



SAFETY - FIRST OF ALL!



The winners of the competition held by Astanaenergosbyt among the employees' children are shown on the photo

On the threshold of the World Day for Safety and Health at Work, which is celebrated on April 28, a set of measures was carried out in support of occupational safety and health by CAEPCO's Group of Companies.

The Corporation's subsidiaries take a set of measures aimed at preventing injuries and improving working conditions. Due to the work being done, the accident

rate decreased by 30% last year against 2016.

This year, on the threshold of the World Day for Safety and Health at Work,

CAEPCO JSC key indicators:

1 203 MW
installed electricity capacity

2 953 Gcal/h
installed heating capacity

1 969,3 mln kW-h
electric energy generation

2 910,4 thous. Gcal
heat energy generation

1 725,2 mln kW-h
transportation and distribution of electric energy

2 169,0 thous. Gcal
transportation and distribution of heat energy

(for 3 months of 2018)

all the Corporation's subsidiaries held activities to prevent occupational injuries, to promote safe work and to increase the employees' conscious attitude towards the safety of the working process.

They included audits of the state of labor discipline, labor protection and working conditions of employees, the compliance with the safety requirements for the process technology, the technical condition of buildings and facilities, the state of the fire safety of facilities, the availability and serviceability of fire alarm systems and fire and technical equipment, and the sanitary state of workshop and other operational areas.

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PLANS FOR RECONSTRUCTION AND UPGRADING OF EQUIPMENT FOR 2018



reconstruction of Turbine Unit No.6 by increasing the installed electric power from 110 to 125 MW at the Pavlodar CHP-3



construction of Chimney No. 2 to improve the operation of boilers in terms of draft at the Pavlodar CHP-3



construction of the third stage of the ash dump at the Pavlodar CHP-3
construction of an ash dump at the Ekibastuz CHP



implementing a project to reconstruct the Outdoor Switchgear of 110 kW at the Petropavlovsk CHP-2
construction of a dam of Map No. 3 of Ash Dump No. 2 at the Petropavlovsk CHP-2



construction, reconstruction and technical re-equipment of electrical networks of 0,4-10 kV to the extent of 185,9 km
construction and reconstruction of overhead lines of 35-110 kV to the extent of 270,04 km
reconstruction of 12 substations of 35 kV or more



construction and reconstruction of heat pipelines using preinsulated pipes of 24,74 km long
restoration of insulation by using foamed polyurethane shells on pipelines of 16,81 km long

AUTOMATION IN SALES COMPANIES

Until the end of 2018, Pavlodarenergosbytt LLP and Sevkazenergosbytt LLP plan to put into commission the Billing Software based on the 1C Platform.

The development and the commissioning of the new modern analytical Software of Billing on the basis of the 1C Platform was completed in Astanaenergosbytt LLP in 2017. The introduction of this software reduced operational costs by simplifying and automating a part of business processes; and significantly improved the reliability of information by automating calculation processes and reducing a share of manual labor, and also provided the possibility of creating a full electronic office of consumers of individuals and legal entities, allowing to remotely manage, without restriction, all processes associated with energy supply services.

WE ARE INTERACTING AND MOVING FORWARD!

The important element of the Corporation's sustainable development system is interaction with the interested parties including consumers, mass media, regulatory bodies, NGOs, trade unions and other groups. Annually, the enterprises of CAEPCO JSC carry out activities under the Plan in accordance with the policy of the European Bank for Reconstruction and Development. Following the results obtained, a public report is posted on the corporate website of the Corporation.

The interaction is built on the principles of corporate behavior such as openness, reliability and completeness of information on the Corporation, completeness of respecting the interests of all the parties, prompt response to the manifestation of the said interests. As related to the provision of information on the activities of the Group of Companies in 2017, more than 3,000 materials were published in mass media and social networks, 35 events were held with the participation of mass media, and 48 corporate publications were issued. Last year, the CAEPCO JSC's enterprises held 15 public hearings for all areas of their activities.

One of the important aspects of the interaction with the interested parties is the implementation of socially significant activities. In 2017, the "bank" of such projects of the Holding was replenished by opening a hostel in Pavlodar for an assembly college. With the assistance of the shareholder represented by CAPEC, PAVLODARENERGO JSC provided a new social facility to energy students for 200 seats. The construction was carried out under the memorandum on the

joint implementation of social projects concluded with the Akimat of the Pavlodar Oblast.

