Report 2014/15

SUSTAIN -ABILITY

A Message of Sustainable Growth

البترول الوطنية
KNPC
إحدى شركات مؤسسة البترول الكويتية
A Subsidiary of Kuwait Petroleum Corporation
Kuwait National Petroleum Company

His Highness
Sheikh Sabah Al Ahmed Al Jaber Al Sabah
Amir of the State of Kuwait

His Highness
Sheikh Nawaf Al Ahmed Al Jaber Al Sabah
Crown Prince of the State of Kuwait

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Address by the CEO

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With the release of the Kuwait National Petroleum Company's 3rd sustainability report, it brings me great pleasure to prove our commitment to our stakeholders in providing a transparent and thorough representation of the company's initiatives and achievements. We are committed to making KNPC a more trusted and commercially oriented business. This is only a fragment of our vision and strategy for the coming period, both in the short and long-term. As a major oil refiner with a capacity exceeding 335 billion barrels a year and the sole supplier of energy to the local community, we are committed to making the oil refining industry a major asset that will maximizes the value of Kuwait hydrocarbons. All the while maintaining the pasture of the corporate citizen that supplies clean energy, and abundantly invest in improving the environmental conditions not only on the domestic scene, but also at the global level. In fact, as we strive to modernize the oil refining industry the main goal of our long-term strategy, environmental protection also remains one of the prime objectives in this strategy. Our mega project, the Clean Fuels Project is an example, which aims to transform our Mina Abdullah and Mina Al Ahmadi refineries into a petroleum-manufacturing complex that meets the economic and environmental expectations of our stakeholders. CFP and the new refinery project – Al Zour refinery in southern Kuwait constitutes the backbone of our long-term strategy as well as being essential components of the five-year development plan.

An example of our solid commitment to sustainability is our environmental performance. For instance, we commit to minimizing our environmental footprints through a low sulfur, low carbon performance. Combating pollution from its very sources will remain the driving force of this strategy. KNPC managed, during this year, to register the Flare Gas Recovery Unit at Mina Abdullah Refinery in the Clean Development Mechanism (CDM) of the UNFCCC as the second major project by the State of Kuwait.

KNPC is an internationally recognized player in the oil and gas industry, however our responsibility is larger and our mandate will be higher after the completion of our two mega projects, the CFP and the new Al Zour refinery, as well as our gas liquefaction projects. Our total refining capacity will then exceed the 1.4 million barrels per day limit, while our LPG capacity will be within the range of 3.5 million cubic feet a day to cope with the growing gas production from upstream fields and our three refineries. I am proud to state that the implementation of our multi-billion dollar projects is well underway. Sites are being prepared and heavy equipment, comprised of reactors and vessels, are ready for transfer to the designated sites. While the official signing of CFP execution contracts besides the contract signing for Al Zour refinery were also both major turning point for KNPC.

Safety for us continues to be a crucial priority for the company. I have to admit that industrial safety remains a challenge that we must deal with in a high professional and creative manner. However, the safety team has been diligent in implementing safety measures as well as upholding strict safety parameters. KNPC's record in health, safety and environment domains won international recognition reflected in being rewarded with several prestigious international awards.

KNPC is still seen as a desirable employer with an increase of 195 jobs per year. In addition, this year we have seen an increase in the amount of training and career development courses that took place. The internal training courses and programs that took place this year was 113 courses joined by 593 employees. External training courses reached 990 joined by 2525 employees. 24 KNPC employees are in the process of continuing their engineering studies in the USA. In the past fiscal year KNPC has seen a change of employment by 190. KNPC is still seen as a desirable employer with a total of 6464 employees, out of which 239 employees were recruited this year. This includes the number of employees that have retired or have resigned from the company.

I am pleased to see the continued commitment in the field of sustainability among the employees of KNPC. This report to you our stakeholders is a testament of the hard work of the team and we look forward to your feedback and comments. On behalf of the top management, we would like to express our appreciation and gratitude and reaffirm our commitment to ensuring that this report maintains to be a message of sustainable growth.

Mohammad Ghazi Al-Mutairi

Company Profile G4-3 G4-5 G4-6 G4-9

Kuwait National Petroleum Company is one of the leading energy companies in the State of Kuwait focusing on downstream oil and gas operations. We are committed to meeting local and global energy needs in a sustainable manner. We are a company with a deep history rooted in the Kuwaiti heritage. We seek to satisfy growing energy demand, while being mindful and responsible about our environmental impact, our social responsibility to give back to society, as well as our economic contributions to the local market. KNPC is on the forefront of sustainable development with the implementation of the company's two mega projects, Clean Fuels Project and our 4th refinery Al Zour.

KNPC is a state owned oil refining and gas liquefaction company and a subsidiary of Kuwait Petroleum Corporation KPC, operating within the State of Kuwait. Its main office is located in the Governance of Ahmadi City, approximately 40 KM south of the capital, Kuwait City. It is the sole supplier of all petroleum products, liquefied gas and bitumen to the local market in retail and wholesale amounts. However, the larger amounts of its output is exported to various international markets through KPC. KNPC owns and operates three refineries, a gas liquefaction plant as well as more than 40 petrol stations serving different parts of the country. It has developed plans to introduce around 19 new petrol stations in the next year, with the ambitious goal of building 100 more filling stations in the near future.

With around 6,000 strong workforce, KNPC rates as one of the largest companies in the State of Kuwait. We provide employment to nearly one third of the labor force in the kuwait oil industry, 75% of its workforce are engineers, foreman and technicians who are trained to master the refining technology and information know-how so as to carry out demand of the domestic oil refining and gas liquefaction industry.

Areas of Operation G4-4 G4-7 G4-8

Mina Al Ahmadi Refinery

- Built in 1949.
- Revamped in two stages; refining Modernization Project RMP completed in 1984 and further upgrading project FUP completed in 1986.
- Main Products: Naphtha, ATK, Unleaded Gasoline, Gas oil and a long chain of petroleum products. Daily average crude throughput in 2014/2015 was 411.6 thousand barrels.
- Crude Distillation Unit – 3 operated at the feed rate of 90-100 thousand barrels a day in the first and second quarters for economic reasons besides the shutdown of this unit for 12 days.
- MAA Refinery products totaled 12.4 million metric tons, consisting of 823,860 tons of sulfur and 353, 689 tons of bunker.
- New project at this refinery included a study to introduce new oil sludge treatment facility for tank cleaning.

Mina Abdullah Refinery

- Built in 1958 with a very limited processing capacity.
- The Refinery Modernization Project PMP was completed in 1989.
- Main products Naphtha, ATK, Gasoline, Gas Oil, and Petroleum Coke.
- Daily average crude throughput 267.7 thousand barrels per day, totaling 97.70 million barrels.
- Exports from the refinery during this period reached around 14 million metric tons. The exports consisted of 10 million tons of petroleum products loaded at the refinery sea island.
- An accomplishment of the MAB refinery is accumulating 18.18 million man-hours without interruption incidents in 2014.
- MAB was also presented with the RoSPA award for HSE performance and the British Safety Council prize as well as the CEO Gold Prize for its remarkable HSE performance.

Shuaiba Refinery

- It was built in 1968 as an export all hydrogen operated refinery.
- Shuaiba Refinery continued to operate in the framework of KNPC refining complex in full efficiency achieving a number of initiatives that increased the refinery profitability. Those initiatives enhanced profits by around 47 million US dollars. The refinery also continued earning RoSPA awards and British Safety Council awards for remarkable HSE performance.
- Crude oil supplied to Shuaiba Refinery during this period amounted to 68.1 million barrels with daily average rate of 186.6 thousand barrels showing 3% decrease from the previous year throughput. Among the refinery achievements in this fiscal year was storing the vacuum gas oil during the Isomax unit shutdown then reprocessing it after the unit re-operation. This process generated a 9.3 million dollars profit. Shuaiba Refinery also significantly upgraded the Naphtha product cutting down H2S percentage to 2pmm while buffing up its production. The refinery became able to export LPG from the sour gas (V61) at the rate of a million cubic feet a day leading to a 15.5 million dollars profit.
- Exports from Shuaiba Refinery totalled 5.8 million metric tons shipped at the Shuaiba oil pier in addition to 2.9 million metric tons supplied to the local market.

Total Production of the Refineries

Net petroleum products in the fiscal year 2014/2015 totalled 42.7 million metric tons against 42.5 million metric tons in the last year showing a slight increase

Oil Refining in the three refineries between 2010/2011-2014/2015. (All units in MBPD)

Refinery	2014/2015	2012/2013	2010/2011
Shuaiba	186.6	193.9	198.3
Mina Abdullah	267.7	272	262.2
Min Al-Ahmadi	411.6	451.6	431.8
Total	**865.9**	**917.6**	**892.3**

Products are detailed in the following table:

Product	In the fiscal year 2014/2015	
	Percentage %	1000 M. tons
Naphtha/Mogas/Reformate	20.2	8862.3
Kerosene/ATK	18.8	8231.5
Gas Oil/ Diesel	26.7	11688.2
Fuel Oil/Residue	24.4	10712.8
Other Products*	7.3	3200.8
Total Products	97.4	42695.6
Consumption/Loss	2.6	1150.8
Total	**100**	**43846.4**

LPG

Feed stock to the LPG plant at Mina Al-Ahmadi Refinery amounted to 1508.8 million standard cubic feet a day in which feedstock was running at the rate of 1471.1 million cubic feet per day. This feedstock represented the available amounts from the fields and from KNPC refineries.

Propane exports reached 2426.6 thousand metric tons while butane exports reached 1778 thousand metric tons. Combined exports from the LPG plant totalled 4204.6 thousand metric tons. The following table shows a breakdown of the LPG plant production.

Product	2014/2015	
	Wt%	1000 tons
Propane	43.2	2,459.2
Butane	34.8	1,983.2
Natural Gasoline	22	1,249.9
Liquid Products	100.0	5,692.3
Lean Gas (Billion SCF)	-	475

Local Marketing
Projects of LM

As Sustainability, KNPC-LM has always been thriving to improve Quality of General Public Life and Welfare. Over the past KNPC-LM took number of measures and made modern technology to enhance public suitability & interaction, ease of business and overall Safety.

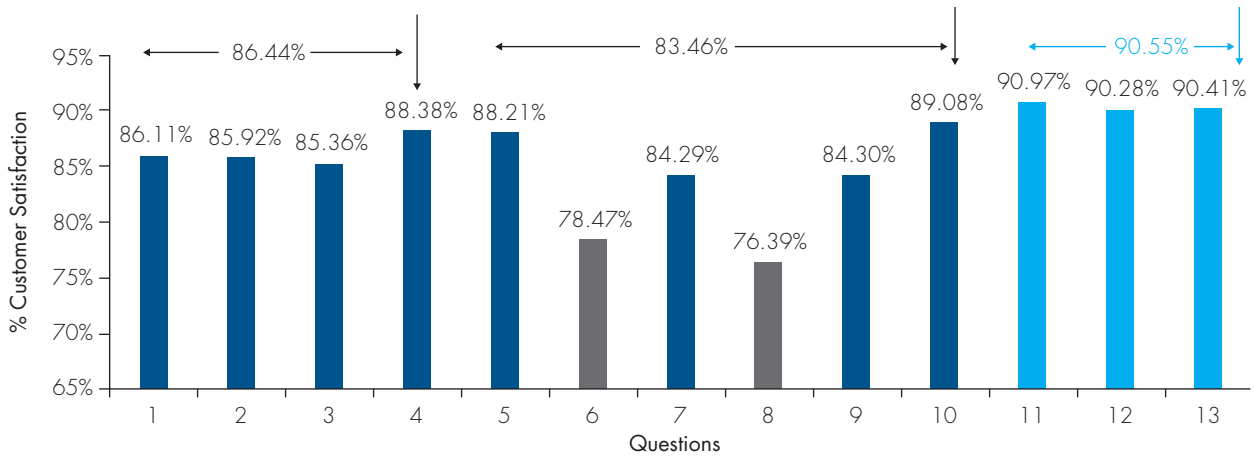
Amongst a few KNPC-LM adopted measures:

In the past number of rollover accidents related to Fuel Road Tanker were on high-rise, which caused damage to traffic safety, public property; endangering life and environment.

KNPC-LM took deep insight and initiative to revise Road Tanker Specification by adopting new safety specifications i.e. ADR relates to safety standard of European Agreement concerning international carriage of dangerous goods through the road, and is widely followed in EU (European Union) and has resulted in substantial safety enhancement in dangerous goods transportation & distribution.

In 2010, KNPC successfully implemented the new fuel tankers specification and all Contractors/Customers' fuel Road tankers were converted to the new Specification. As results and ever since, KNPC has achieved remarkable outcome with no rollover road traffic related accidents.

As part of the organization-wide continuing quality improvement efforts, Local Marketing Department has developed & conducted "Online Customer Satisfaction Survey" for Depot Bulk Customer to identify areas of service with the insights about customers' needs and requirements to bring the desired improvements for KNPC. The survey has been constructed in both English and Arabic language and was launched online to ensured "Authentic Feedback", "Faster Data Collection" & "Reduced Paper Work". Customers feedback was that, the quota approval takes a long time for KNPC approval and as a result KNPC has taken initiative by developing an "Online Work Flow Quota Approval" resulting in speedy process approval.



Customer satisfaction survey results

Sales G4-14

Gasoline sales in the Local Market showed a 5.2 increase and totalled 4049.5 million litres against 3850 million litres in the fiscal years 2013-2014. Gas Oil sales also increased by 3.2% and amounted to 1663 million litres compared to 1611 million litres.

Fuel sales to the Ministry of Electricity and Water (ME&W) decreased by 14% and totalled 7547 million litres in 2014-2015 against 8771 million litres in the previous fiscal year. This drop was mainly attributed to decreasing supply of Fuel Oil to the ministry which saw a decrease of 19.6%.

Fuel Sales to the Local Market in 2014/2015

Product	2014/2015
Euro 4 Gasoline	0.1
Ultra Super Gasoline (98Oct)	94.3
Premium Gasoline(95oct)	3233.2
Premium Gasoline	722
Total Gasoline Sales	4049.5
Kerosene	87.8
Gas Oil (Euro4)	0
Gas Oil (LM)	1662.6
Total Fuel Sales (LM)	5800
Gas Oil (ME&W)	1836.7
Heavy Fuel Oil (ME&W)	5710.1
Total Sales (ME&W)	7546.8
Total Fuel Sales	13346.8
Bitumen (Metric Tons)	102149

The following are the projects that have improved those services for local market:

Expansion & Revamping Ahmadi Depot

The project aims at installing 11 product tanks and 7 loading stations along with other facilities. The project is intended to increase storage capacity at the depot. Work commenced in October 2014 and it is set for completion in January 2018.

Al Mutlaa Depot

This project is important for the fuel distribution in Kuwait. It consists of installing 26 tanks for 95 & 91 unleaded gasoline and gas oil in addition to 20 loading stations. Like the other two depots in Sabhan and Ahmadi, Al-Mutlaa Depot will be equipped with vapour recovery devices to promote anti-pollution goals. The project also includes the addition of three pipelines from the refineries to the depot.

Engineering designs FEED are now in the preparation phase with the estimated cost of 392 million KD.

