

# Reputation is IGS' most valuable asset



▶ From the company's inception in 1986, IGS has been all about its people. IGS' people over the years have mined the skills and created value to bring the company to the peak of being regarded as one of the top construction companies in Western Kazakhstan Region.

IGS, a privately owned and independent company, has been at the pinnacle of the Oil and Gas servicing segment with over \$1bn successfully executed projects, working for corporations like Karachaganak Petroleum Operating B.V., North Caspian Operating Company N.V., TengizChevroil LLP, Weatherford, Schlumberger, Halliburton, Baker Hughes etc. in the process totalling over 22 million workhours without a lost time incident.

To introduce InterGasStroy JSC we need to address 3 basic criteria: 1) where is IGS today, 2) where the company will be in 5 years and 3) what differentiates IGS from its competitors.

But to start we will look into the background of IGS and what has been achieved in 33 years in business:

## Company Overview:

IGS (InterGasStroy JSC) was established as a legal entity by "The Ministry of Construction of Oil and Gas Industry" of the USSR, on 1st March 1986. After the collapse of the Soviet Union, in independent Kazakhstan, IGS was registered as a Joint Stock Company by the Department of Justice in the Western Kazakhstan Oblast on 28th December 1993.

"InterGasStroy" JSC (IGS) since its inception has become a leading multi-discipline construction company in Kazakhstan that specializes in the Oil and Gas industry. IGS has the necessary 1st Category licenses to operate in the complex energy, chemical and infrastructure projects, delivering construction, fabrication and project management services. IGS' main specialty lies in the following construction disciplines:

- Civil
- Structural
- Piping (above and below ground)
- Mechanical (Static and Rotating)
- Electrical & Instrumentation
- Insulation, Fire Proofing and Coatings.

## Exactly what is delivered, to whom and why the business holds a competitive advantage?

Major project achievements, company developments and its people have played an essential key role to the success of the business. IGS is and has been at the pinnacle of the Oil & Gas servicing segment for over 33 years executing complex projects and working in "live" plant environments. The company has been awarded with many certificates on many occasions for its high professionalism, work ethics, safety and outstanding project performance. The ones that stand out are the certificate for outstanding work performance and first class safety, awarded by Sir Richard V. Giordano Chairman of BG group plc. In London and a more recent certificate for outstanding performance on the 4th Train project by Karl Roberts, Principal Project Manager, KPO B.V..

IGS at the time was the first Kazakh company to be awarded a general contract from KPO B.V.

To date IGS boasts a total over 22,000,000 work hours without a lost time incident, a number which is the pride and joy of IGS' Chief Executive Nurlan Kuanshaliyev PhD.

IGS' Peak of Man Power Involvement was 2870 Employees while executing projects for NCOC N.V. at the gathering and processing plants in Karabatan, Atyrau Region, Kazakhstan to support the Kashagan Oil field.

IGS is Head Quartered in Aksay, West Kazakhstan and has a branch in Atyrau, with representatives in Nur-Sultan (Astana) and in London, UK.

## Business concept of IGS

IGS always strives to deliver most complex solutions to the most significant problems in the Oil & Gas Environment. The company is 100% a Kazakh Entity and aims to develop the industrial cluster of the Western Kazakhstan Region by creating job spaces, developing the skills of the current working personnel and works closely with the local authorities to excel in the yearly corporate social responsibility programs. IGS believes in the re-turn business philosophy and takes care of the customers in the best possible manner.

## ▶ 1) Where is IGS today?

Firms can gain a sustainable competitive advantage by developing their intangible and inimitable assets – such as their corporate reputations; From its inception in 1986, to date, IGS' delivered over \$1bn successfully executed projects to the market, the highlights being the pump stations for the Caspian Pipeline Consortium, the TCO Shanyrak Village, the 3 Micro Districts in Aksay for 30,000 people, 4th Stabilisation & Sweetening Train – Piping Fabrication for KPO B.V. and many other projects in the region.

IGS being regarded as one of the leading construction companies in Kazakhstan, was one of the few companies included with the official delegation that accompanied the First President of Kazakhstan, Nursultan Nazarbayev to the United Kingdom, on his first official visit. There Mr. Nazarbayev took part in the opening ceremony of the 2nd session of the Kazakh-British Intergovernmental Commission on Trade, Economic, Scientific, Technological and Cultural Co-operation. Following the meeting between the 1st President of RoK, Nursultan Nazarbayev, and Prime Minister David Cameron, a number of key documents were signed. One of the key signings included the Memorandum of Understanding between William Hare Limited, Europe's largest independent privately owned steel fabrication company (UK), and IGS (Kazakhstan).