As related to the sustainable development, it is important to mention SEVKAZENERGO JSC, which was recognized in 2017 as one of the best socially responsible enterprises among large companies at the annual Republican Competition of Paryz.

The important priority for the Corporation is the implementation of the Occupational Safety and Health Policy. To this end, the best practices and international standards are being introduced at the enterprises. For example, all heads of the relevant services in the subsidiaries of CAEPCO JSC have been holding an international certificate for the safe organization of work - IOSH since 2017.

The activities of all the units of CAEPCO in the regions ensure the stability of the economy, the stable operation of industrial enterprises, the municipal sector, and the social sphere. The CAEPCO JSC's Group of Companies intends to continue the interaction with the interested parties and implementation of projects aimed at improving the life quality of consumers.

NO CORRUPTION AND FRAUD

The Corporation is constantly working to increase the transparency of its activities. With this view, CAEPCO JSC uses its anti-corruption and anti-fraud policy.

Adoption of this document is an important step for the Corporation in the light of its aspiration for transparent activities and enhancement of corporate governance standards. The basic principles of the document are maintenance of a high level of corporate governance, intolerance to corruption and fraud, proper risk assessment, and minimization of conflicts of interests based on the effective distribution.

In practice, special attention is paid to the internal activities as related to preventive measures that stop the development of corruption. For example, such measures include the operation of the Hotline on the corporate websites of the Group of Companies. The document also sets forth that counterparties should be aware of intolerance towards corruption and fraud.

The primary objective of all services of CAEPCO JSC and its subsidiaries is to ensure that all obligations to prevent corruption, and also calls of the management for the bribery control have been informed to all the employees of the Holding Company.

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One of the brightest events was the holding of the children's creativity contests referred to as "Labor Protection Through the Eyes of a Child", in which more than 100 children of employees took part.

In addition, the Family Day for Safety and Health at Work held at the enterprises was an interesting and cognitive event for all members of the employees' families.



As part of the holiday, the best safety personnel were awarded. The major criteria for the promotion were demonstration by an employee by his own example of the importance to meet all the labor protection requirements; of the absence of violations in occupational safety and health, and labor discipline; of initiatives with sound proposals for improvement at workplaces. Moreover, the best services for occupational safety and health at the Holding's enterprises were as encouraged.

The concluding chord of the celebration of the World Day for Safety and Health at Work was the Young Professionals Competition in Pavlodar where the most active representatives of select teams from the subsidiaries of CAEPCO JSC arrived on April 29. Armed with a sense of humor, a musical talent and acting skills, the four teams competed on the stage of the "Cosmos" Palace of Culture: "Bez Pravil" (PAVLODARENERGO JSC), "SevKaz" (SEVKAZENERGO JSC), "PRISTOLICHNY SVET" (Akmola EDC



JSC), and "Power" (Astanaenergosbyt LLP).

The team members - auditors, risk managers, security personnel, personnel managers, electricians and supervisors transformed into talented performers on the stage, who were able to show any production subject. The completion included three stages: "visiting card", exchange of jokes under the "biathlon" system, and musical homework as well. Due to the skill of each and every participant, the audience enjoyed immersing themselves in the subjects proposed by the teams. This was an imaginary anonymous club of safety violators, and conduct of a safety examination, ditties, safety audit, pluses and minuses of the power engineers' profession and even a subject of safety in the people's traditions.

Each competition was opened with



a video message on the screen on behalf of the General Directors of the CAEPCO's subsidiaries on the subject of occupational safety and health. The General Director of PAVLODARENERGO JSC Oleg Perfilov, the General Director of SEVKAZENERGO JSC Leonid Larichev, the General Director of AEDC JSC Nayil Saifullin, and the General Director of Astanaenergosbyt LLP Alexander Zinkevich expressed their expectations and principles related to the safety performance. In a tough struggle

for the right to be called the best in the Young Professionals Competition in the category of "Champions of CAEPCO", a victory was gained by the team of PAVLODARENERGO JSC. The team of Astanaenergosbyt LLP was recognized



as "The most musical team". The team of AEDC JSC was recognized as "The most energetic team". The team of SEVKAZENERGO JSC was given an Audience Choice Award. The "CAEPCO's Golden Voice" Category was awarded to Yelena Korpacheva, a member of the team from PAVLODARENERGO JSC. Amir Kakenov, a member of the team from SEVKAZENERGO JSC was



recognized as the best captain, and Olesya Lugovenko (AEDC JSC) won in the "The Life of the Party" Category. As Ruslan Zinatulin, the Director of the HSE Department of CAEPCO JSC, noted at the awarding ceremony, the direction ensuring the occupational safety and health is a priority in all the units of the Corporation and such events focus the attention of all the employees even more to the topical subject of safe work.