Al-Mutlaa Depot will ensure fuel supplies to the western and north-western part of the country and enhance KNPC strategic fuel storage as it supports the other two depots.

The addition of 19 filling stations

The company drew plans to build 19 filling stations in various locations in Kuwait in light of the demand for more accessible filling stations. In response to this demand, KNPC commissioned the filling stations and to ease growing pressure on the existing filling stations.

Second Phase of the Vapour Recovery at the Filling Stations

The 2nd phase of the Vapour Recovery System is set to complete in August 2016. The first stage of this project was implemented at the products depots first. This will serve to reduce our environmental footprint and be economically beneficial and profitable to the company by the resale of the collected vapour.

Solar Panels

Under the supervision of the Kuwait Institute of Scientific Research, two filling stations currently have solar panelling installed with plans for stations 6-119 to be operational within the next year. As well as the Subhan Depot and in some areas street lights are being replaced with LED lights.

DCEO Planning & Local Marketing unveiled that Kuwait has plans to build 100 solar powered feuling stations. The 100 stations will be completed in 5 years; 20 stations every year. This project is set to start in 2017.

International Association

Though the company operations and mandate are limited to the State of Kuwait territories, we maintain close cooperation and interaction with a spectrum of international organisations and bodies such as Solomon associations who provide the company with benchmarking data and gap analysis and consultancy services.

About the Report G4-13 G4-18 G4-20 G4-21 G4-22 G4-23

The report was prepared in accordance with the Global Reporting Initiative (GRI), Sustainability Reporting Guidelines 4.0. KNPC operates exclusively within the boundaries of Kuwait. All activities outside Kuwait are undertaken by other subsidiaries of Kuwait Petroleum Corporation. The reporting cycle is during the period of April 2014 - March 2015. No significant changes were made in the sense of scope, boundary or measurements used for the data. It still stands that every two years we will be issuing the company's sustainability report to update our stakeholders on our business progress.

This report is produced to inform our valued stakeholders on the performance, initiatives, and challenges that KNPC has faced during the reporting period in a fully transparent manner. Whenever possible we used standardized methods of measuring that are easy to compare with reporting of other companies or our previous sustainability reports. Data in this report is mainly drawn from the company's audited annual report, HSE annual report, operations logbook and information that was gathered by specified data collectors.

As of this reporting period, the company has not joined the UN Global Compact. However, we are in the final stages of completing the application process and will have our membership by the next report. In regards, to stakeholder engagement, which will be explained in further detail in the stakeholder engagement chapter, KNPC has taken the proactive step to hire a consultancy company. They have been asked to assess the current situation of engagement with the company's stakeholders and produce a book of process. By adopting the steps of the AA1000 index the consultants will be able to map, prioritize, and design a customized process for engagement.

Early in this reporting cycle, the reporting team had a brainstorming session on the lessons learnt from the past report. It was agreed that the data collection process would remain the same due to its effectiveness. Customized questionnaires with specified KPI's were sent to data collectors that were senior level or above. They would collect the data and then send it to their specific managers, who serve as the data verifiers. Once the data that was collected is checked and verified it is then signed and forwarded to the process owners that hold the positions of Deputy CEO. Once the questionnaire is signed then it is forwarded to the reporting team to be crunched and consolidated into the report. At that time a 3rd party audit is conducted.

Materiality

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However, before any of the questionnaires are prepared members of the reporting team sat down for a brainstorming on the key KPI's at the company. It was immediately agreed that the theme of the report as well as the focus would be the company's two mega projects. Since the main topics of interest is CFP and Al Zour refinery, we knew that our stakeholders would be most interested in them. Along with the mega projects, in keeping with the past two reports, our other focus is to show the company's environmental protection performance, economic contribution and social awareness.

As per experience, the reporting followed the system of **SMART** (Significant, Measurable, Achievable, Responsible, and Timely)

S:	**Based on significant issues** (the significant issues focus on corporate governance, climate change, environment performance, added value and contribution to national economy)
M:	**Using Measurable criteria** (Criteria has to be selected to measure or quantify targets)
A:	**Employing resources to make them achievable** (people, skills, time and funds)
R:	**Selected with Responsibility** (People to whom tasks are assigned)
T:	**With a defined Time Frame** (1st April 2014 – 31st March 2015)

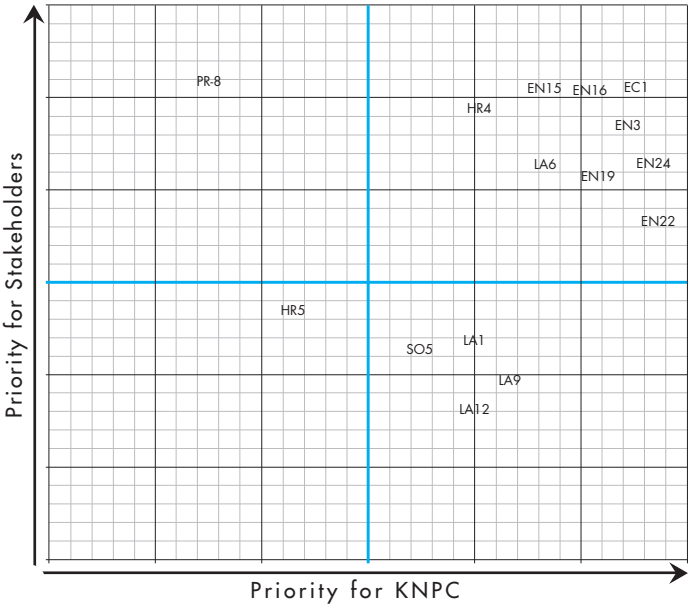
Identifying what is material to the company as well as to ensure that we meet the expectations of our stakeholders is the responsibility of the reporting team. Several meetings as well as review of feedback from the company's 2nd sustainability report was conducted. We found that our stakeholders both local and international have a vast interest in understanding the workings of the company's two mega projects. With the current economic climate of the world in regards to oil prices, our economic performance as well, plans for our products were highlighted as extremely essential and was a part of our due diligence to report them. The final two areas that were found to be material to report on was employee recruitment and our social performance.

A team of nine were certified in the GRI 4 index. Over a course of 3 days, by a GRI certified trainer provided the reporting team with the procedure and updated protocols of GRI. After which these team members discussed what should be included into the company's third report for the fiscal year 2014/2015.

Our disclosures are meant to represent the company's overall performance and to communicate to our stakeholder's future initiatives that have been put into place for sustainability based on our environmental, economic and social commitments. Through this materiality process, we have been able to improve upon our message to our stakeholders.

For the company's fourth report 2016/2017, we will be conducting the same type of brainstorming sessions. For more information go to our website www.knpc.com

Materiality Chart



Indicators

Economic Performance	G4-EC1
Energy	G4 –EN3
Emissions	G4-EN15, G4-EN16, G4-EN19
Effluents and Waste	G4-EN22, G4-EN24
Human Rights	G4-HR4, G4-HR5
Anti-corruption	G4-SO5
Employment	G4-LA1,
Occupational Health and Safety	G4-LA6
Training and Education	G4-LA9
Diversity and Equal Opportunity	G4-LA12
Customer Privacy	G4-PR8

Stakeholder Engagement

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Our stakeholders are the reason behind the initiative for producing this report as well as the previous reports. We are committed to enhancing our relationships with our stakeholders. Maintaining their trust and remaining accountable to them is part of our sustainability goals. We at KNPC realized that there is still a gap between how we communicated with our stakeholders and that we need to take a proactive step. In keeping in line with that, we have sought the services of an external consultancy company to formulate a book of process for KNPC's stakeholder engagement process. Along with a customized communication process, a community index will also be conducted to provide a baseline of the corporate image among our stakeholders.

As was previously reported in the company's 2012/2013 sustainability report the company conducts contractor workshops annually to gather, KNPC's suppliers and contractors and engage them in a setting, which allows management to respond to any questions, inquiries or clarifications that they may have.

The future of the company's sustainability goals for stakeholder engagement extends to the supply chain. We would like suppliers to follow our codes of ethics when it comes to business practices. In the Commercial Department, in procurement there is more emphasis on acquiring sustainable products as well as ensuring that the products that are acquired are environmentally safe. Another initiative out of Commercial Department is green procurement. KNPC Commercial Dept. introduced Green Procurement strategy to reduce the environmental burden at every stage of KNPC's procurement & Contracting processes both internally and externally with the aim of safeguarding a sustainable environment, which will assist us to utilize our resources efficiently.

By procuring material and services that have a lower impact on the environment and engaging our local suppliers, guiding them to minimize the harmful effects on the environment resulting from the impact of their supply chain.

Commercial Department has already developed a Green Procurement Strategy to expand implementation of Green Practices for the sake of improving sustainability.

Following key achievements have been made so far toward this initiative:

Inside the Company:

- Setting the Green Procurement values charter.
- Motivating/involving Commercial's staff to consider the environment while carrying out all procurement/Contracting activities.
- Introducing Green Procurement Best Practice.
- Developed a section in our Commercial Dept. webpage uploading HSE mandatory documents.
- Fully Compliance to internal and external IMS Audits with Nil No-Conformity (NC).
- Expand utilization of E-Sourcing system electronically by CD's Staff and members of Internal Tendering Committee (ITC).
- Introducing CD's efficient utilization of Document Image Management System (DIMS).
- Implementation of Waste Manifest & Management System (WMMS) by our Warehouses.

Outside of the Company:

- Intending to Sign a non-binding Memorandum of Understanding (MoU) with our key local suppliers to promote the use of Green Procurement.
- Develop Sustainability Performance Questionnaires to be distrusted to KNPC suppliers emphasizing them to meet Green Procurement standards.
- Access suppliers for electronic enquires thru E-Sourcing.
- Encourage Commercial Dept. Contractors to Participate in KNPC Contractors HSE Seminar - 2016.
- Our targeted great achievements as a result of implementing/expanding green procurement are identified as follow:
- Share our Best Green Procurement practice internally within KNPC Depts. External among K-Companies to promote our Environmental.
- Engage our suppliers in our Green Procurement to ensure involvement of maximum number of suppliers to promote our Environmental.
- Ensure continuous improvement to the developed Green Procurement strategy.
- Signing Memorandum of Understanding (MOU) with potential Suppliers, integrating environmental practices into their businesses.
- Promote purchase and use of green products identified by international Environmentally Preferable Products.
- Continuous improvement and Implement more automation and innovative techniques to our current process.

Stakeholder Groups:

Depending on the stakeholder group, the communication policy and frequency varies. However, each group is properly represented and identified. The groups are as follows:

- Community
- Contractors
- Customers
- Government & Parliament
- KPC
- Other K-companies
- Employees
- Media
- Labor Union
- NGO's & Interest Groups

Corporate Governance

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KNPC pursues a robust corporate governance policy and advanced management systems.

KNPC's highest governance body is the board of Directors that is headed by the Board chairman and six members one of which is the CEO of KNPC. The board meets on a quarterly basis for scheduled meetings and on a need-to basis if there is an urgent matter to discuss. Members of both the board as well as the higher management were selected after a lengthy interview process from the mother company – KPC. Their roles and responsibilities are to uphold the company's values through development and review of strategies, policies, and procedures based on commitment to adding value to Kuwait's hydrocarbons, enhancement of the local refining industry, upholding the highest standards of business ethics and valuing our employees and business partners. Under the CEO of the company are seven Deputy CEO's that are responsible for their respected areas and are separated as such: DCEO Mina Al Ahmadi Refinery, DCEO Mina Abdullah Refinery, DCEO Shuaiba Refinery, DCEO Projects, DCEO Finance & Admin, and DCEO Support Services, DCEO Planning & Local Marketing.

LC Meetings

Leadership Committee meetings are weekly meetings that are coordinated by the Management support department. These meetings are attended by the CEO and his deputies and during these meetings, their responsibility is developing policies and review projects for the KNPC and oil sector when necessary.

Labour Union

Several meetings throughout the year take place between higher management and the company's labour union. During these meetings, they discuss either group complaints or severe individual complaints regarding employees. They also explore new ideas to enhance the employee's morale and rights at the company.

KRCM (KNPC regular communication meetings)

This initiative was put into place to provide a forum for information to flow between higher management and the employee and then return from the employee to higher management. It is the responsibility of each of the managers to arrange for these monthly meetings with their departments. The agenda of the meetings consist of informing the employees of the management update, as well as the monthly projections of production output of the company. Each employee at these meetings is encouraged to send feedback up through the chain that will be brought in front of higher management and a response is then sent back to the concerned department that raised an inquiry. The KRCM mechanism is a structured process, which is officially recorded and listed as an integral part of the balance scorecard within each division of department.

HSE Executive Committee

KNPC has set channels for face to face, or by correspondence, for interaction with the management. No procedural barrier impeded the employee's freedom of expression or to entertain his/her ideas and grievances to the higher management knows as the Management Safety Survey (MSS). Higher management encourage the open door policy in the company because it allows for a two-way communication process between the employees and their seniors.

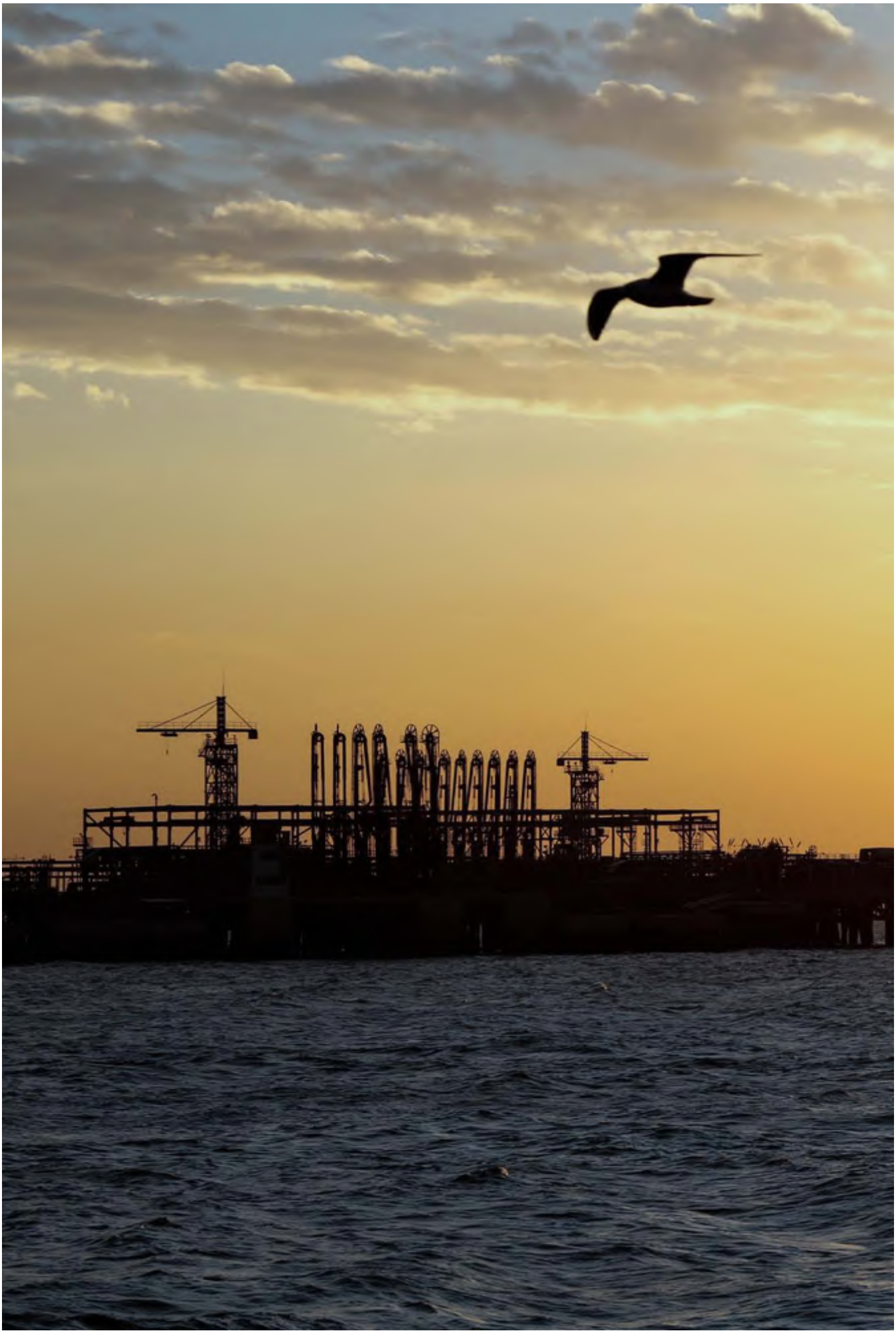
Complaints and inquires tailored to address employees concerns and explore new opportunities for their welfare.

