Performance Through Integration
His Highness Sheikh
Sabah Al Ahmad Al Sabah
The Amir of the State of Kuwait
His Highness Sheikh
Nawaf Al Ahmad Al Sabah
The Crown Prince of Kuwait
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Kuwait Petroleum Corporation
Mission

Kuwait Petroleum Corporation (KPC) is a corporation of economic character, run on a commercial basis and fully owned by the State. It is one of the world’s major oil & gas companies and its activities are focused on petroleum exploration and production, refining, marketing, petrochemicals, and transport.

KPC’s mission is to manage and operate these integrated activities worldwide in the most efficient and professional manner, in addition to growing shareholder value whilst ensuring the optimum exploitation of Kuwait hydrocarbon resources.

KPC has an important role in contributing to the support and development of the Kuwaiti economy, developing national manpower, maintaining superior commercial and technical expertise and proactively managing the environmental, health and safety aspects related to KPC’s businesses.

Vision

- Be a highly profitable and performance driven company.
- Contribute significantly to the support and development of the Kuwaiti economy.
- Strengthen the world class reputation of all KPC operations.
- Encourage continuous learning among its employees in all areas related to KPC’s business.
- Become a regional leader in HSE performance and apply the latest and the most appropriate technologies in KPC’s operations.

Values

- Motivating Environment.
- Customer Satisfaction.
- Teamwork.
- Trust.
- Commitment to HSE.
- Honesty, Integrity and Transparency.
- Quality and Excellence.
- Innovation/Responsiveness.

KPC 2030
The Organisational Structure of KPC and its Subsidiaries

- Minister of Oil
- Chairman of KPC's Board of Directors
- Deputy Chairman & CEO of KPC
- CEO PIC
- CEO KNPC
- CEO KGOC
- CEO KOC
- CEO KUFPEC
- CEO KNPC
- CEO KGOC
- CEO KOC
- CEO KUFPEC
- CEO KPI
Signing of the Oil Concession Agreement

On December 23rd, 1934, Sheikh Ahmad Al-Jaber Al-Sabah signed a document that was to increase his country’s wealth and international importance: the first Kuwait Oil Concession Agreement was awarded to Kuwait Oil Company Limited. Kuwait Oil Company, Ltd. was formed by the Gulf Oil Corporation (presently Chevron Oil) and the Anglo-Persian Oil Company (presently British Petroleum).

Discovery of Oil

While drilling continued in Bahrain, attention turned to Burgan and to the recommendations about this area in the technical report of Cox and Rhoades. Geological surveys were carried out and the company drilled in this area through 1937 and early 1938. It was here, on 22nd February 1938 that oil was discovered. Moreover, this oil was under such pressure and in such quantity that it blasted through the wellhead valve with such force that it could not be controlled. It was a gush that was “difficult to hold”. Lack of sufficient drilling mud to block the hole meant that other means had to be immediately found to block the well. Donald Campbell, then Chief Accountant, finally located a 60 feet long wooden pole in the town bazaar and that served as a temporary stopper. That was how, at 11 a.m., on a rainy Thursday morning Kuwait witnessed the birth of “Burgan No. 1.” Even today, this first well continues to produce.
The Silver Wheel: The First Oil Shipment

On 30th June 1946, His Highness the late Sheikh Ahmad Al-Jaber Al-Sabah turned a silver wheel to start Kuwait’s first crude oil export aboard the tanker “British Fusilier”. This enabled the State of Kuwait to join the ranks of the world’s major oil producers. At 7 o’clock in the morning of the 30th of June, 1946 a grand celebration was occasioned by exporting the first Kuwait’s oil shipment. The celebration, held under the auspices of the late Sheikh Ahmad Al-Jaber A-Sabah (then the Amir of Kuwait), was attended by the country’s senior officials, the Political Resident in the Gulf area, the Political Agent in Kuwait and a distinguished audience of guests. Mr. Southwell, Director of Kuwait Oil Company Ltd., London, started the event by receiving Sheikh Ahmad Al-Jaber A-Sabah and his companions and escorting them to the ceremony site, where the silver wheel had been placed to herald the occasion. Sheikh Ahmad turned the wheel to start the first Kuwait’s crude oil shipment flowing smoothly through an offshore pipeline to the British tanker Fusilier. 10,567 tons of crude oil was loaded in 11 hours and 13 minutes, an average of 950 tons per hour! 30th June 1996, marked the 50th anniversary of the export of Kuwait’s first oil shipment.