TIMELY RENDERED ASSISTANCE – RECIPE FOR HUMAN RESCUE

The Training Center of AEDC JSC provided a practical training for senior students of the energy faculty of the Astana College of Management. The subject thereof was the methods of CPR to the injured by electric shock.

The said practical training was provided by Svetlana Muravyova, a teacher of the College of Management, and Alexey Sadovskiy, the head of the Training Center of AEDC JSC.

Speaking about the role and the significance of the first aid care in case of electric shock, Alexey Vladimirovich emphasized the students' attention to the fact that when providing CPR to the injured, not only the speed but also the correctness and consistency thereof are important.

The human body is a good conductor of the electric current and in case of electric shock, all its muscles are



reflexively contracted. The higher the voltage, the greater is the region of contraction. Therefore, in the first place, it is necessary to release the insured from any contact with conductive parts by using expedient means: dielectric gloves, boots, and operating poles. Making sure that the electric current is no longer threatening, you should check the breathing and the pulse of the injured. The absence of the pulse indicates that the clinical death has occurred and CPR should be started immediately. A set of CPR should continue until the arrival of physicians.

The practical training was accompanied by a TV video showing, and all the CPR methods were tested on a training simulator referred to as Ilyusha connected to a computer and reacting to the correctness of the actions. During the training, students learned to do an indirect heart massage.

First aid in case of electric shock is the subject, which is surely included in the list of questions on any electrical safety examinations.

FIRST OF MAY IN EKIBASTUZ

The first day of May is celebrated in Kazakhstan as one of the most decent and bright holidays - the Day of Unity of the Kazakhstan People symbolizing peace and friendship, understanding and accord.



On that day, the collective of the Ekibastuz CHP participated in celebrations on the occasion of the holiday, which took place in the "Miner" Recreation-and-Entertainment Park. The Akim of Ekibastuz Kairat Nukenov congratulated the assembled people on the Day of Unity and wished clear heavens overhead, wished well and prosperity, happiness and well-being, and a fruitful work for the benefit of our prosperous Motherland!

Some creative teams of the city performed before the audience with a concert program. Power engineers plunging into a festive atmosphere were in a good state of mind!

CONTINUOUS IMPROVEMENT

In April of this year, risk managers of CAEPCO JSC and its subsidiaries took part in the corporate training: "Internal auditor of quality management systems as per ISO 9001: 2015" and "Kaizen/Lean Production".

In the course of the training, such subjects as a review of the requirements of ISO 9001: 2015, methods for conducting audits in accordance with this standard, introduction of a quality management system (QMS) into the audit and audit program management were considered.

One of the interesting directions included in the training was the study of the basic principles and approaches of Japanese Philosophy of Kaizen, which focuses on the continuous improvement of production processes, secondary business and management processes, and all aspects of life.

Upon the completion of the corporate training, all participants successfully passed exam and obtained certificates.



ASTANAENERGOSBYT LLP SUBMITTED AN ANNUAL REPORT

In April, Astanaenergobytt LLP submitted an annual report on the provision of the "heat energy supply" service to the consumers and other interested parties.

In 2017, Astanaenergobytt LLP rendered services for the thermal energy supply in the volume of 5 468 ths. Gcal where the approved volume was 5 223 ths. Gcal. The reason for the increase in the volumes is a change in the temperature conditions of the outside air, and the commissioning of new multi-apartment housing units, the private sector units, and facilities of EXPO-2017.

In 2017 against 2016, there was an increase in the number of consumers by 25 959 subscribers, and actually in 2017, the number of thermal energy consumers was 249 089 subscribers.

With a view to improve the quality of services to the population, and to create comfortable conditions for subscribers in full-time service, the Service Center No. 1 was reconstructed. A new office premise was opened to serve the consumers of the Service Center No. 4, whose total area was 733 sq. m. The central office of the company was reconstructed. In the updated offices, a "barrierless" principle of rendering services was established. The waiting area was largely expanded, the system of assessing the quality of services to consumers was introduced, and an electronic queue system operates.

You can read the information stated at the public hearings of PAVLODARENERGO JSC and SEKAZAZENERGO JSC on the corporate websites of the companies.