SHEEC is responsible for monitoring and guiding performance at the company level to meet HSE policy expectations. SHEEC review and accept safety policy provided by the HSE management leadership, evaluate their performance and work with a view to achieving greater improvement. The committee is chaired by the CEO and comprises all CEO Deputies and the HSE Manager.

Code of Conduct

Our main policy in KNPC is based on respect toward the community we operate in. This respect is reflected on how to comply with the domestic laws and international conventions. To abide by a set of ethics and a code of conduct giving superiority to human rights and values, diversity of people and thoughts.

To realize its vision; the company has introduced "Code of Conduct" policy which includes a set of clear cut rules that govern and regulate behaviour in its various circles. Code of Conduct is based on basic concepts such as respect to human rights, complete abidance by health, safety, and environmental rules, commitment to society, strict compliance with the ethical business behaviour including no discrimination in benefits, treatment and development opportunities etc. There is a mechanism established to receive complaints and concerns of the employees, which are normally further investigated and necessary decision is taken. Certain important aspects of the code of conduct are regularly communicated to all sites just to remind the employee of its vitality and validity. This was also intended to inform the newly recruited employees about the system. Failure to comply with them subjects violators to specified actions.




البترول الوطنية
KNPC

Corporate Policies

G4-HR4 G4-HR5 G4-SO7 G4-SO5 G4-SO8 G4-PR8

In pursuing our corporate objectives, we are committed to the highest standard of governance to cultivate a value-based performance culture that rewards exemplary ethical standards, respects the environment and promotes personal integrity.

Ethics Policy

By which the company acts morally and with integrity and our members and neighbors are not subjected to any kind of discrimination.

Community Policy

Through engagement with community and establishment of relationship with civil society being as good neighbor and a good corporate citizen.

Human Rights Policy

Proving that we comply with UN declaration of Human Rights and all other related conventions.

Occupational Health Policy

As an organization that owns and operates three Refineries, an LPG plant, and oil ports etc,. We are committed to continuously improving safety, reducing injuries for all our employees including our contractors.

Ethical Business and Transparency

Human Rights

With regards to suppliers and contractors associated with our company, we ensure their rights to exercise freedom of association or collaborative bargaining as covered by the labor law of Kuwait. It is critical to note that 100% of contracts signed with suppliers and contractors undergo human rights screening as well as adhering to Kuwait labor law. KNPC does not have collective bargaining agreements. However, agreements maybe signed between KNPC and the concerned association for certain issues on cause by cause basis.

In the instance of child labor, KNPC does not permit any child labor at any of its operation sites. We also include clauses in our contracts that forbid any establishment that work with us to use child labor. The same law applies to forced labor, which is also forbidden in a clause included in all our contracts. In this respect we did not record any incidents of child or forced labor at KNPC

With regard to grievances related to human rights that are filed, we have seen that most complaints of the contractors manpower are also related to salary payments which we have addressed. Furthermore, we ensure that all contractors execution terms related to accommodations, compliance with health, safety and environment regulations are all subjected to KNPC reviews and audits. Our General Services Department have assigned a committee that conducts the audit on quarterly basis at the site of housing of all contractors laborers working with KNPC. At these audits, photos are taken and abidance by basic human rights laws are checked to ensure that all regulations are upheld.

Discrimination

KNPC does not tolerate any form of discrimination against its employees. The policies are clearly stated in the employee handbook, which is given to all new recruitment and is available on the company portal. When at any time any employee feel that they have been discriminated against, he/she can report to HR Department Industrial Relations Division that will investigate the case and act as per company procedures.

Working Fairly

The price of fuel as compared to the market value is subsidized by the government. KNPC currently does not have any formal written position on political lobbying; the company does not support political candidates. There is no formal written position in this regard except that all employees are prohibited from indulging in political campaigning activities during official working hours.

Anti- Corruption Cases

The code of conduct is given to each employee upon joining the company with each bi-law explained. All employees at KNPC including newly recruits are trained on the company's anti-corruption clause. In addition, KNPC has taken the initiative to have every employee sign a contract after reviewing the anti-corruption policy. This year there were 11 cases of anti-corruption that corporate legal department dealt with as per procedure.

Anti-Competitive Behaviour

KNPC does not have any anti-competitive behavior policy. On the contrary, we support healthy competition between enterprises. As such, most of our contracts are issued via fair bidding and auction.

Sponsorship policy

KPC has established a committee with a centralized policy concerning sponsorship & charity, this policy is implemented in all the subsidiaries.85% of KNPC's Sponsorship & Charity budget is allocated to the committee leaving 15% of the budget (KD 241,646.000) which can be used at our discretion. The committee meets twice a month, all applications from different subsidiaries are reviewed to decide a proper distribution of funds. A report will be produced and sent to all Corporate Communication Department offices in all K-Companies. KNPC share of all approved sponsorships during this reporting period has been with no incidents of none compliance with the company sponsorship policy. As a matter of fact this policy have consolidated our cooperation with the civil society organizations.

Communication Policy:

We, at KNPC, follow a strict policy as to the content of what we communicate with our stakeholders and the placements of said communications. This policy is set by KPC and in accordance with Kuwait laws. The policy clearly lays out instructions for communication for the company. The main aspect we follow is to ensure that all communication enhances the company's images and are in accordance with the practices with KPC. This policy was revised in 2011, there has been no set date for the next revision. During this fiscal year there has been no substantiated incidents or complaints with regard to our communication or advertising policy.

Customer Data Protection

At KNPC, Commercial Department vendors and contractors are able to register their company through our online system, those vendors and contractors may submit under either a Vendor Executive Committee & Contractors Executive Council (VEC/CEC) for further evaluation from our committee. The three that are available are general services, finance or technical. The criteria that the committee review in order to be accepted are financial stability and previous experience. All data that is submitted to KNPC is protected by several firewall servers to ensure total protection there has been no incident for customer data loss or a breach within the scope of this reporting period.

Pearl Performance Excellence And Reporting on Line

PEARL intends to achieve the twin objectives of automating data collection and reporting on both the Solomon and Balanced Scorecard.

Balanced Scorecard	
	• Corporate Planning Department is responsible for the corporate scorecard
	• BSC is prepared by most departments on excel sheets by collecting information manually against pre-defined KPIs.
	• No dashboard view and inability to drill down on KPIs in the current form.

Future after "PEARL"

Benefits of the automation

- Saving in effort (data collection, calculation and reviews) as the organisation moves from manual to automatic processes.
- Minimizing of chances of errors as human intervention will be limited.
- Standardized KPIs and calculation bringing in consistency.
- Ability to track and manage performance on a continual basis.

The Pearl Project can be clearly identified with the following bullet points:

- The Performance Excellence And Reporting on Line (PEARL) project is aimed at automating the Balanced Scorecard (BSC) and Solomon Reporting processes.
- The Corporate Planning Dept. (CPD) and the Information Technology Dept. (ITD) have been entrusted with the overall responsibility of the project.

It is envisaged to have the following benefits for KNPC:

- Saving effort and time by reducing chances of error (data collection, calculation and review) as the organization moves from manual to automatic calculation of KPIs
- Unification of data and standardization of KPIs across the organization
- KNPC-wide Performance Monitoring & Reporting - Initiatives are continually measured and evaluated against peer refineries with Solomon automation. This will enable KNPC senior staff and managers to take timely corrective actions, if required.
- Alignment of key performance measures with KNPC strategy at all levels of organization.

Unique Competitive Advantages:

- Enhanced analytical capabilities resulting in better reporting
- Improved decision-making and better solutions
- Improved processes

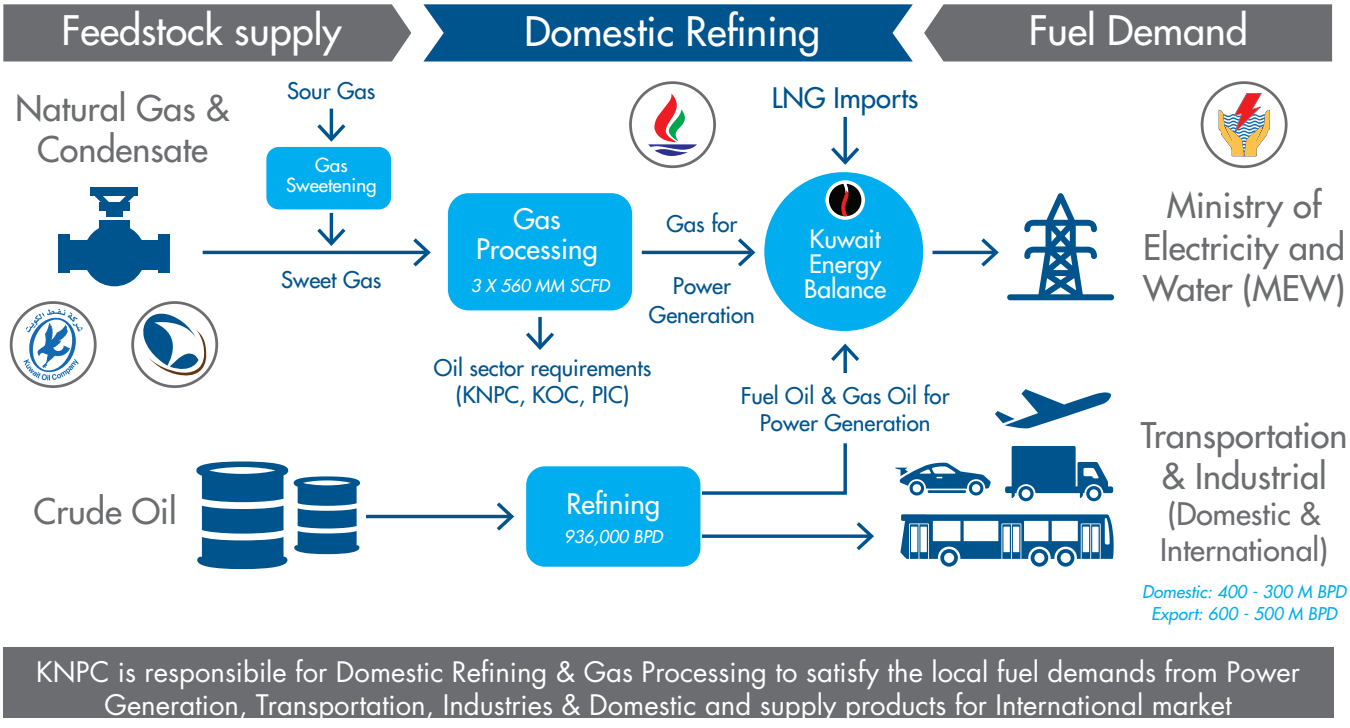

KOTC

Value Chain of KNPC Optimization Project

Objectives:

- Aimed at providing broad strategic directions on the preferred model/structure of VCO pertaining to interfaces between K-companies to improve KPC overall performance, without going in to the details of each subsidiary internal operations.
- Consultant will evaluate whole KPC operations to identify VCO opportunities & recommend optimal VCO model.
- Study will set general directions covering short-medium and long term horizons, in terms of value chain structure of KPC subsidiaries, demarcation of roles and responsibilities of involved parties and key success factors.
- Commercial incentive is one of the important element of the study that will be provided by appointed consultant as a part of different VCO models which are considered best practices.

Position of KNPC in Value Chain of Kuwait



KNPC is responsibile for Domestic Refining & Gas Processing to satisfy the local fuel demands from Power Generation, Transportation, Industries & Domestic and supply products for International market

Mega Projects:
Clean Fuels Project

Clean Fuels Projects

Clean Fuels project (CFP) is an ambitious scheme designed to upgrade and revamp Mina Abdullah and Mina Al Ahmadi refineries. And to utilize the facilities of Al Shuaiba refinery after it's closure such as tanks and export facilities. It will be adjusted to their combined refining capacity to 800,000 barrels per day in order to supply local demand as well as international markets with high quality products that meet advanced specifications and enhance their competiveness in the world market.

This mega project is one of the pillars of Kuwait development plan which includes major national projects in the next five years mainly those that will boost infrastructure and economic development of the country. Along with our other mega project Al Zour Refinery, they are intricate to the KPC 2030 strategy for the oil sector in Kuwait.

Contracts for the project implementation was signed on the 13th of April 2014. The Ceremony was held on March 3rd under the patronage of His Highness the Amir Sheikh Sabah Al Ahmed Al Jaber Al Sabah.

The revamp and expansion of the two refineries will convert low-value (high Sulphur) fuel oil into a higher-value products (low Sulphur) marketable in the international market. This project will generate high return on the invested capital. It will significantly improve environmental and safety conditions at the two refineries. This mega project includes the implementation of necessary upgrades to various units in two refineries MAA & MAB; replacement of some old units and adding new processing units in order to raise the manufacturing capacity of the refineries to 800,000 bp/d and to produce high quality petroleum products complying with the new standards and the most stringent environment terms of low sulfer content. Sulphur content percentage in Gasoline, as an example, will be cut down from 500 parts per million to 10 ppm. Gas oil quality will be significantly improved as its sulphur content will be converted to 10ppm. Naphtha as another major product will become a low sulphur content product, as its percentage will go down from 700ppm to 500ppm. This trend of quality enhancement will be common for all petroleum products.

Capital investment in CFP will be around 4680 million Kuwaiti Dinar (16 billion US dollars).

CFP Stakeholder Management

- CFP is implementing Stakeholder Management in line with KNPC Project Methodology Handbook and international standards.
- Each stakeholder interest is being assessed and an engagement plan is developed.
- Based on the stakeholder interest and influence actions are developed.
- The stakeholder matrix and dependence log are reviewed on monthly and quarterly basis.
- Depending on the stakeholder rating, weekly as well as monthly and quarterly review meetings and information sharing are held and scheduled.