Nationalisation of the Oil Industry

A new era of historic importance began on 6th December 1975 with the Nationalisation of Kuwait’s oil industry. In line with all the other Arab oil-producing states, Kuwait began negotiations in the early 1970s to restore control over its own natural oil resources. By mutual agreements with the Company’s two original partners, the State’s shareholding in Kuwait Oil Company was progressively increased until full control was achieved. On March 5th, 1975, an agreement was signed by the State of Kuwait and the two oil companies (British Petroleum and Gulf) giving Kuwait complete control of its oil resources.
The rapid growth of the oil industry as well as the increasing world demand for this vital commodity, led the Government of the State of Kuwait to take a series of decisions in order to keep pace with the global developments. On top of these decisions was the decision to establish an institution incorporating all the activities of the country’s oil sector. Accordingly, Kuwait Petroleum Corporation (KPC) was established in 1980 as an umbrella institution to foster Kuwait’s oil interests, rapidly growing in diversity. KPC provides an integrated series of oil industry services through its subsidiary companies, which undertake various exploration, production, refining, petrochemicals, marketing, retailing and marine transportation activities. In line with its strategic objectives, KPC assumed the responsibility of protecting the hydrocarbon resources of the State of Kuwait by means of optimal use as well as increasing Kuwait’s hydrocarbon revenues.

To this end, KPC applies effective marketing of crude oil and other petroleum products, commits to the development of the technical and managerial skills of its human resources and obligates itself to the development of the national economy with the aim of achieving the goals and aspirations of the State of Kuwait.

KPC adopted the theme of integration in all its activities through a series of operations aimed at increasing the added value, from production to the end consumer and thus achieving what is known as the vertical bottom-up integration from production to sales outlets.

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Kuwait Oil Company (Exploration and Development)

Kuwait Oil Company (KOC) was established in 1934 by the Anglo-Persian Oil Company, now known as the British Petroleum Company (BP) and American Gulf Oil Company, now known as Chevron Corporation.

Under the umbrella of Kuwait Petroleum Corporation, KOC assumes exploration, drilling and production activities of oil and gas within the State of Kuwait. KOC is also involved in the storage of crude oil and delivery to tankers for export.

KOC exploration group continues to use technology to achieve the company’s strategic goals of finding new oil reserves for Kuwait. Four dimensional (4D) seismic survey studies have been conducted to identify how oil and water move through the rocks inside production reservoirs. Preparations for full field 4D seismic survey are currently in an advanced stage. In addition, KOC is internationally recognized as being at the forefront of four dimensional seismic onshore survey technology.

Kuwait Oil Company manages the production and export of oil and gas with the associated facilities from more than twelve developed oil fields in the state of Kuwait. The oilfields spread over the State and split off into four main parts of North Field, West Field, South and East Field - locally administered at the site headquarters.

Approximate distance from Ahmadi: North Field 112 Km (70 miles), West Field 60 Km (38 miles) and South and East Fields 20 Km (12 miles).

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Kuwait Oil Tanker Company (KOTC) was established in 1957 and is primarily engaged in the ownership and management of tankers transporting crude oil, liquefied gas and other refined petroleum products. On a commercial basis, the company operates an advanced and steady fleet, being vested with the responsibility of overseeing the transportation sector of KPC – for the purpose of strategically extending the latter’s export reach to all areas of the world. The company has successfully managed to preserve above average profitability by virtue of its attention to minimizing operational costs and the prudence exercised in replacing rundown tankers precisely when required.

