a validity period of 3 years ends on June 1st, 2017, but implies an extension of two periods of 12 months.

Around the 2013 KPO planned to modernize outdated HONEYWELL and SIEMENS HVAC control systems. This year we won three bids. Two of them are for the supply of spare parts for the HONEYWELL and SIEMENS Largely thanks to the controllers. The third bid, for the provision of the services for replacement of outdated HONEYWELL and SIEMENS HVAC control system, is completed by the contract award to our company. These types of services related to the upgrading of existing systems are unique to us because they include the design, installation, reprogramming and commissioning of new HVAC control systems with the vendors involvement.

> It is not the first year when AVENCOM successfully supplies

equipment and spare parts for HVAC systems. Every month we process a number of requests from KPO b.v.

It should be noted that in May 2016 we received the first of its kind contract for the supply of spare parts for HVAC systems by requests. The contract includes a list of 430 different types of spare parts, and that is more than 100 brands. Contract duration is 3 years.

Further work involves the following steps:

- To participate in the bid for the provision of repair and restoration of the HVAC system in the KPC chemical laboratory building, including the supply of spare parts and components of the SAUTER control system.

- To participate in the tender for the provision of services, supplies and commissioning of BMS JOHNSON CONTROLS dispatching stations.

# WORK IS NO EXCUSE FOR MISSING LUNCH

Our Company Management pays great conditions and the personnel health:



a quality, well-organized food is a basic requirement for employee health, and healthy employees perfom successful and active work. Furthermore, this gives great increase in productivity and, as a result, the Company's profit.

For a long time company VEGUS, namely professional cooker with a sound experience in the sphere of catering, Gulia Duysengaliyeva has been catering for dinners for AVENCOM employees. So delicious homemade meals always wait for employees. Our cooker regularly receives positive feedback from employees, and canteen attendance is constantly growing.

#### **KASHAGAN - SITUATION IS UNDER CONTROL** Long-awaited Kashagan field

development started at the end of 2016. Monitoring and control of key events associated with the development and production took place at the NCOC hour situation center. 24/7 Production Operations Support Centre (POSC) - is the main focal point of the project. Dispatchers of the situation center continuously monitor the production, transport and distribution of oil and gas by the data of SCADA systems, which are displayed on the video wall. Video wall - is the situation center heart, which is the main visualization tool and it displays the entire range of overriding information.

Our company specialists provide integration and round the clock support for this center.

Sergey Klimenko

### SAFETY +

This year AVENCOM has concluded several contracts with KAZ Minerals Company: the Contract for the expansion of existing access control and video surveillance systems and the Contract for commissioning the safety system in a plant for washing ore from clay in Bozshakol, and in Aktogay that is a Contract for the development of the Project of a public address system.

The most extensive in scope of work and quantity of equipment is the Project of expansion of access control and video surveillance systems in the Bozshakol field. Sites survey, the solution development and the commercial offer had been made at the end of the year 2015. At the beginning of 2016 there was a bid, which was won by our Company. The Project took place in several stages and lasted from May to August.

As a result of the Project there were installed more than a hundred of surveillance cameras, about thirty sets of door access control equipment in five production sites and six facilities of the camp. All the equipment has been set up, commissioned and transferred for services to the KazMinerals IT Department. At the end of the physical work on the site, an executive documentation was prepared, and delivered to the Customer.

The peculiarity of the Project is using of only PTZ cameras that allow the operator to aim the camera for the observation object in real time. If necessary, the cameras can be configured for the function of the object automatic repetition when a motion occurs in the observation region.

A huge amount of high-quality installation work was made in this project:

installation of 103 cameras, 53 of which are street type,

more than 15 kilometers of various types of cables were laid.

Andrey Kucherov