Products	KPC 2020/Post CFP
Full Range Naphtha	
• Sulphur ppm (max)	500
• Olefins, vol% (max)	1.0
Gasoline (92,95 & 98 UL grades)	
• Sul. ppm (max)	10
• Benzene/ Aromatics/ Olefins, v% (max)	1/35/18
ATK / JP5 /DPK	
• Sulphur ppm (max)	1000/1000/10
• Aromatics, vol% (max)	25
• Smoke point, mm (min)	25
Gas Oil (Local/ Bunker, DESC, MEW)	
• Sulphur ppm (max)	10/10/500
Gas Oil (East 3)	
• Sulphur ppm (max)	10
Gas Oil (West, KPI)	
• Sulphur ppm (max)	10
• Cetane Number (min)	51
• Cloud point (S/W), °C (max)	4/-7
• Distillation, @ 95% deg C (max)	360
• Specific gravity	0.845
Bunker FO	
• Sulphur, wt% (max)	1.0

Sox NOx – Environmental presentation and projections

Summarized table of the current product specifications Vs after operation specifications.

Products	Current	After Operation
Full Range Naptha		
* Sulphur - ppm (max)	700	500
* Olefines - vol% (max)	1	1
Lead-free Gasoline (92,95 & 98 UL Grades)		
* Sulphur - ppm (max)	500	10
* Benzene - vol% (max)	4	1
*Aromatics - vol% (max)	-	35
* Olefins - vol% (max)	-/-/18	18
Jet Fuel (ATK/JP5/DPK)		
* Sulphur - ppm (max)	3000/2000	1000/1000/10
* Aromatics - vol% (max)	25	25
* Smoke point - mm (min)	19/25	25

Al Zour Refinery

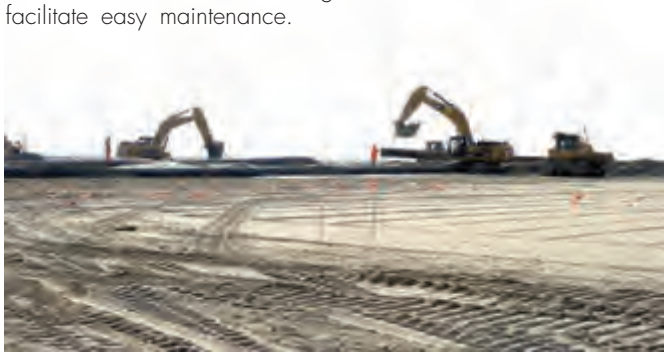
The company plans to build a new world class refinery, Al-Zour Refinery Project (ZOR), to supply both their domestic and world market demand for ultra-low sulfur petroleum products. ZOR refinery configuration is basically a hydro skimming refinery without the conventional conversion units viz., FCCU / HCR / Coker.

ZOR, is environmentally driven to provide low-sulfur fuel oil for power generation inside Kuwait. The refinery will have facilities required to upgrade up to 615,000 barrels per calendar day (BPCD) of crude oil to support Kuwait Ministry of Electricity & Water for its Low Sulfur Fuel Oil (LSFO) demand of 225,000 BPCD; as well as satisfy fuel oil requirements for use within the new refinery, and produce light products meeting long term product specifications.

ZOR will be located in Al Zour, approximately 90 kilometers south of Kuwait City, adjacent the Al Zour South Power Plant. A pipeline system will carry the crude from the Kuwait Oil Company (KOC) to the ZOR refinery.

ZOR will use a combination of conventional and proprietary licensed hydro processing technologies to convert the light and heavy crudes into LSFO and light products.

Also, the installation of two types of flares will be available at Al Zour Refinery. For the first time in KNPC Refineries, a multi-point Ground Flare system with staged flaring will be implemented in ZOR Refinery. The facility will employ multiple flares corresponding to the load on the Flare system. The Acid Gas Flare will be an elevated flare with Smokeless Flare Technology. The elevation is 165 meters to ensure adherence to KEPA regulations for emissions. The Acid Gas Flare will be designed with demountable derricks to facilitate easy maintenance.



ZOR facilities are divided into five packages for ease of EPC activity and facilities distribution in each package is:

Package 1: Main Process Units

- Crude Distillation Units
- Hydrotreaters (Atmospheric Residue Desulfurization, Diesel / Kerosene / Naphtha Hydrotreating)
- Heavy Oil Cooling
- Saturated Gas Unit

Package 2: Support Process Units & Utilities

- Hydrogen Production & Compression Units
- Hydrogen Recovery
- Sulfur Recovery Unit
- Amine Regeneration Unit
- Sour Water Stripping Unit
- Sulfur Granulation & Storage
- Hydrocarbon and Acid Gas Flares

Package 3: Utilities

- Steam Systems
- Air & Nitrogen Systems
- Cooling Water
- Water systems such as desalinated water, boiler feed water, condensate collection & polishing and potable water.
- Waste Water Treatment

Package 4: Off-sites / Tank Farm

Package 5: Oil-Piers / Export facilities

DESIGN OF AL-ZOUR REFINERY AND THE NEW TECHNOLOGY

- Flexibility in processing different types of Kuwait crude oil. The Refinery is designed to process 615,000 BPD Kuwait Export Crude oil (KEC) or 535,000 BPD of a mixture of Kuwait Heavy Crude oils with Kuwait Export Crude oil (KEC).
- Low Sulphur Fuel Oil (LSFO) with 1% Sulphur will be produced / supplied to MEW to reduce emissions from local power plants.
- The world's biggest unit complex for Atmospheric Residue Desulphurization Unit (ARDS) with the latest technology supplied by Licensor.
- It comprises a Diesel Hydrotreater (DHTU) Unit produces Ultra Low Sulphur quality Diesel (ULSD with 10 ppm sulphur) conforming to the future European standards.
- Zero Liquid Discharge (ZLD) system is employed in the waste water treatment unit to minimize water consumption.
- Flare Gas Recovery unit is considered to reduce emissions from the Refinery.
- The latest technologies of highly efficient Field Bus Foundation are used.
- Implementation of the Electric Network for Monitoring and Control (ENMC) to achieve better management, monitoring, analysis and reporting.
- Latest Technology Sulphur Recovery units are being designed to recover maximum Sulphur and to minimize emissions.
- Efficient Flare systems are being employed

LONG TERM STRATEGY FOR HEAVY CRUDES FOR QUALITY PRODUCTS

- KNPC works in tandem with the Long Term Strategy of the mother company, KPC. Under LTS-2030, KPC provided guidelines / production levels of various Kuwaiti Heavy crudes (viz., Eocene, Lower Fars and Kuwait Heavy crude).
- KNPC's endeavor is to process all the heavy crudes produced in the country up to 2025, in the Al-Zour Refinery without jeopardizing the quality of the products with the current design of ZOR facilities.
- Beyond 2025, when quantum of heavy crude production is expected to be higher, it is anticipated that all the produced heavy crudes can not be totally processed in ZOR.
- Hence, a ZOR revamp plan is in place, after commissioning the Refinery in 2019 and after attaining sufficient experience with heavy crudes' processing.
- Under the Revamp Study, capability of ZOR to process higher quantities of heavy crudes will be assesses through a GAP analysis. The GAPs will be identified and suitable 'debottlenecking' projects will be initiated to meet the processing requirements and to meet the quality of the products for sale in international markets beyond 2025.

Our Employees G4-10 G4-LA1 G4-LA12

KNPC's Human Resources Department continued its attempts to recruit the specialized talent among the local society. The company has recruited 239 engineers in this year, out of which 207 were Kuwaiti students from PAAET, diploma studies and secondary school.

Manpower

Total manpower at KNPC both admin and technical totals out to 6464 employees this year less by 180 employees than the previous year. Kuwaiti manpower in the company during this fiscal year was 5605 employees representing 86.7% of the total labour force. (These figures include Top Management, Senior Management, Middle Management and all other employees)

Top Management (CEO & DCEO's)

Age Group	Kuwaiti				Non-Kuwaiti				Total				Grand Total	%
	M	%	F	%	M	%	F	%	M	%	F	%		
Under 30	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
30 - 50	2	28.57%	0	0.00%	0	0.00%	0	0.00%	2	28.57%	0	0.00%	2	28.57%
Over 50	5	71.43%	0	0.00%	0	0.00%	0	0.00%	5	71.43%	0	0.00%	5	71.43%
Total	7	100.00%	0	0.00%	0	0.00%	0	0.00%	7	100.00%	0	0.00%	7	100.00%

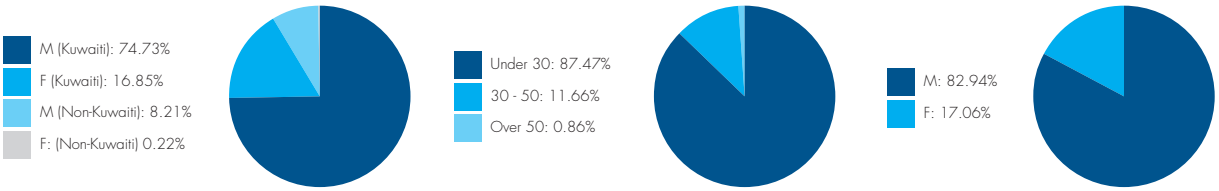
Senior Management (Managers)

Age Group	Kuwaiti				Non-Kuwaiti				Total				Grand Total	%
	M	%	F	%	M	%	F	%	M	%	F	%		
Under 30	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
30 - 50	16	53.33%	3	75.00%	0	0.00%	0	0.00%	16	53.33%	3	75.00%	19	55.88%
Over 50	14	46.67%	1	25.00%	0	0.00%	0	0.00%	14	46.67%	1	25.00%	15	44.12%
Total	30	88.24%	4	11.76%	0	0.00%	0	0.00%	30	88.24%	4	11.76%	34	100.00%

Employee Hires FY 14/15

Age Group	Kuwaiti				Non-Kuwaiti				Total				Grand Total	%
	M	%	F	%	M	%	F	%	M	%	F	%		
Under 30	327	94.51%	77	98.72%	1	2.63%	0	0.00%	328	85.42%	77	97.47%	405	87.47%
30 - 50	18	5.20%	1	1.28%	34	89.47%	1	100.00%	52	13.54%	2	2.53%	54	11.66%
Over 50	1	0.29%	0	0.00%	3	7.89%	0	0.00%	4	1.04%	0	0.00%	4	0.86%
Total	346	74.73%	78	16.85%	38	8.21%	1	0.22%	384	82.94%	79	17.06%	463	100.00%

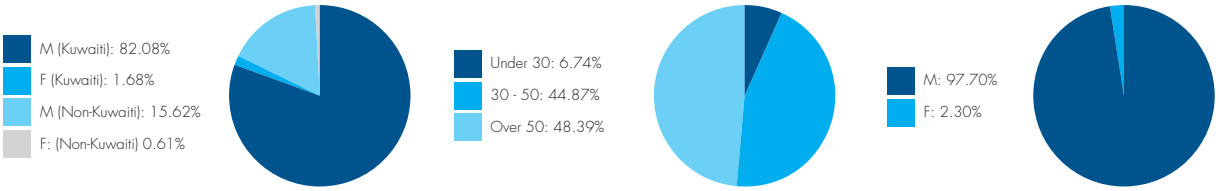
*The total hires during FY 14/15 is 463 represents 7.16% of total KNPC staff.



Employee Turnover FY 14/15 (against KNPC total staff)

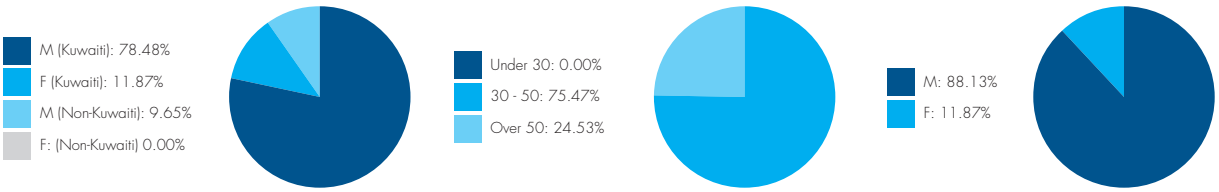
Age Group	Kuwaiti				Non-Kuwaiti				Total				Grand Total	%
	M	%	F	%	M	%	F	%	M	%	F	%		
Under 30	45	7.65%	3	27.27%	0	0.00%	0	0.00%	41	6.43%	3	20.00%	44	6.74%
30 - 50	289	52.61%	8	72.73%	3	2.94%	0	0.00%	285	44.67%	8	53.33%	293	44.87%
Over 50	202	39.74%	0	0.00%	99	97.06%	4	100.00%	312	48.90%	4	26.67%	316	48.39%
Total	536	82.08%	11	1.68%	102	15.62%	4	0.61%	638	97.70%	15	2.30%	653	100.00%

* All numbers are divided by total KNPC staff as of 31/03/2015.



Middle Management (Team Leaders, Coordinators, Seniors)

Age Group	Category	Kuwaiti				Non-Kuwaiti				Total				Grand Total	%
		M	%	F	%	M	%	F	%	M	%	F	%		
Under 30	Team Leader / Coordinator	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
	Senior	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
30 - 50	Team Leader / Coordinator	111	22.38%	7	9.33%	0	0.00%	0	0.00%	111	19.93%	7	9.33%	118	18.67%
	Senior	293	59.07%	61	81.33%	5	8.20%	0	0.00%	298	53.50%	61	81.33%	359	56.80%
Over 50	Team Leader / Coordinator	54	10.89%	7	9.33%	1	1.64%	0	0.00%	55	9.87%	7	9.33%	62	9.81%
	Senior	38	7.66%	0	0.00%	55	90.16%	0	0.00%	93	16.70%	0	0.00%	93	14.72%
Total		496	78.48%	75	11.87	61	9.65%	0	0.00%	557	88.13%	75	11.87%	632	100.00%



The other employees in the company that are not represented in a table equal out to 5,791

Training & Career Development

G4-LA6

Fast track program 13/14

How many participants?

30 Participant

What is the criteria?

All Managers have been requested to nominate Grade-16 & above employees for the Fast Track Development Program. All nominees received have been evaluated based on the following criteria, which accounted for 60% of the total score:

- Feedback from direct Team Leader & Manager
- Participation in committees/projects
- Performance rating
- Discipline (number of sick days/warnings)
- Professional certification & Post Grad. Degrees

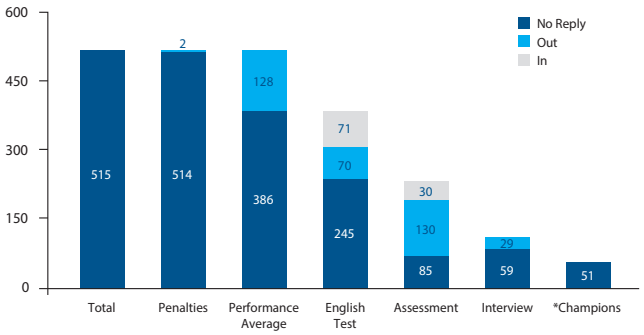
Each DCEO provided his rating for his nominees, which accounted for 40% of the overall score. Based on the final score (out of 100) the top scoring candidates have been selected for each DCEO.