KOTC also operates the liquefied gas plant, which fills and distributes liquefied gas cylinders for local industrial and domestic consumption. By means of the Marine Agency Branch, KOTC is considered the sole agent for all oil tankers visiting Kuwait ports, in rendering health, electric and engineering maintenance services, as well as providing spare parts, alternative manpower and other services.

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www.kotc.com.kw

Kuwait National Petroleum Company (KNPC) was established in October 1960. Jointly owned by the government and private sector, KNPC was the first national oil company in the region. In 1975, it became totally owned by the government.

KNPC is a subsidiary of Kuwait Petroleum Corporation. It is responsible for refining crude oil, liquefying gas and marketing petroleum by-products in the local market.

KNPC has three refineries: Mina Al-Ahmadi Refinery, Mina Abdullah Refinery and Shuaiba Refinery, with total production capacity of 936,000 bpd for three refineries. The gas liquefaction plant has a production capacity of 1,360 million cubic feet per day. As well, KNPC has 39 filling stations all over Kuwait.

Among the major strategic projects KNPC is currently carrying out are the state-of-the-art New Refinery Project (NRP) at Al-Zor with designed production capacity of 615,000 bpd, and the Clean Fuel Project (CFP) which incorporates the upgrading of Mina Al-Ahmadi and Mina Abdullah refineries. Upon completion of the two projects, the Company will not only increase its production capacity to 1.4 million bpd, but also it will be able to process the heavy oils and produce environmental by-products according to the highest international specifications.

KNPC strategic projects will support the Company’s pioneering role as a major contributor to Kuwait economic and social development.

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Petrochemical Industries Company

Petrochemical Industries Company (PIC) was established in 1963, and is entrusted with 3 plants managing liquefied ammonia, 3 plants producing granular urea and 1 polypropylene plant.

As for EQUATE Petrochemicals, which was established by PIC (42.5%) and Union Carbide – a subsidiary of DOW Chemicals (42%), Boubyan Petrochemicals (9%) and Al Qurain Petrochemical Industries (6%), the company includes a sizeable complex for the production of ethylene and polyethylene glycol. PIC also owns a 10% share in Al Qurain Petrochemicals Company.

On the international front, PIC owns a (49.9%) share of EQUATE marketing in Bahrain, in addition to executing joint venture investments (50%) with DOW Chemicals in M.I. Global Equipolymers.

Petrochemical Industries Company joint ventures includes an aromatics plant, an olefins manufacturing complex and a styrene plant.

Kuwait Aviation Fuelling Company

Kuwait Aviation Fuelling Company (KAFCO), a subsidiary of KPC is exclusively entrusted with supplying fuel to aircrafts in the State of Kuwait. KAFCO also performs services pertaining to aviation fuelling for all operational aircrafts at Kuwait International Airport, in addition to rendering consultation and support services to the Ministry of Defense.

The company was established in 1963 as a Kuwaiti company – of which 51% was owned by KNPC and 49% by British Petroleum. Later, KAFCO became an independent entity and a KPC subsidiary.

KAFCO currently manages an automated aviation fuel depot spanning an area of 120,000 m² with a storage capacity of approximately 54 million liters. KAFCO also owns and manages various advanced equipment and hardware items utilized in aviation fuelling operations, supplying fuel to 3,000 aircrafts per month. The quality lab at KAFCO regularly performs a comprehensive array of tests to ensure the quality and safety of the fuel supplied and its conformity to universal standards.

KAFCO is a member of IATA and is an ISO (2000 - 9001) and (14001) company. It is also keen on applying stringent health, safety and environmental (HSE) procedures adopted globally, which assisted the company in maintaining an accident-free record for its field operations.

KAFCO seeks to provide quality aviation fuel products in addition to yielding more advanced services to its more than 100 clients. It is also determined to rank as first choice for customers owing to its unwavering commitment to quality control standards.

