MY COMPANY

A Harmonious for Sustainable Development
Paving The Way For Better Future
HISTORICAL ABSTRACT

- The Petrochemical Industries Company (PIC) was established in 1963, and owned to Kuwait Petroleum Corporation in 1980. Its authorized capital amounts to KD 600 million.

- In 1966, PIC constructed Kuwait’s first complex for chemical fertilizers production in Shuaiba Industrial Area. Over years, PIC’s plants were being expanded and supplied with additional facilities, and their production capacities were being improved.

- In 1989, preliminary agreements for the construction of polypropylene projects were signed.

- In 1993, PIC signed a memorandum of understanding with Union Carbide to construct a petrochemical complex at Shuaiba Industrial Area. Production had started near the end of 1997 with EQUATE.

- In 2002, the board of KPC approved the capital budget for the Olefins Second Project, and approved the Styrene Project. The construction works for these two projects completed, and production started in 2009.

- Kuwait Aromatics Company was instituted in 2002 through partnership with Kuwait National Petroleum Company and Qurain Petrochemicals Company and production started in 2009.

- In 2004, the company announced the foundation of two joint ventures (ME Global, Historical Abstract Equipolymers) with Dow Chemical.

- On February 23, 2010, His Highness Amir of the state of Kuwait Sabah Al-Ahmad Al-Jaber Al-Sabah patronized the Inauguration Celebration of Olefins II, Styrene, and Aromatics Plants.

- On November 6, 2013 the company celebrated its golden jubilee under patronage and presence of His Highness the Amir Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah and presence of H. H. the Crown Prince Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah.
Leveraging Kuwait National Resources
PIC’s Vision
We aspire to be a recognized global petrochemical player leveraging Kuwait national resources in value added partnerships to drive growth and being admired by our stakeholders.

PIC’s Mission
PIC, as a subsidiary of Kuwait Petroleum Corporation, shall achieve a marked position with downstream extension into high value petrochemical business while ensuring integration with KPC activities both domestically and internationally through:

• Maximizing value addition of Kuwait hydrocarbons resources.
• Excelling our organizational performance through peoples’ empowerment and infusing industry best practices.
• Creating a challenging and fulfilling environment that will support skills and capabilities development.
• Collaborating closely with our partners towards a sustained and diversified global growth.
• Fostering National economy.
Commitment to Health, Safety, Environment and our Society

Isn't Safety Just a Word
It's An Action
OUR VALUES

Corporate Thinking
• Care for KPC’s interest and issues and ensure alignment to achieve KPC’s goals as a total rather than segment.

Commitment to HSSE and Society
• Environmental protection, safety, security, and Healthy Workplace.
• Corporate social responsibility in Kuwait and in host communities.

Partnership
• Long-term, values-adding relationships that support growth and enhance operational excellence.

Motivation
• Collaborative work place, teamwork; loyal environment driven by appropriate performance culture.

Flexibility
• Willingness to change, Innovation, Responsiveness.

Excellence
• High performance, operational excellence, continuous improvement, high quality products and services, customer focus.

Integrity
• We will act with openness, trust, respect, fairness, transparency, honesty, reliability, high ethical standards, professionalism, accountability.
PIC PRODUCTS

1- Liquid Ammonia (NH3) which is used to produce Urea.

2- Urea: Chemical fertilizer and other products.

3- Polypropylene: Which is needed for the manufacture of many plastic products, and various industries.
Fostering National Economy
PIC INVESTMENTS INSIDE STATE OF KUWAIT

Equate Petrochemical Company
- Equate Petrochemical Company was established in 1995.
- Products: The company produces 800 thousand tons of Ethylene annually, which is used in producing polyethylene (600 thousand tons annually) and ethylene glycol (400 thousand tons annually)
- Company location: - State of Kuwait - Shuaiba industrial area
- The Capital of which is Shared Between Petrochemical Industries Co. with 42.5%, Dow chemical Co. with 42.5% and Kuwait Private sector (Bubiyan Petrochemical Co. with 9% & Al-Qurain 6%) .
- The company operates a PIC-owned unit for polypropylene production.
- “Equate Petrochemical” Company acquired company “ME Global,” a fully international company for the production of ethylene glycol to become the company “Equate” in the ranks of global producers of petrochemical companies.