How is the assessment completed?

T&CD department has approved Success Story International (SSI) to handle the remaining of the Fast Track Journey, The journey were as the following:

- Two Online Assessment
- Three Webinars (Web based Seminars)
- Two Days In-House Workshop
- Three Online one-on-one coaching with international coaches
- Customized External Course in Singapore
- Half-Day Workshop
- Three Online one-on-one coaching with international coaches

Talent Mangement Filters



* The above criteria is to select who is eligible for the talent Management Program.

Fast track program 14/15

Talent Management Unit was granted the approval from LC on 19/5/2014.

Vision: Develop talented people for the right roles

Objectives:

- Facilitate a transparent and equitable TM process.
- Identify and lead succession planning.
- Involve management in talent management process.
- Achieve organizational excellence.
- Technical and potential Assessment: Technical and potential assessment forms were distributed to the direct boss of candidates where we assess the technical capabilities as well as the potential ones. Once the assessment is done, the forms are sent back to the TM division for final scoring.
- DISC Analysis

  - The DISC model provides a common language that people can use to better understand themselves and to adapt their behaviors with others. This will provide a different understanding of candidates' personality and will provide the Talent Management team with the information needed to produce a training platform that fits each candidates.

  - Disc Analysis results were analyzed into 39 needs.

Talent Mangement Selection Criteria

Recruitment of Kuwaiti Contractors

Contract Manpower Kuwaitization Division was founded to ensure opportunities and a better future for Kuwaiti nationals, the division is responsible for the recruitment process which is advertising the available vacancies through the newspapers and social media, screening the applications, organize and monitor examinations, organize the interviews and ensure the signing of the contract for each candidate.

Leadership Development Program

Among the many tasks of Training Projects, we have the Leadership Development Programs. These are customized and specialized to cater to the specific needs of a certain group of employees in the Leadership role. Customized programs are both internal and external and can cater to DCEOs, Managers, Team Leaders, and occasionally Seniors. Each program aims to achieve a certain set of goals and to fill specified gaps.

Field Operators Recruitment

Based on agreement of understanding between the College of Technological Studies and the Kuwait National Petroleum Company occurred in 2004. This agreement is to support Kuwaitis students with a major of (Chemical Engineering-field operator).

OCD program

Organizational Capability & Development (OCD) initiative is derived from the HR 2030 strategy. The initiative objective is to provide oil sector employees with the knowledge and skills needed to successfully perform and further develop in their jobs.

SOJT - Structured on the Job Training

S-OJT is the planned process of having experienced employees train new hired employees in the actual work setting. This creates a unified and consistent training program in which every new hired employee can receive the training needed regardless of which experienced employee or refinery they are assigned to. To be effective, the S-OJT relies upon a systematic approach, which includes the use of DACUM (Developing A Curriculum) Chart, an internationally recognized process that brings together expert employees to identify the specific duties, tasks and other information related to a job. The integration of key processes such as DACUM ensures the relevance of the S-OJT programs. Through the S-OJT program each new hired employee will learn faster, better and more consistently.

PDP - Personal Development Plan

The PDP is a formal document that prepared together by the employee and the line supervisor, after accessing the employee's competencies required at his level, for the next two years. The PDP process is part of the OCD/HR 2030 strategy and is very essential to provide the employees with the needed knowledge and skills to successfully preform in their jobs. The PDP system was applied to all the employees from Senior Level and below.

ROI

Training & Career Development Department started implementation of the ROI Project to improve the return on investment of the training and measure the training efficiency.

Access the system from KNPC Employee Self-Service in Oracle or by clicking on the email, received once you attend any training program.

What is ROI ?

Return on Investment indicates the percentage return you have made over a specified period as a result of investing in a training program.

The Goals of ROI

- To Measure alignment of training with organizational goals.
- Measure the impact of individual training programs.
- Prioritize training programs according to impact or value for money.
- Measure existing programs and plan new ones.
- Visualize how training will affect the organization.
- Compare and contrast performance of training suppliers.
- Focus training investment where it will have the maximum value and impact.
- Demonstrate the risks of cuts to training budgets.

Succession planning

The culture of KNPC promotes the potential in each employee to shine. We provide the tools and training to produce employees that aspire to be leaders of the company. Thinking ahead is a cardinal rule of business and at KNPC it is no different. In addition, to monitoring the daily operation of our business and eliminate risk. Thinking ahead and planning for the future of the company is on the forefront of priorities and strategic direction the company is taking. The need to develop current talent for key management positions to ensure the supply of leaders within the company is essential.

In order to develop as a company the future leaders of KNPC are moving forward with the implementation of the succession planning study. The study will be able to identify those employees who have the right skills to meet the challenges the organization faces Through these efforts KNPC has been able to provide 268644 hours of training for all employees.

Risk for recruitment of competent employees for the CFP and Al Zour projects

Risk Description: - Lack of skilled manpower due to non-availability of training requirements and lack of experienced manpower will result in inability to support ZOR / CFP requirements as well hinder day to day activities.

T&CD Dept. have taken various initiatives to treat this risk.

These initiatives are:

A. Graduate Attachment Program - CFP/ Al-ZOR

B. Attachment Programs for Departments

C. Knowledge Sharing for Managers

D. S-OJT Phase II – to include 30 additional Jobs in the program to train the new hired employees

E. Customized Group LDP External / In-House Training Program

F. Technical Programs with SK, Korea

G. Certified Coaching & Mentoring Programs for Managers & Team Leaders

H. PAAET - Training agreement with the students and recruitment plan for the graduates

I. Six Sigma Training Program

J. Temporary Training Centers established at MAA / MAB refineries.

K. OTS and 3D OTS system implementation

L. Train the Trainer Program

M. Training program for other disciplines

N. Operations Refresher trainings

O. Refresher course for operations department are conducted by instructors (Ex-KNPC) for different operations units

Average hours per FTE (male and female) G4-LA9

Average training hours per female = 37741.2/625 = 60.38

Total number of training hours provided to female employees

_____

Total number of female employees

Average training hours per male = 230903.22/5839 = 39.54

Total number of training hours provided to male employees

_____

Total Number of male employees

Category	Total Hours	Average Training Hours
Top Management	714	102
Managers	3285	96.6
Team leaders	13694	21.66
All Other Employees	250951	43.3
Total	268,644	41.56

Environmental Performance

Environmental protection and enhancements in policies that assist with environmental performance is at the forefront of strategic decisions by our management. The company exerts sincere efforts and invests resources to combat our carbon footprint in Kuwait and in the international world market. The company launched a wide range of initiatives intended to improve environmental conditions. We continuously aim to fulfill the Kuwait EPA requirements. For this purpose, the company is implementing a number of environmental projects:

New Acid Gas Removal Unit and Revamp of Existing AGRP-MAA

Refinery for Acid Gas removal and revamp of the existing units to treat all acid gases expected to be produced at the KOC fields. The capacity will be 146 million cubic feet per day in addition to 39,000 barrels a day of condensates. While increasing the existing units output to the level of the new unit. The project will fulfill one of the vital elements of KPC strategy which aims to cut gas emissions to less than 1%. This project is expected to be completed in September 2017 at the estimated cost of KD 250 million.

Tail Gas Treatment Unit-TGTU-MAA

This project is designed to install a new treatment unit of tail gas produced at the sulfur recovery units in the upgraded project "FUP" area in Mina Al Ahmadi refinery with a capacity equivalent to 460 tons of sulfur per day. Other equipment for (HSR-90) removal will be also installed within the unit that targets in the first place treading tail gas and cutting down volume of the pollution produced into the atmosphere causing substantial harm to the environment when flared and not treated.

The project will meet the standards set by K-EPA regarding H2S emissions from incinerators so that they do not exceed the 250 pmm limit. The project is expected to become operational in January 2016.

Reuse of Treated Effluent by KOC (Kuwait Oil Company)

The company signed an agreement with KOC for reuse of treated waste water. The agreement was for the utilization of treated waste effluent at the three refiniries, from its various operations. Based on the agreement KNPC will supply KOC with 3 million gallons a day of treated water that will serve different purposes. In this case will reduce quantities of its water supply from the Ministry of Electricity and Water – MEW.

Flare Gas Recovery Unit (FGRU):

During refining operations, Carbon dioxide and other Green House Gases (GHG) produced. Since GHG emissions are the main cause of climate change, KNPC has initiated two FGRU projects at its MAA & MAB Refineries. Flare Gas Recovery Unit at MAA which is commissioned in November 2013, minimizes flaring through the Refinery Modernization Project (RMP) units and Future Up- gradation Project (FUP) units flare system. Subsequent to Kuwait's first Clean Development Mechanism (CDM) project - FGRU at Mina Ahmadi Refinery, we also registered the second CDM project under UNFCCC which is expected to be commissioned in October – 2016.

Flare Gas Recovery Unit (FGRU) at Mina Ahmadi Refinery is commissioned and started flare gas recovery since March, 2014. Total 45,433 (14.68%) & 97767 (85.48%) tonnes of CO2 equivalent flare gasrecovered at Mina Ahmadi Refinery & Shuaiba Refineryrespectively, during this reporting year.

Acid Gas Removal Plant (AGRP) at Mina Ahmadi:

The new AGRP project is vital to process all available sour gas from KOC at KNPC as part of KPC's strategy to reduce the flaring of gas and condensate to < 1% whereas Revamp of existing AGRP is to meet SO2 emission norms from existing AGRP by troubleshooting operational problems in existing AGRP train. Both projects are progressive and expected to be completed in July-2018.

Major Achievements from the Environment Division (2014-15):

- Flare Gas Recovery Unit (FGRU) Project of MAB Refinery was registered as 2nd project under Clean Development Mechanism(CDM) of United Nations Frame work Conventions on Climate Change (UNFCCC).
- KNPC supported KEPA for beach cleanup activities for the spills occurred from non KNPC sources on social aspects.
- Halon Banking Facilities commissioned as a part of Halon Phase-out project, for Storage of cylinders containing purified Halon.
- Recycling water is required to optimize resource conservation, mainly when Kuwait relies on desalinated water as a primary source of water for all purposes. In line with this, an agreement was signed between KNPC and KOC to reuse treated effluent from KNPC Effluent treatment facilities in production and other facilities of KOC. Once this project commissioned, KNPC will supply approx. 3 million gallons/day of treated water to KOC which will help to reduce importing equivalent quantity of water from MEW by KOC.
- Electronic Waste Manifest system has been developed at an in-house level and implemented across all KNPC sites which improved waste management practices.

WATER

Total Water Discharge by Quality and Destination.

Identify planned and unplanned water discharges (excluding collected rainwater and domestic sewage) by destination and indicate how it is treated.

(A) Planned Discharges:

Sea Water:

Sea Water is mainly used for cooling purpose at all three KNPC Refineries (MAA, MAB & SHU) and same quantity is being returned to Sea after cooling.

Process Effluent:

- All process effluent from SHU and LM is being treated at RETF-MAB along with MAB Refinery effluent during the reporting period. Treated effluent from RETF-MAB is being discharged to Sea after mixing with sea cooling water return. Effluent from LM depots after primary treatment are being transferred through dedicated vacuum tanker to RETF-MAB for further treatment.
- Process Effluent Treatment method at RETF-MAA & MAB : Dedicated RETF-MAA is provided for treatment of process effluent from MAA Refinery & Gas Plant whereas Effluent streams from various units of MAB Refinery along with Combined effluent from SHU Refinery and LM Depot are treated at RETF-MAB Refinery to meet the KEPA (Kuwait Environment protection Authority) norms for discharge of the Treated effluent to Sea. Treatment Unit at RETF-MAA & MAB comprises Primary, Secondary and Tertiary treatment units. Oil removal takes place at CPI & DAF. Subsequently it is treated at Secondary/Biological treatment process unit (Activated Sludge Process). Final polishing of the treated effluent from secondary treatment is being done at Tertiary Treatment Unit.

(B) Unplanned Discharges:

Sea Water: Not applicable

Process Effluent:

During normal operation, combined effluent stream of Shuaiba refinery is sent to REF-MAB. Part of combined effluent i.e. IAF outlet effluent can be discharged to sea pit due to high excursions in combined effluent discharge limit. During such unplanned effluent discharge events, process effluent gets mixed with sea cooling water return. Sea cooling water return stream is being monitored during such events and results were within KEPA limit. Such unplanned effluent discharge events are reported as Recordable Environmental Incidents. There was no unplanned effluent discharge during this reporting period.

2.2 Total volume of planned and unplanned water discharges in cubic meters per year:

(A) Planned Water Discharges to Sea (m^3/year):

Site	Sea Water Returned to Sea[1]	Process Water
MAA	1091755173[2]	2474677
MAB	136305600	3662099[3]
SHU[3]	35684003	-
LM[3]	-	-
Total	1263744776	6136776

(B) Unplanned Water Discharges to Sea (m^3/year):

No unplanned effluent discharge event reported.

Site	Sea Water Returned to Sea	Process Water
MAA	-	-
MAB	-	-
SHU	-	-
LM	-	-
Total	-	-

2.3 Quality of Effluent Discharged (Tons/Year):

(A) Planned Water Discharges to Sea:

Site	Sea Cooling Water[1]			Process Water		
	Quality (Tonnes/Yr.)			Quantity (Tonnes/Yr.)		
	Hydrocarbon	TSS	BOD	Hydrocarbon	TSS	BOD
MAA	0	0	0	4	19	18
MAB	0	0	0	5[3]	34[3]	36[3]
SHU[3]	0	0	0	-	-	-
LM[3]	-	-	-	-	-	-
Total	0	0	0	9	53	64

(C) Unplanned Water Discharges to Sea:

No unplanned effluent discharge event reported.

Site	Sea Cooling Water			Process Water		
	(.Quality (Tonnes/Yr			(.Quantity (Tonnes/Yr		
	Hydrocarbon	TSS	BOD	Hydrocarbon	TSS	BOD
MAA	-	-	-	-	-	-
MAB	-	-	-	-	-	-
SHU	-	-	-	-	-	-
LM	-	-	-	-	-	-
Total	-	-	-	-	-	-

[1] Sea Water is mainly used for cooling purpose only and same quantity is being returned to Sea after cooling. As sea cooling water is once through system and no flow meters provided for sea cooling water return, it is assumed that almost same quantity is returned to sea.

[2] Including Desalination Plant effluent quantity of 18553173 cubic meter in addition to sea cooling water return.

[3] All process effluent from SHU and LM are being treated at RETF MAB along with MAB Refinery effluent. Treated effluent from RETF is being discharged to Sea after mixing with sea cooling water return.