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Kuwait Petroleum International (KPI) was established in 1983. KPI mission is to maximise the financial rewards obtained through the international sale of Kuwaiti hydrocarbons, by finding new marketing and refining channels which are secure, long term, profitable and internationally diversified. As well as its existing operations in Europe, KPI is developing opportunities for refining and petro-chemicals in Asia.

KPI is a fully integrated oil company with multi-channel operations. Its activities include refining, fuel-retailing to end-consumers and business, fuel and heating oil to residences and industry, aviation fuels and lubricant manufacturing/sales.

KPI scope and profile:
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International Refining and Marketing

Kuwait Petroleum International Company (KPI) was established in 1983. KPI mission is to maximise the financial rewards obtained through the international sale of Kuwaiti hydrocarbons, by finding new marketing and refining channels which are secure, long term, profitable and internationally diversified. As well as its existing operations in Europe, KPI is developing opportunities for refining and petro-chemicals in Asia.

KPI is a fully integrated oil company with multi-channel operations. Its activities include refining, fuel-retailing to end-consumers and business, fuel and heating oil to residences and industry, aviation fuels and lubricant manufacturing/sales.

KPI scope and profile:
Head Office – Salhiya, Kuwait

- Fuel stations – 5,239 in different countries of the European continent.
- Aviation fuel facilities – 70 facilities in 18 countries.
- Lubricants – 4 blending plants producing 1600 types.
- Two European refineries: The Netherlands and Italy.

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Kuwait Foreign Petroleum Exploration Company

Kuwait Foreign Petroleum Exploration Company (KUFPEC) was established in 1981, with core activities spanning 4 principal regions over 4 continents and 15 countries: (Egypt – South Sudan – Tunisia – Mauritania – Congo – UK – Norway (North Sea) – Pakistan – Yemen – Indonesia – Malaysia – Vietnam – Australia – China – Philippines).

The company has explicitly adopted a policy of venturing external oil exploration for the purpose of attracting foreign capital to Kuwait, and ultimately achieving profitable investments as a result. KUFPEC awareness of the highly volatile oil market and the ever changing oil prices worldwide has resulted in expanding the company’s activities, supplementing its investments portfolio with natural gas, while excluding high-risk projects from its business endeavors. Throughout its existence, KUFPEC has initiated numerous windows of opportunity for Kuwait with regards to achieving and executing global petroleum projects, and has proven to be an exemplary representative of Kuwait vis-à-vis other international players.

KUFPEC is currently intent on venturing into new projects around the globe to bolster its overall performance, and achieve an impressive profit margin. Additionally, it seeks to create new investment opportunities through international joint ventures.

KUFPEC 2030 strategy is to reach 200,000 BOEPD and increase its operatorship in most of its core-business activities world wide while becoming an influential technology transferor between its joint venture partners and KPC’s “K” companies.

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Kuwait Gulf Oil Company (KGOC) was established on the 10th of February, 2002, to manage Kuwait’s share of hydrocarbon resources in the joint marine area with KSA. The company started its activities officially on the 5th of January, 2003, and since then, it shoulders the responsibility of working in the joint marine area previously handled by the Arabian Oil Company Ltd since 1958.

In 2006, the company took the responsibility of managing Kuwait’s share of hydrocarbon resources in the joint land area, which was previously maintained by Kuwait Oil Company via Wafra Joint Operations.

KGOC is responsible for managing Kuwait’s share of hydrocarbon resources in Wafra Joint Operations and Khafji Joint Operations areas, which are located on both sides of the Kuwait-Saudi borders. The two states share oil reserves in these two areas equally, and work together on exploration, production and transporting for their mutual benefit.

KGOC has a successful partnership with Aramco Gulf Operations Company in the joint marine area, Khafji, as well as the Arabian Saudi Chevron Company in the joint land operations, Al-Wafra, which represent KSA in marine and land operations, for optimum utilisation and mutual benefit of hydrocarbon reserves in the joint operations areas.

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