Kuwait Olefins II Complex company (TKOC)
- Production type and quantities: 300,000 tones per annum of Polyethylene. 600,000 tones per annum of Ethylene Glycol.
- Company location: - State of Kuwait - Shuaiba industrial area
- The Capital of which is Shared Between Petrochemical Industries Co. with 42.5%, Dow chemical Co. with 42.5% and Kuwait Private sector (Bubiyan Petrochemical Co. with 9% & Al-Qurain 6%) .

Al-Qurain Petrochemical Industries Company (QPIC)
- Al-Qurain Petrochemical Industries Company was established in 2004, and is listed on Kuwait Stock Exchange. PIC holds 10% share of the company.
QPIC has shareholding in the following companies:
- 6% in EQUATE Petrochemical Company
- 6% in TKOC
- 20% in TKAC
Willingness to change, Innovation, Responsiveness
KUWAIT AROMATICS COMPANY (TKAC)

Its capital is shared between Petrochemical industries Co. with 40% KNPC with 40%, and one of Kuwaiti Private Sector Bubyan with 20%.

Kuwait Aromatics Company owns two companies:

KUWAIT STYRENE COMPANY (TKSC)

- Production type and quantities: 450,000 tones per annum of Styrene material.
- Company location: - State of Kuwait - Shuaiba industrial Area.
- The Capital of which is shared between Kuwait Aromatics company with 57.5% and Dow Chemical Co. with 42.5%.

KUWAIT PARAXYLENE PRODUCTION COMPANY (KPPC)

- The company produces Paraxylene and Benzene with an annual production capacity of 780 thousand metric tons of Brazilin and 370 thousand tons of Benzene.
- By- Products: (light Naphta - LBG - Hydrogen Gas), 1143 Tons per annum.
- Company location: - State of Kuwait - Shuaiba industrial Area.
- The company is owned totally by Kuwait Aromatics Company.
Willingness to change, Innovation, Responsiveness
PIC INVESTMENTS OUTSIDE STATE OF KUWAIT

Gulf Petrochemical Industries Co. (BSC) - Kingdom of Bahrain:

GPIC was established in 1979. The Capital of which is Shared Between the Kingdom of Bahrain, state of Kuwait and Kingdom of Saudi Arabia at 33.33% each.
Continuous Improvement
CHAIRMEN AND CHIEF EXECUTIVE OFFICERS:

- Ibrahim Mohamed Al Shatty 1963 - 1971
- Abdul Baqi Al Noury 1971 - 1990
- Hany Abdul Aziz Hussein 1990 - 1995
- Khaled Saleh Bu Hamra 1995 - 2001
- Saad Ali Alshuweib 2001 - 2007
- Maha Mulla Hussein 2007 - 2013

2013 - 2015:
- Mohammed Alfarhoud - Chairman.
- Asaad Ahmad Al-Saad - Chief Executive Officer.

2016:
- Ahmed Habeb - Chairman.
- Mohammed Alfarhoud - Chief Executive Officer.

PIC’S PROFITS OVER THE PAST YEARS:

- 2015 - 2016 KD 430 million
- 2014 - 2015 KD 179 million
- 2013 - 2014 KD 353 million
- 2012 - 2013 KD 231 million
- 2011 - 2012 KD 260 million
- 2010 - 2011 KD 177 million
- 2009 - 2010 KD 82 million
THE COMPANY’S FUTURE PROJECTS:

FIRST: 3RD OLEFINS PROJECT AND 2ND AROMATICS PROJECT INTEGRATED WITH AL-ZOUR REFINERY:

The final report of the economic feasibility study was approved by the Boards of Directors of “Petrochemical Industries Company” (PIC) and “Kuwait Petroleum Corporation” (KPC) late March 2016 for endeavoring to go ahead in moving to the detailed design engineering phase.

The alternative site located north of 270 Road was primarily approved after obtaining initial approvals of the authorities and ministries concerned. The site is expected to be finally approved by the Municipal Council late September 2016.

SECOND: INVESTMENT OPPORTUNITIES IN SOUTH KOREA:

PIC acquired from SK-Advance a 25% interest in the shape of a petrochemical complex for producing propylene. Partnership agreement was also signed with both partners: the Korean SK-Gas Company and the Saudi APC Company on 21st January 2016. Actual production of the complex began at the end of March 2016 with production capacity reaching 102%.