Greenhouse Gas (GHG) Emissions GRI-EN3 GRI-EN15 GRI-EN16

KPC greenhouse gas accounting and reporting guidelines were used to calculate GHG emissions. The guidelines are based on relevant international and industry specific standards and protocols. The following table breaks down the direct emissions of greenhouse gases:

Sources of GHG Emissions	GHG emissions (tonnes CO2-eq)					
	MAA	MAB	SHU	LM	HO+Wataniya Club	Total
Scope 1 emissions (Direct emissions)	4401746	2491553	2591401	808	0	9485508
Total GHG emissions from fuel gas consumption	3254339	1839218	2013420	0	0	7106977
Total GHG emissions from gas flaring	262275	89912	16609	0	0	368796
Total GHG emissions from venting	876196	538628	558441	0	0	1973265
Total GHG emissions from liquid fuel consumption	3760	22474	2241	808	0	29283
Total GHG emissions from HFCs consumption	3559	270	133	0	0	3962
Total GHG emissions from fugitive gas emissions	1616	1051	557	0	0	3225
Total GHG emissions (Direct + Indirect)	11528369					

GHG Emissions (tonnes Cos–eq)

GHG emissions intensity ratio	KNPC Refineries		
	MAA	MAB	SHU
Tonnes CO2-eq / UEDC (KBPD)	1685	1126	1718

Electricity Consumption (Units in MWH)

SHU Refinery	MAB Refinery	MAA Refinery
464,219	678,215	1,204,292

Organization-specific metric (the ratio denominator) chosen to calculate the ratio

GHG intensity, which is the quantity of GHG emitted in tonnes per a defined unit of measurement. KNPC has selected as organization-specific metric (the ratio denominator) to calculate the intensity ratio is Utilized Equivalent Distillation Capacity (UEDC). UEDC has been developed by Solomon Associates and is used globally in the refining industry as a normalized measure of production. It is essentially a measure of the refinery's complexity weighted throughput.

Leak Detection and Repair Program (LDAR) at KNPC

Fugitive emissions are major source of odor in Refineries. KNPC implemented LDAR under Odor Management System. LDAR program is designed by using Optical Imaging in a manner referred to as "SMART LDAR" for the Hydrocarbon leaks.

Voluntary Greenhouse gas emissions – Methane reductions achieved during the reporting period as a result of the LDAR program at KNPC Refineries is given below.

KNPC Site	Total quantity of fugitive gas emission –(Methane) Reductions (tonnes CO_2-eq)
MAA	1647
MAB	1158
SHU	364
Total	3169

Flare Gas Recovery Unit at Shuaiba Refinery

Refineries are provided with relief gas network with discharge to flare stacks. The relief gas network gathers gases released from various equipment through control valves, safety valves and other manual connections. These gases are discharged to atmosphere after burning at the tip of the flares.

At KNPC Shuaiba Refinery, Flare Gas Recovery Unit (FGRU) is operational since January 2002. Approx. 85% of Flare gases were recovered at FGRU during the reporting period April-2013 to March-2014. Recovered flare gases were treated and supplied as fuel gas with in Shuaiba Refinery to minimize flaring and fuel gas consumption.

Voluntary Greenhouse gas emissions reductions achieved during the reporting period as a direct result of the initiative(s) in tonnes of CO_2 equivalent at Shuaiba Refinery is given below.

Month	Total Flare Gas to FGRU (Recovered) (tonnes CO2-eq)	Quantity Flared to Atmosphere (tonnes CO2-eq)	Total Refinery Flare Gas (tonnes CO2-eq)
Apr-14	11772	1519	13291
May-14	9791	1460	11251
Jun-14	5531	1041	6571
Jul-14	6629	1155	7785
Aug-14	13203	1551	14754
Sep-14	7287	1171	8458
Oct-14	10593	1832	12425
Nov-14	8831	1561	10392
Dec-14	8744	2393	11137
Jan-15	5329	1086	6416
Feb-15	4307	925	5231
Mar-15	5751	914	6665
Total	97767	16609	114376
Total flare Gas (tonnes CO2-eq)			114376
Quantity Recovered at FGRU (tonnes CO2-eq)			97767
% of Gas Recovered			85.48

Flare Gas Recovery Unit at Mina Al-Ahmadi Refinery

MAA-FGRU is the first Clean Development Mechanism (CDM) project registered from Kuwait under United Nations Frame Work Convention on Climate change (UNFCCC). The project symbolizes participation of Kuwait in global efforts to address climate change concerns. The purpose of the project activity is to recover the gases in order to minimize flaring from the RMP and FUP Flare systems. Recovered gas is being used as fuel for thermal energy generation. Further details of the MAA-FGRU project is available at UNFCCC website http://cdm.unfccc.int/Projects/DB/BVQI1356257485.65/view

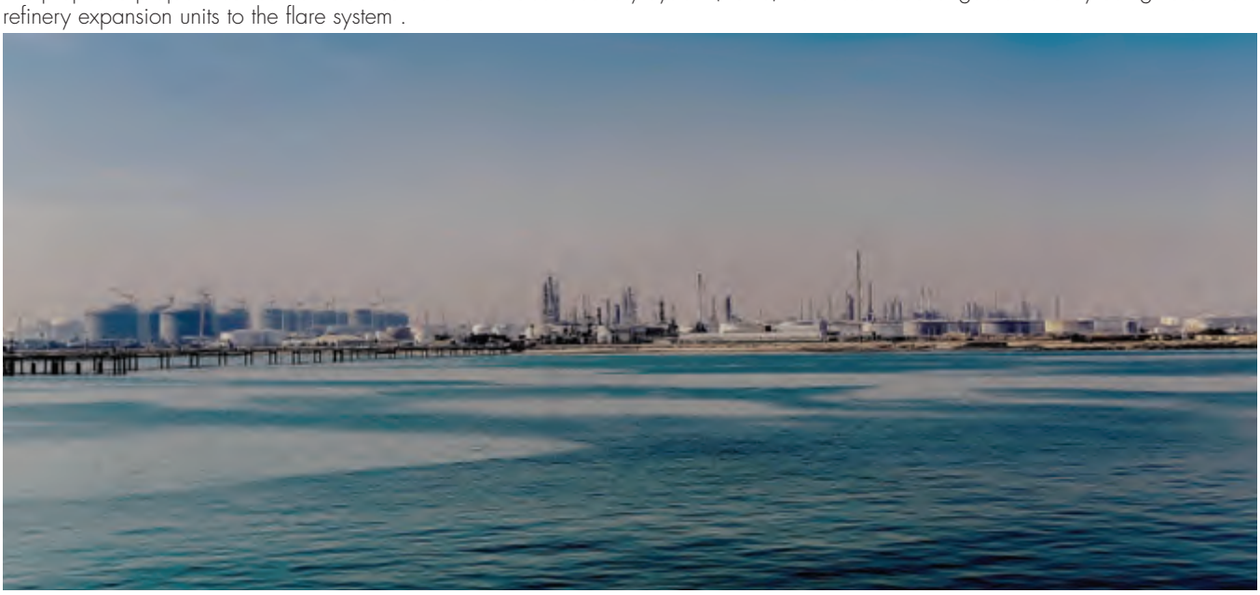
Greenhouse gas emissions reductions achieved from the RMP and FUP Flare systems during the reporting period as a direct result of the initiative(s) in tonnes of CO_2 equivalent at Mina Al-Ahmadi Refinery is given below.

Month	Total Flare Gas Recovered at FGRU (tonnes CO2-eq)	Quantity Flared to Atmosphere from MAA Refinery (tonnes CO2-eq)	Total Flare Gas from MAA Refinery (tonnes CO2-eq)
Apr-14	4729	12553	17282
May-14	5575	17571	23146
Jun-14	2816	18193	21009
Jul-14	5752	13937	19689
Aug-14	4095	14965	19060
Sep-14	4455	31560	36015
Oct-14	4116	22536	26652
Nov-14	1497	32179	33676
Dec-14	2175	27813	29988
Jan-15	1953	50653	52606
Feb-15	4165	12490	16655
Mar-15	3791	7823	11614
TOTAL	45120	262275	307395
Total flare Gas from RMP & FUP (tonnes CO2-eq)			307395
Quantity Recovered at FGRU (tonnes CO2-eq)			45120
% of Gas Recovered			14.68

Initiatives to reduce Green House Gas Emissions

During refining operations, Carbon dioxide and other Green House Gases (GHG) produced. Since GHG emissions are the main cause of climate change, KNPC is introducing Flare Gas recovery Unit (FGRU) at Mina Mina Abdullah Refinery (MAB).

MAB-FGRU is the second Clean Development Mechanism (CDM) project registered from Kuwait under United Nations Frame Work Convention on Climate change (UNFCCC). The project symbolizes participation of Kuwait in global efforts to address climate change concerns. The purpose of the MAB-FGRS project is to recover the gases that are currently flared at the expansion units of MAB Refinery. The proposed project involves the installation of a Flare Gas Recovery System (FGRS) that would recover gases currently being flared from refinery expansion units to the flare system .



Total number and volume of significant spills (2014-15)

Recordable significant spills and the volume of these spills

Site	Recordable Spills – Hydrocarbon		Recordable Spills – Chemicals	
	Number of Spills	Volume of Spills (Barrels)	Number of Spills	Volume of Spills (Barrels)
Mina Ahmadi Refinery (MAA)	7	280	3	1.340
Mina Abdullah Refinery (MAB)	7	35	5	1.095
Shuaiba Refinery (SHU)	1	03	0	0
Local Marketing (LM)	1	11.14	0	0
TOTAL	16	329.14	8	2.435

1.2 Total number and total volume of recorded significant spills

Hydrocarbon Spills: 16 Numbers having total volume of 330[1] barrels

Chemical Spills: 8 Numbers having total volume of 2.435 barrels

NOx, SOx, and other significant air emissions. GRI-EN21

Weight of significant air emissions:

Weight of significant air emissions in Tons:

- **SO_2 Emission:** 15138 Tons
- **NOx Emission:** 12900 Tons

Month	SO_2 (Tons)			NOx (Tons)		
	MAA	MAB	SHU	MAA	MAB	SHU
Apr-14	542	146	471	364	302	390
May-14	403	331	402	415	355	367
Jun-14	518	160	357	409	307	396
Jul-14	642	195	345	445	342	399
Aug-14	643	124	373	468	286	378
Sep-14	751	157	323	423	337	365
Oct-14	685	156	267	413	332	346
Nov-14	577	432	301	376	338	343
Dec-14	579	466	274	299	364	328
Jan-15	826	216	264	343	297	356
Feb-15	543	354	358	331	306	327
Mar-15	828	178	952	344	334	376
TOTAL	7537	2914	4686	4629	3900	4371
	15138			12900		

Methodology used for calculations

Air emissions at KNPC sites are being calculated through the IHS Essential Suite™ software. The IHS Essential Suite™ software is being used to derive air emissions from sources within KNPC sites. Calculation methodologies for SO_2 and NOx has been implemented in the IHS Essential Suite Air Module software.

Shuaiba Refinery

Source Unit Category	Methodology Used for calculations in EIMS	
	SO_2	NOx
Boilers & Process Heaters	• Fuel Gas H_2S Content : Direct Measurement by KNPC Lab (LIMS) • Fuel gas flow to heaters and boilers measured by flow meters : Direct measurement	• NOx Concentration measured in ppmv in Stack flue gas (Dry Basis): Direct measurement • Oxygen Measured in Stack flue gas as % (Dry Basis) : Direct measurement • Fuel gas flow to heaters and boilers measured by flow meters : Direct measurement • Fuel gas flow quantity to flue gas quantity conversion is calculated

Source Unit Category	Methodology Used for calculations in EIMS	
	SO_2	NOx
Compressor Engines	• Calculation based on default data	• Calculation based on default data
Flare	• Flare flow: Direct Measurement through meters • Composition: Default data	• Flare flow: Direct Measurement through meters • Default emission Factor to calculate NOx
Sulfur Recovery Unit	• Average Sulfur Recovery Percent: Direct measurement of SO_2 emissions from TGTU stack to calculate SRU efficiency • Amount of Sulfur Produced : Measured value from monthly Production Reports	Not Calculated

Mina Abdullah Refinery

Source Unit Category	Methodology Used for calculations in EIMS	
	SO_2	NOx
Boilers & Process Heaters	• Fuel Gas H_2S Content : Direct Measurement by KNPC Lab (LIMS) • Fuel gas flow to heaters and boilers measured by flow meters: Direct measurement	• NOx Conc measured in ppmv in Stack flue gas (Dry Basis): Direct measurement • Oxygen Measured in Stack flue gas as % (Dry Basis): Direct measurement • Fuel gas flow to heaters and boilers measured by flow meters: Direct measurement • Fuel gas flow quantity to flue gas quantity conversion is calculated
Flare	• Flare flow: Direct Measurement through meters • Composition: Default data	• Flare flow: Direct Measurement through meters • Default emission Factor to calculate NOx
Sulfur Recovery Unit	• Average Sulfur Recovery Percent: Direct measurement of SO_2 emissions from TGTU stack to calculate SRU efficiency • Amount of Sulfur Produced : Measured value from monthly Production Reports	Not Calculated

Mina Al Ahmadi Refinery

Source Unit Category	Methodology Used for calculations in EIMS	
	SO_2	NOx
Boilers & Process Heaters	• Fuel Gas H_2S Content : Direct Measurement by KNPC Lab (LIMS) • Fuel gas flow to heaters and boilers measured by flow meters : Direct measurement	• NOx Conc measured in ppmv in Stack flue gas (Dry Basis): Direct measurement • Oxygen Measured in Stack flue gas as % (Dry Basis): Direct measurement • Fuel gas flow to heaters and boilers measured by flow meters: Direct measurement • Fuel gas flow quantity to flue gas quantity conversion is calculated
Burnary	• Estimated.	• Estimated.
FCCU	• Quantity of SO2 emission: Calculated - Value from monthly Production Reports	Not Calculated
Compressor Engines	• Calculation based on default data	• Calculation based on default data
Flare	• Flare flow: Direct Measurement through meters • Composition: Default data	• Flare flow: Direct Measurement through meters • Default emission Factor to calculate NOx
Sulfur Recovery Unit	• Average Sulfur Recovery Percent: Direct measurement of SO_2 emissions from TGTU stack to calculate SRU efficiency • Amount of Sulfur Produced : Measured value from monthly Production Reports	Not Calculated

Vapour Recovery System

In our day to day life we need fuel oil for various purposes e.g. cooking, transportation, lighting and in industrial use. The fuel products i.e. hydrocarbon used for these various applications are produced by KNPC from natural resources and delivered to Customers. KNPC's Local Marketing Department is responsible for transportation & distribution of the fuel up to end user in the State of Kuwait. Due to natural quality of the hydrocarbon, when it comes in contact with the atmosphere evaporates and emits vapours. It is also explosive and at room temperature causes fire when there is smallest source of ignition. The HC vapours have a strong odor and are unsafe to human, animal life and vegetation. When inhaled can easily reach the blood stream. Continuous intake can cause serious illnesses and heavy intake is fatal.

Concentrated Vapours cause vapor cloud and if any spark exists, it can cause a serious explosion.

In order to eliminate HC vapours sneaking into atmosphere while loading / unloading or transfer operation and also in line with KNPC's HSE Policy to safeguard health of employees & minimize environmental emissions / discharges for prevention of pollution and coping with increased awareness for reducing environmental pollution, KNPC-LM decided and implement the Project for Vapour Recovery Unit at Sabhan & Ahmadi terminals for gasoline products. The units were commissioned in July 2008.

VRU at Depots collects gasoline vapors from road tankers, which are displaced while loading at depot gantry and recovers them as useful product using VRU instead of venting to atmosphere. In VRU unit most modern technology of Carbon bed adsorption & absorption are used which recovers vapors on round the clock basis.