The IGS/HARE Joint Venture was created to formalise the cooperation of two families who together have established reputations for delivery and integrity, but who's combined capabilities are to be greater than the individual parts.



Nurlan Kuanshaliyev PhD, CEO of IGS Group and Director of William Hare Ltd. Craig Arnold at the signing of the MoU at the 2nd Inter Governmental Commission in London.

The purpose of the cooperation was and is to bring value to the oil and gas segment in the region – to leverage Hare's global reputation, capability and experience with the local presence and experience of IGS. Today the JV is in a position to establish an integrated capability (plant) for the supply and production of high integrity fabricated structural steelwork that can then be utilised either for field assembly or pre-assembly at the Aksay site. One of the key values of the existing set up is that work is to be performed in an indoor, climate controlled environment thus maintaining progress and productivity during extended periods of inclement weather (which would limit or halt work in the field). The enhanced capability at Aksay is to be configured to progressively reach an annual throughput capacity of approximately 10 thousand tonnes.

## 2) Where is IGS going to be in the next 5 years?

The IGS/HARE JV are to open a fabrication facility in Aksay, Kazakhstan, with an initial annual capacity of circa 10,000 tons to satisfy the local market. IGS has prepared its production base in Aksay for joint cooperation and within the engineered design to comply with the steel structures technological line. IGS and Hare are now at the stage of an integrated delivery strategy that will bring safety, efficiency and value to the structural scope.

In the years to come IGS will focus on their facilities for module assembly in a controlled environment and subsequent load out capabilities to service the Western Kazakhstan Oil and Gas niche.

The plan is to execute works in region of \$380 million in the next 5 years and to deliver a valuable World Class product made in KZ and service to customers and society, which is unique and sustainable over time.



Kurmets Order presented to Nurlan Kuanshaliyev for undertaking excellent performance on construction work in the Karachaganak Filed on continuous basis since 1986 by 1st President of RoK Nursultan Nazarbayev



IGS' High Tech fabrication facilities, shops and warehouses with 3 railway connections. IGS' base is in close proximity to Karachaganak Oil & Gas condensate field.



Certificate for outstanding performance on the 4th Train project by Karl Roberts, Principal Project Manager, KPO B.V.

▶ **3) What differentiates IGS from competitors?**

The company's top team establishes vision and strategy, and moulds the overall culture of the organization. IGS' reputation is one of its most valuable assets and the eight attributes the company sees in excelling to win are: management quality, product quality, ability to develop and keep key people, financial soundness, asset use, investment value, degree of innovativeness, and community & environmental friendliness.

IGS group is made up of 2 companies: 1) IGS JSC – Head company & 2) IGS LLC its wholly owned subsidiary. The two companies are two legal entities.

**Intergasstroy JSC** – has Offices in Aksay, Fabrication Shops/Labs, (IGS has its own civil laboratory for testing concrete products for hardness, strength and compression), and facilities/equipment to provide any construction Project Support (logistic, accommodations, transportations).

**IGS-Corporation**, an Oil & Gas servicing Construction company. Two companies – the two strategies for achieving corporate super-brand status:

The first is to have excellent operational performance. The second strategy is to link the values in the corporate vision to the values of employees and target customers.

1) IGS JSC with a well-equipped technological production base/yard (fabrication workshops) including a batching plant, open and closed areas for Loading/Unloading and storage of inert materials, heated storage facilities and railway branches (marshal railway connection), delivers a full range of civil, mechanical and installation works.

2) IGS LLC performs a full range of civil, mechanical and installation-works and holds the 1st category construction license. If there is a necessity, both companies are able to work together mutually benefiting and bringing high value joint delivery execution - labour, equipment, human resources, etc.

IGS has a good image and reputation and strives not to fail any aspect of IDUS Test -. important, deliverable, unique, sustainable. 🟦



Certificate for outstanding work performance and first class safety awarded by Sir Richard V. Giordano Chairman of BG group plc. to Nurlan Kuanshaliyev PhD, CEO of IGS Group



From left to right: Rustam Kuanshaliyev, Vice President of IGS Group; Baroness Emma Nicholson of Winterbourne, UK Prime Minister's Trade Envoy to Kazakhstan; Goulnar Gabdulova, Deputy Director of DIT British Embassy; Matthew Nesbit, Director of William Hare Ltd at the UK-Kazakhstan Oil and Gas Partnership Programme Forum