THIRD: INVESTMENT OPPORTUNITIES IN INDIA:

KPC approval was obtained for going ahead in the Olefins Project OPaL according to the conditions and guarantees that should be available prior to signing the partnership agreements. Negotiation is in progress with the Indian side on the conditions and guarantees that should be available prior to signing the partnership agreements.
Cooperation with our Partners
FOURTH: A PROJECT FOR BUILDING AN ARMATICS COMPLEX IN THE KINGDOM OF BAHRAIN:

Accomplished was the economic feasibility study with the “Oil and Gas Holding Company” (Nogaholding) for building the Aromatics complex in the Kingdom of Bahrain. KPC approval was obtained for going ahead in the detailed studies phase according to the conditions and guarantees that should be available prior to signing the partnership agreements.

FIFTH: INVESTMENT OPPORTUNITIES UNDER STUDY:

Accomplished was the initial economic feasibility study for the investment opportunity planned to be set up in Canada for building a petrochemical complex in the State of Alberta for availing of shale gas abundance. In view of the encouraging results, PIC will prepare the detailed economic feasibility of a complex that contains Propane Dehydrogenation Unit (PDU) and a Polypropylene Production Unit (PPU). Study of the detailed economic study is expected to start at the end of May 2016, provided it would be accomplished in 6 months.
CERTIFICATES

The Gold Certificate for Green Building

الشهادة الذهبية للمباني الخضراء

PIC HEAD OFFICE
Sabahiya, Kuwait

March 2016
CERTIFICATES

ICT Services
ISO/IEC 27001 : 2005

تقنية المعلومات
27001 IEC 2005
CERTIFICATES

CERTIFICATE OF APPROVAL

This is to certify that the Energy Management System of:

Petrochemical Industries Company – PIC
South Alsubahea
Kuwait

has been approved by Lloyd’s Register Quality Assurance to the following Energy Management System Standard:

ISO 50001:2011

The Energy Management System is applicable to:

Headquarters Activities, Manufacturing of Urea and Ammonia and Bobyan Club Facilities

Approval Certificate No: MEA6020178
Original Approval: 14 May 2014
Current Certificate: 14 May 2014
Certificate Expiry: 13 May 2017

Issued by: Lloyd’s Register EMEA - Jordan for and on behalf of Lloyd’s Register Quality Assurance Limited

Energy Management

ISO 50001 : 2011

إدارة الطاقة

أيزو 50001 : 2011
CERTIFICATE OF APPROVAL

This is to certify that the Responsible Care® Management System of:

Petrochemical Industries Co. (K.S.C)
A Subsidiary of Kuwait Petroleum Corporation
Shuiba
Kuwait

has been audited by Lloyd’s Register Quality Assurance to the following Management System Standards:

RC14001:2013
Technical Specification RC 151.06

The Responsible Care® Management System is applicable to:

Headquarter Activities, Manufacture of Urea and Ammonia and Bobyan Club Facilities.

Issued by: Lloyd’s Register EMEA - Jordan for and on behalf of Lloyd’s Register Quality Assurance, Inc.

Responsible Care

RC 14001 : 2013
CERTIFICATES

Technical Testing

ISO 17025 : 2005
CERTIFICATES

Environment Fertilizer

ISO 14001 : 2004
CERTIFICATES

Polypropylene Sales

ISO 9001 : 2008

شهادات

مبيعات البولي بروبيلين

أيزو 9001 : 2008
Petrochemical Industries Company K.S.C.

CERTIFICATES

Production & Export Fertilizer
ISO 9001 : 2008

ISO 9001 : 2008

Lloyd's Register
LRQA

CERTIFICATE OF APPROVAL

This is to certify that the Management System of:

PETROCHEMICAL INDUSTRIES COMPANY (K.S.C)
Fertilizer Division
Shuaiba
State of Kuwait

has been approved by Lloyd's Register Quality Assurance to the following Management System Standards:

BS EN ISO 9001:2008
EN ISO 9001:2008
ISO 9001:2008

The Management System is applicable to:

Production and Export of Urea and Ammonia and Associated Activities, including Bobyan Club

Original Approval: 31 July 2001
Current Certificate: 11 March 2016
Certificate Expiry: 14 September 2018

Issued by: Lloyd's Register EMEA - Jordan for and on behalf of Lloyd's Register Quality Assurance Limited
CERTIFICATES

Occupational Health

OHSAS 18001 : 2007

الصحة المهنية

2007 : 18001 OHSAS
CERTIFICATES

Assets Management

ISO 55001 : 2014