Depot	1st Q (2014-15)	2nd Q (2014-15)	3rd Q (2014-15)	4th Q (2014-15)	YTD (2014-15)	From Start-up
Sabhan	616,998	560,267	564,721	474,173	2,216,158	13,411,890
Ahmadi	439,125	348,834	286,661	304,331	1,378,952	10,032,642
LM Total	1,056,123	909,101	851,382	778,504	3,595,110	23,444,532

Note: 1. All quantities in Liters

2. VRU start-up at Ahmadi & Sabhan were carried out on 16.07.2008 and 15.07.2008 respectively.

Sustainability requirement	Comment
Vapor Recovery System	

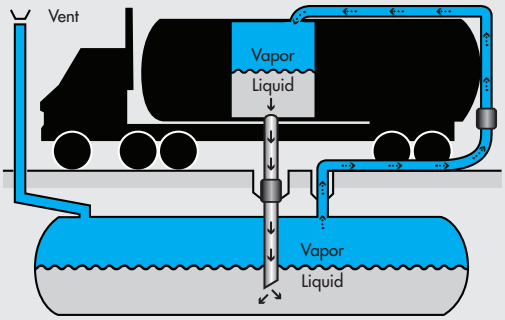


Fig. 1 - Stage–Ib)

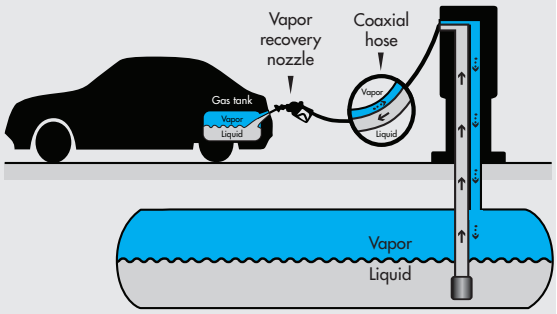


Fig. 2 - Stage II

Fig. 3

Special features of Phase II Vapour Recovery nozzle:

- *Holes to suck petrol vapour back to underground storage tank*
- *Vapour guard to prevent vapour release*

Regulatory insisted that all Petrol filling stations need to require to install a system to recover fuel vapour emitted during unloading of petrol into the underground storage tank (Fig. 1 Stage - Ib). As such, in Yr. 2012 all the PFS of Al-Oula & Al-Soor were complied.

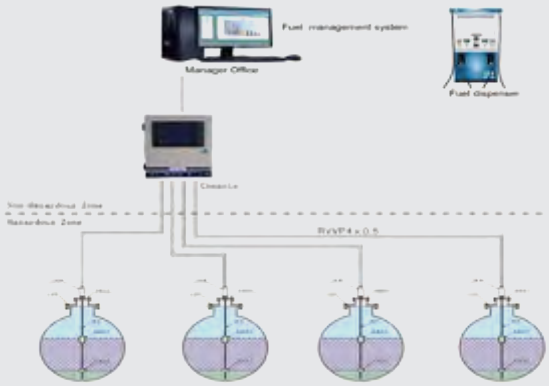
Subsequently, Regulatory is enforcing to equip the PFS with VRS Stage-II, which is a system to recover petrol vapour emitted during refueling vehicle through a special nozzle into the underground storage tank (Fig. 2 Stage – II & Fig. 3)

As such, VRS-II is implemented at 11 Al-Oula PFS and at 15 Al-Soor PFS.

Further, any new / renovated PFS shall include the VRS system for both companies and the same to be implemented.

Sustainability requirement	Comment
Integration of ATG (Automatic Tank Gaging) with Depots Automation System	

Automatic Tank Gauging Systems uses automated processes to monitor product level and inventory control at Petrol Filling Stations.



An automatic tank gauging (ATG) system consists of a probe permanently installed in a tank and wired to a monitor to provide information on product level and temperature. ATG systems automatically calculate the changes in product volume that can indicate a leaking tank.

In order to keep products availability at PFS, ATG System is integrated with KNPC Depots Terminal Automation System (TAS) with filling stations by measuring the fuel level at the USTs of the PFS. This system benefits can be described shortly by the following:

- Insure all the PFS are in operation with all the required products at all the time.
- Higher productivity rate through automation of the business cycle.
- Useful with higher market demand.
- Eliminate human error in ordering and reporting system.

The same was implemented at all PFS for Al-Oula in Dec'11, while in July'12 at Al-Soor fuel stations. Further, all new station to be constructed are equipped with the same.

WEIGHT OF TRANSPORTED, IMPORTED, EXPORTED OR TREATED WASTE DEEMED HAZARDOUS UNDER THE TERMS OF THE BESAL CONVENSION ANNEX i, iI, III AND VIII AND PERCENTAGE OF WASTE SHIPPED INTERNATIONALLY.

Total weight of hazardous Waste Transported by destination:

(A) Weight of hazardous waste transported to the organization by destination from external sources/suppliers not owned by the organization:

(B) Weight of hazardous waste transported from the organization by destination to external sources/suppliers not owned by the organization:

Site	Hazardous Waste Disposed (in MT)		
	Industrial Waste to SWRTS, Kuwait	Medical Waste to SWRTS, Kuwait	Spent Catalyst Disposed to - Taiwan
Mina Ahmadi Refinery (MAA)	13336	3	608
Mina Abdullah Refinery (MAB)	7766		1705
Shuaiba Refinery (SHU)	2121		1140
Local Marketing (LM)	33		0
Total	23257	3	3453

(C) Weight of hazardous waste transported nationally and internationally by destination between locations owned, leased or managed by the organization:

1.1 The proportion of the total amount of transported hazardous waste by destination that is transported from the reporting organization to locations abroad.

Spent catalyst is exempted from Article 6 requirements of Basel convention as specific type spent catalyst listed in Annexure – IX, List B of the convention. However, total weight of exported spent catalyst during 2014-15 is 3453 Tons. KNPC is having spent catalyst handling and disposal contract for KNPC Refineries with M/s, Plum Monix Industries (Destination: Taiwan).

Methodology used to estimate weight of Waste exported to Taiwan:

Total number of spent catalyst drums sent (actual value) considering each drum as 250 kilograms.

1.2 The portion of the total amount of transported and exported waste by destination that the organization has treated.

In order to reduce solid waste generation, Sludge Handling & Treatment Facility (SHTF) at MAB Refinery is being operated which processes oily sludge and recovers valuable oil from the sludge. Recovered oil & water is sent back to Refinery units for reprocessing & treatment. The left over solid residue from SHTF is approximately 10% of total volume of sludge processed. Thereby solid waste generation is reduced by 90% from SHTF. The volume quantities are converted to weight considering default density of 1.4 MT/m^3.

During the period Apr'14 to Mar'15:

- **Total oily sludge processed:** 11493 MT
- **Oily water recovered:** 11091 MT (96.5%)
- **Left over sludge disposed to SWRTS:** 399 MT (3.5%)


TK-22-452
TK-22-950

Economic Performance G4-EC1 G4-17

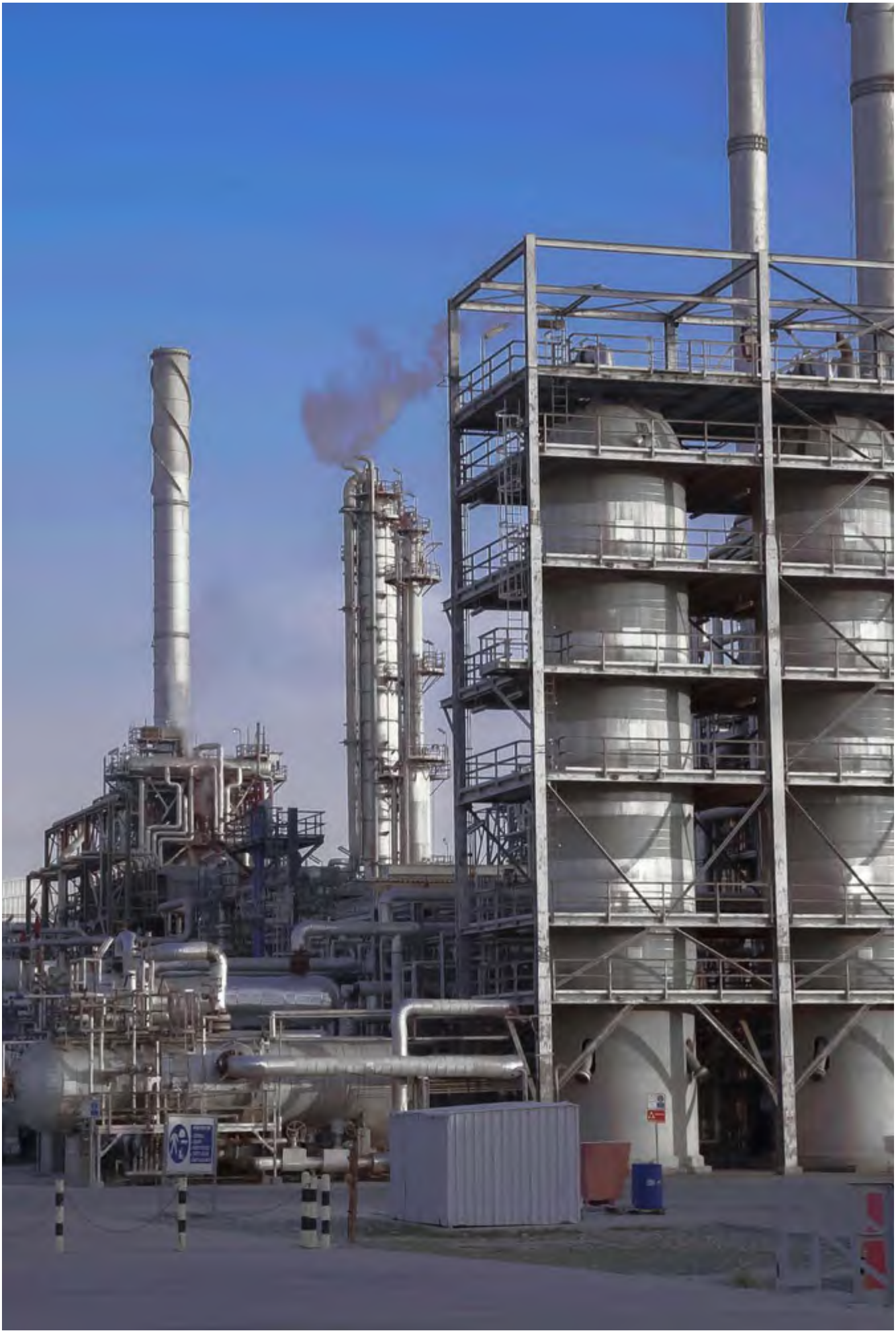
It is known that the national economy of the State of Kuwait relies on revenues from oil production, both in the upstream, middle and downstream sectors. Oil sales account for around 94% of the national exports.

The refining industry adds value to the national hydrocarbons, KNPC is responsible for this first and is fit with the responsibility of fulfilling it. With the recent drop in oil sales the company and the sector have implemented several cost saving measures.

The following is the company's economic performance in the fiscal year 2014/2015.

Description	Amount (KD)
Total revenue (KD)	*10,965,756,725*
Operating Cost (KD)	*684,554,398*
Employee Wages and benefits (KD)	*447,831,000*
Training cost	*16,261,351*
Total payments to government (KD)	*0*
Sponsorship and donations	*241,646*
CAPEX	*493.4 Million*
ROACE Percentage	*0.174%*
Contribution to Economy (Million KD)	11,005

* We have removed the community investment (KARO) from this reporting period. This is a change compared to our previous reports.



Our Safety G4-LA6

At KNPC we strive to enhance our safety procedures and protocols and place the need for effective safety measures at the top of our priorities. The following table is our safety performance for 2014/2015.

	KNPC	CONTRACTOR	TOTAL (KNPC & CONT)
Loss Time Incident FR	0.149	0.032	0.048
Total Accident FR	1.096	0.127	0.260
HSE Training intensity	17.37 Hours	6.06 hours	— *
Fatality numbers	NIL	6	6
Fatality FR	0	0.018	0.015
Total number of injuries	59	37	96

* Training Intensity yearly target for KNPC employees is 10 hours. Whereas for contract employees training intensity yearly target is 3 hours. Hence total intensity cannot be provided as it will be misleading.

Details of major achievements & Awards

- On May 9, 2014 , Flare Gas Recovery Facilities Project in Unit 49 of MAB Refinery - KNPC was registered as a project under Clean Development Mechanism (CDM) of United Nations Frame Work Convention on Climate change (UNFCCC). 2nd project to be registered from Kuwait.
- KNPC along with KPC signed a Memorandum of Understanding with KEPA for exchange of information with Environmental Monitoring Information System for Kuwait.
- An Integrated Oil Spill Response Services for KNPC Refineries & Local Marketing Facilities contract was established and the contractor started operation. As part of its community responsibility, KNPC used the services also to support KEPA clean up beach spill from sources other than KNPC.
- Halon Banking Facility was commissioned.
- An agreement was signed between KNPC & KOC for reuse of treated effluent from Effluent Treatment Facility of KNPC in KOC production and other facilities. Once the transfer facilities are commissioned, KNPC will supply a minimum of 3 million gallons/day treated effluent for reuse, reducing equivalent amount of import of water from MEW by KOC
- Two nos. of independent IMS (External Surveillance Audit) Certification Audit (ISO-14001 & OHSAS-18001) carried out at all KNPC Sites in June 2014 and in January 2015 as part of the IMS certification.
- Launched the new Training Course on "Lessons Learned from KNPC Incidents" (M-30). November sessions conducted on 6th, 23rd and 26th Nov'14 in MAA, SHU & MAB respectively.
- MOC Audit carried out in Refineries'
- E-Waste Transport Manifest system (WMMS) successfully rolled out in KNPC Sites.
- Full day Contractor Seminar was held on 22nd February 2015.
- MAB,SHU LM, and HO have been awarded "British Safety Council –"International Safety Award 2015, Distinction Award" while Projects won the Merit Award.
- RoSPA Occupational Health & Safety Awards 2015
- MAB Refinery received RoSPA Presidents (10 consecutive Gold) Award
- LM received Gold Medal (9 consecutive Gold) Award
- SHU Refinery and Projects received Gold Award
- Highest Million man-hours achieved by both KNPC & Contractor employees without LTI cases during FY 2014/15 is 16.34 Million man-hours.

Our Social Contribution

KNPC has always been committed to engaging our society and several well-known charities as part of sustainable corporate social responsibility initiatives. We are very aware of our surrounding community and place them among our most important of stakeholders.

Celebrate Ability:

This event started 6 years ago and was meant to celebrate the children that live day to day with disabilities, or aliments. We at KNPC wanted them to have a fun family day with their families. This is an open day where the children can come and have a great time and be celebrated for the courage that they have on a daily basis. Among the participants is the Al-Kharafi Center for Autism, Bayt Abduallah, KAACH, Kuwait Down Syndrome society, Society for the blind, and the Autism Center.

Other Activities:

- HSE public awareness campaigns were also organized by the company which included visits to more than 24 schools in different stages and different locations. Those visits compromised of lectures, exhibitions, and distribution of publications and lectures about the basics of oil industry in Kuwait and how to minimize risks to the local and global environment.
- CCD also conducted an awareness campaign in collaboration with the local marketing dept. on the importance of abiding by safety measures at the petrol stations. The campaign included motivating contests to the car drivers to draw their attention to the importance of being committed to safety standards while refueling.

List of HSE Campaigns

- Health awareness Program under the subject "Irritable Bowel Syndrome (IBS)".
- Blood Donation Campaign in all KNPC locations (MAA,MAB,SHU,HO LM & PD).
- HSE Campaign on "Hand and Power Tools Safety".
- Health Campaign under the subject "Prostate Cancer Early Detection".
- Defeating Obesity Campaign.
- World Environment Day.
- KNPC i-Care Campaign.
- KNPC Environment Week.
- Lectures on Environmental protection were delivered at 3 schools.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The Board of Directors and Management
Kuwait National Petroleum Company
Kuwait

1 June, 2016

Independent Assurance Statement to Kuwait National Petroleum Company Management

Our Engagement

We were retained by Kuwait National Petroleum Company (the Company) to provide an independent assurance of its Sustainability Report (the Report) for the period April 2014 to March 2015. The Company's management is responsible for identification of material issues, content of the Report, engagement with stakeholders and its presentation in accordance with Global Reporting Initiative G4 . Our responsibility is to provide independent limited assurance on the Report content as described in the scope of assurance. Our responsibility, in performing our assurance activities, is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at its own risk. The assurance report should not be taken as a basis for interpreting the Company's overall sustainability performance except for the aspects mentioned in the scope.

Our Assurance Team

Our assurance team, comprising of multidisciplinary professionals, was drawn from our Middle East Clean Energy and Sustainability Services Practice, which undertakes engagements similar to this with a number of significant international businesses.

Scope of Assurance

The scope of assurance covers sites and selected indicators specifically:

- Data and information related to the Company's sustainability performance for the period 1st April 2014 to 31st March 2015;
- The Company's internal protocols, processes and controls related to the collection and collation of the sustainability performance data;
- Visits to the Company's head office and selected refinery offices (Mina Al Ahmadi) where our work comprised review of the above mentioned indicators and interaction with the Company's team to understand current status of sustainability and progress made on commitments in the reporting period.
- Our assurance process is focused on following fifteen KPIs as reported in the Report developed by the Company
    - G4- EC1: Direct economic value generated and distributed
    - G4-EN3: Energy consumption within the organization
    - G4-EN15: Direct greenhouse gas (GHG) emissions (Scope 1)
    - G4-EN16: Energy indirect greenhouse gas (GHG) emissions (Scope 2)
    - G4-EN19: Reduction of greenhouse gas (GHG) emissions
    - G4-EN22: Total water discharge by quality and destination
    - G4-EN24: Total number and volume of spills
    - G4-LA1: Total number and rates of new employee hires and employee turnover by age group, gender and region

- G4-LA6: Type of injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities, by region and by gender
- G4-LA9: Average hours of training per year per employee by gender, and by employee category
- G4-LA12: Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity
- G4-HR4: Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significance risk and measures taken to support these rights
- G4-HR5: Operations and suppliers identified as having significant risk for incidents of child labor and measures taken to contribute to the effective abolition of child labor
- G4-SO5: Confirmed incidents of corruption and actions taken
- G4-PR8: Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

The Limitations of our Review

The scope of assurance excludes:

- Aspects of the data/information other than those mentioned under 'Scope of Assurance';
- The Company's statements that describes expression of opinion, belief, aspiration, expectation, aim of future intention, narrative sections, except where selected KPIs in the scope above are disclosed.
- Review of "economic performance indicators" included in the Report which we understand are derived from the Company's audited financial records;

Our Approach

The assurance engagement was planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000)'. Our evidence-gathering procedures have been designed to obtain a limited level of assurance (as set out in ISAE 3000) on which we base our conclusions.

The approach to the assurance exercise included interaction with key personnel to review the Company's internal protocols, processes and controls related to the collection and collation of sustainability performance data in accordance with GRI-G4 guidelines. We conducted review and verification of the data collection process, measurement methodology and general review of the logic of inclusion/omission of necessary information/data based on sampling principles based on risk assessments, limited to:

- Review of any major anomaly within the Report as well as between the Report and source data/information;
- Verification of the data and information reported at the refinery office (Mina Al Ahmadi) and corporate office;
- Execution of audit trails of selected data streams and information to test the level of accuracy in collection, transcription and aggregation processes;
- Review of the Company's plans, policies and practices, so as to be able to make comments on the completeness of the reporting and the degree to which the Report provides a fair and honest representation of the Company's selected sustainability performance.

Visit to the Company's locations

We visited the Company's corporate offices and refinery office (Mina Al Ahmadi) to review data collection procedures and evidences to gain confidence on the data and selected claims presented in the Report.

The sample data was tested for its integrity and accuracy. Assumptions made for arriving at final numbers against the sustainability performance indicators were understood and necessary clarifications were obtained. Appropriate evidences to support the conclusions in this assurance report were obtained.

Observations

Our observations on the Report are as follows. These observations do not affect our conclusions on the Report in this statement.

- There is scope for developing its materiality analysis further by incorporating external stakeholder views to delineate the most material issues for the Company.
- We recommend KNPC report on how the precautionary principle is addressed by the organization.
- We recommend KNPC to report on the aspect boundary by mapping each identified material issue with respective entities within or outside the organization.
- We recommend KNPC to mention any restatements either in the body of the report or in the GRI G4 content index. If not, please mention that there are no restatements in the GRI index.

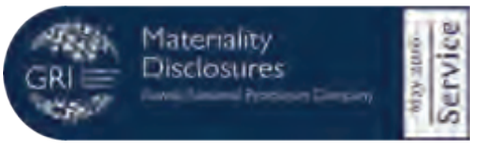
Our Conclusions

On the basis of our review, and in accordance with the terms of reference for our work, nothing has come to our attention that would cause us not to believe that:

- The Report presents the Company's material performance covering indicators as mentioned in the scope of assurance;
- The Report content presents a fair, balanced and accurate overview of the Company's selected sustainability performance.

Ernst & Young
Kuwait
1 June,2016

GRI G4 Content Index



General Standard Disclosures (In accordance – Core)

General Standard Disclosures	Description of the Indicator	Page No.	Fully/partially/ Not reported	External Assurance
Strategy And Analysis				
G4-1	CEO Statement	Page 9	Fully	Yes
Organizational Profile				
G4-3	Name of the organization	Page 10	Fully	Yes
G4-4	Company Products	Page 11	Fully	Yes
G4-5	Location of Head office	Page 10	Fully	Yes
G4-6	Name of Country where the organization operates in	Page 10	Fully	Yes
G4-7	Nature of ownership and legal form	Page 10	Fully	Yes
G4-8	Markets	Page 10	Fully	Yes
G4-9	Organization Scale	Page 11	Fully	Yes
G4-10	Breakdown of workforce	Page 33	Fully	Yes
G4- 11	Collective Bargaining	Page 23	Fully	Yes
G4-12	Organizations Supply Chain	Page 26	Fully	Yes
G4-13	Report any significant changes during the reporting period	Page 14	Fully	Yes
G4-14	Addressing precautionary approach or principle	Page 20	Fully	Yes
G4-15	External charters, principals, or other initiatives endorsed.	Page 9, 12,23	Fully	Yes
G4-16	Memberships of association	Page 23	Fully	Yes
Identified material aspects and boundaries				
G4-17	Entities included in organizations financial statements	Page 52	Fully	Yes
G4-18	Process for defining report content	Page 14	Fully	Yes
G4-19	Material Aspects identified	Page 16	Fully	Yes
G4-20	Aspect boundary within the organization	Page 14	Fully	Yes
G4-21	Aspect boundary outside the organization	Page 14	Fully	Yes
G4-22	Restatements of information provided in previous reports	Page 14	Fully	Yes
G4-23	Significant changes from previous reporting period in the scope and boundary	Page 14	Fully	Yes
Stakeholder Engagement				
G4-24	List of stakeholder groups	Page 19	Fully	Yes
G4-25	Basis for identification and selection of stakeholders	Page 19	Fully	Yes
G4-26	Approach to stakeholder engagement	Page 19	Fully	Yes
G4-27	Response to key topics and concerns raised	Page 19	Fully	Yes

General Standard Disclosures	Description of the Indicator	Page No.	Fully/partially/ Not reported	External Assurance
Report Profile				
G4-28	Reporting Period	Page 14	Fully	Yes
G4-29	Date of most recent previous report	Page 14	Fully	Yes
G4-30	Reporting Cycle	Page 14	Fully	Yes
G4-31	Contact point for questions	Page 16	Fully	Yes
G4-32	GRI content index and external Assurance	Page 14	Fully	Yes
G4-33	Policy and current practice regarding external assurance	Page 14	Fully	Yes
Governance				
G4-34	Governance structure of the organization	Page 20	Fully	Yes
Ethics and integrity				
G4-56	Code of conduct and code of ethics	Page 20, 23	Fully	Yes
Category Economic				
Material Aspects: Economic performance				
G4-EC1	Economic value generated and distributed	Page 52	Fully	Yes
Category Environmental				
Material Aspect: Energy				
G4- EN3	Energy Consumption within the organization	Page 42	Fully	Yes
Material Aspect: Water				
G4-EN8	Total water withdrawal by source	Page 40	Fully	Yes
G4-EN9	Water sources significantly affected by withdrawal of water	Page 40	Fully	Yes
G4-EN10	Percentage and total volume of water recycled and reused	Page 40	Fully	Yes
Material Aspect: Emissions				
G4-EN15	Direct greenhouse gas emissions	Page 41	Fully	Yes
G4- EN 16	Energy indirect greenhouse gas emission	Page 42	Fully	Yes
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Page 44	Fully	Yes
G4-EN 22	Total water discharge by quality and destinations	Page 40	Fully	Yes
G4- EN 24	Total number and volume of significant spills	Page 45	Fully	Yes
Category: Social				
Sub Category: Labor Practices and decent work			Fully	Yes
Material Aspect: Employment				
G4-LA 1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Page 33	Fully	Yes
G4-LA 6	Type of injury and rates of injury	Page 55	Fully	Yes
G4-LA 9	Average hours of training per year per employee	Page 36	Fully	Yes
G4-LA 12	Breakdown of employees per employee category according to gender, age group, etc.	Page 31	Fully	Yes
Material Aspect: Anti Corruption				
G4-SO5	Cases of Anti Corruption	Page 23	Fully	Yes
Material Aspect: Customer Privacy				
G4- PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Page 23	Fully	Yes

Acknowledgments

The production of the third KNPC Sustainability report would not have been possible without the company wide cooperation of the following people. Through their commitment and dedication, we were able to produce this report to our stakeholders. So to the people mentioned we humbly thank you and do sincerely appreciation your support and cooperation.

Name	Department
Aroob Al Kharafi	Corporate Legal
Diya Abdullah Madouh	HR Service Center
Fadhel Mirza Abdullah	Training & Career Development
Jasem Al Beloushi	Training & Career Development
Mariam Ahmad Hajjeyah	Training & Career Development
AbdulRahman Al Melhem	Corporate Planning
Saad Al Banwa	Corporate Planning
Hamad Ali Al Merri	Local Marketing
Hussain Abuhasan	Local Marketing
Meshal Ben Obaid	Local Marketing
Raed Al Oraifen	Local Marketing
Shaye Al Shammari	Local Marketing
Waleed Khajah	Local Marketing
Mohammad A/Hameed Al Awadi	Clean Fuels Project
Wael Al Jasem	Clean Fuels Project
Dipinkumar Dave	Health Safety & Environment
Naryanan Narayanan	Health Safety & Environment
Triumala Sindiri	Health Safety & Environment
Waleed Al Harbi	Health Safety & Environment
Asadullah Asmatullah	Finance
Musaed Al Hajri	Finance
Alaa Ali Mohammad	Human Resources
Latifah Al Ghanim	Human Resources
Reyouf Al-Abdulrazzak	Human Resources
Ahmad Al Majed	Al Zour Refinery
Bader Al Jazzaf	Al Zour Refinery
Nawaf Al Ahmad	Al Zour Refinery
Ahmad Al Mathkouri	Commercial
Ahmad Ibrahim	Commercial
Alia Al Fahad	Commercial
Dana Al Marzouq	Corporate Communication

Project Coordinator: Manal Al Rushaid — Corporate Communication

Report Author: Sarah Hashim — Corporate Communication

Photographs provided by: Yousef Al- Qallaf & Ali Akbar

Glossary

AA100:	Accountability Standards
ADR:	European Agreement Concerning the International Carriage of Dangerous Goods by Road
ATK:	Aviation Turbine Kerosene
CAPEX:	Capital Expenditure
CCD:	Corporate Communication Department
CEO:	Chief Executive Officer
CPI:	Corrugated Plates Interceptor
CO2 Equivalent:	Carbon Dioxide Equivalent
DAF:	Dissolved Air Flotation (Feed Pumps)
DCEO:	Deputy Chief Executive Officer
DISC Analysis:	A Personell Assessment Tool
DPK:	Duel Purpose Kerosene
FCCU:	Fluid Catalytic Cracking Units
FEED:	Front End Engineering & Design
FR:	Frequency Rate
FTE:	Full Time Equivalent
FUP:	Further Upgrading Project
FY:	Fiscal Year
HCR:	Hydro Cracking Units
HO:	Head Office
H2S:	Hydrogen Sulfide
JP5:	Jet Propellent 5 (Jet Fuel)
KAACH:	Kuwait Association for the Care of Children In Hospitals
KPC:	Kuwait Petroleum Company
KEPA:	Kuwait Environment Public Authority
K-Companies:	KPC and it's Subsidiaries
KPI:	Kuwait Petroleum International
KRCM:	KNPC regular communications meetings
PAAET:	Public Authority for Applied Education and Training
PIC:	Petrochemical Industries Company
KOC:	Kuwait Oil Company
KPI:	Key Performance Indicators
LDP:	Leadership Development Program
LIMS - KNPC Lab:	Laboratory Information Management System
LPG:	Liquified Petroleum Gas
LSFO:	Low Sulfur Fuel Oil
MAA:	Mina Ahmadi
MAB:	Mina Abdulla
MEW:	Ministry of Electricity & Water
MINA:	Port
MOC:	Ministry Of Communications
MWH:	Mega Watt Hours
MT:	Metric Ton
NOx:	Nitrogen Oxide
OTS:	Opperational Technologies
PAAET:	Public Authority for Applied Education & Training
PD:	Projects Departments
PMP:	Project Management Professional
RETF:	Research and
RMP:	Risk Management Plan
ROACE:	Return On Average Capital Employed
ROSPA:	Royal Society for the Prevention of Accidents
SHEEC:	Safety & Health Environmental Executive Committee
SHFP:	Sulfur Handeling Facilities Revamp and New Projects
SHU:	Shuaiba Refinery
SO2:	Sulfur Dioxide
SOx:	Sulfur Oxide
SOJT:	Structural Job Training
SRU:	Sulfur Recovery Unity
TGTU:	Tail Gas Treatment Unit
TM:	Talent Management
UNFCCC:	United Nations Framework Convention on Climate Change
VCO:	Value Chain Optimization