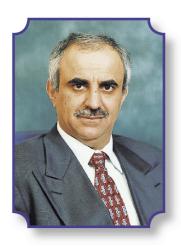


Monday, 7th May









Speech of the Sponsor Chairman & Managing Director **Mr. Farouk Hussain Al-Zanki** 7th May, 2007

Dear Guests,

I am pleased to welcome you here for the 10th successive year to celebrate together with our distinguished personnel, their children and contractors who have contributed so much over the years to enhance and develop KOC's HSE procedures.

Health, Safety & Environment continues to be among KOC's top priorities and it is in this regard that senior management is committed to meeting the challenges, whatever they may be, in order to provide a safe working environment. In order to do this, the company has created certain policies to achieve this goal - together with our wider network of personnel and contractors.

Thus, the KOC C&MD HSE Award continues to reflect our commitment to issues of health and safety for our own personnel as well as the wider population of the State of Kuwait. Our faith in these endeavors is deeply rooted in our approach to sustainable development.

Let us take a moment to recall some of our achievements during the past year.

First: The defensive driving committee's commitment to install surveillance devices on KOC vehicles, speed cameras on company roads as well as provide training and awareness programs.

Second: Continued commitment to apply HSE management system regulations and procedures by developing an auditing system in all KOC facilities which includes a comprehensive assessment process by an international company of our HSE management system.

Third: Awarded a tender to develop an emissions surveillance system in KOC operations areas as well as study their effects on employees and surrounding areas following local environmental regulations.

Fourth: Reduced the gas flaring ratio to less than 4 percent at Booster Station 131 in North Kuwait. Fifth: Created land and marine reserves to maintain the local environment while ensuring ecological balance in the State of Kuwait.

Sixth: During the fiscal year 2006-2007 reduced the percentage of road accidents by 1/3 compared with the previous fiscal year.

Seventh: Upgraded facilities following the latest international standards recommended in the Rawdatain Accident Report. Our commitment ensures that the facilities continue to perform at their optimum levels while also increasing their efficiency especially in reducing gas flaring and disposing effluent water associated with oil production.



Last but not least: During the fiscal year 2006-2007 we reduced the percentage of oil leakage by 1/2 compared with the previous fiscal year 2005-2006.

In conclusion I would like to refer to, what I consider to be, the most important HSE achievement during the past year, that is, the opening of effluent water disposal plant in KOC operation areas in South and East Kuwait which will reduce the impact on our environment.

Finally, I would like to congratulate all the winners for their efforts. And again, thank you all who made our 10th celebration possible.





Speech of the Committee Chairman Manager Health, Safety & Environment Group **Mohd. Al-Fodari** 7th May, 2007

Dear Guests,

As Chairman of KOC's C&MD HSE Award it gives me great pleasure to welcome you to this important occasion as we celebrate our 10th year of HSE Awards.

We have tried very hard to make this event a special one to highlight the tremendous achievements of KOC employees as well as our contractors to achieve KOC's 2020 strategic objectives.

To this end we have carefully selected the themes of the Award in order to focus especially on the company's objectives and challenges regarding these important areas:

First: Compliance with local environmental & health regulations concerning KOC operations;

Second: Improvements in the technical integrity and efficiency of our facilities, and their safe operation;

Three: Increased general HSE awareness - as we continue to focus on our people;

Four: Defensive driving;

Five: Special emphasis on supporting operations especially the Administration & Financial departments and their impact on performance development.

The Award's committee has also allocated separate awards to recognize our partners, contractors as well as a new generation of KOC employees - our employee's children - as we have done in the past.

At the same time, we have developed a mechanism to establish clear lines of accountability for each committee member, and are now supported by sub-committee members who provide logistic and administrative support. This kind of focus widens the scope of involvement to include the wider local KOC community, not only, delivering the objectives of the Award in a timely manner, but also, circulating important lessons learned from Award applicants themselves.

I would like to express my gratitude to Mr. Farouk Al-Zanki, KOC Chairman & Managing Director for his support and commitment.

I would like to express my gratitude and appreciation to everyone involved including, of course, the main committee and sub-committees who worked so hard to make this occasion very successful.

I would also like to express my sincere thanks to employees, school teachers, young people and children, as well as our KOC partners - including contractors - who helped us evaluate the art work of our young people.



Members of C&MD HSE Award Committee 2007



Mr. Mohd. Al-Fodari Manager (Health, Safety & Environment)



Capt. Khalifa Al-Duaij Advisor to DMD (South & East Kuwait)



Mr. Abdul Khaleq Al-Ali Manager (Public Relations & Information)



Mr. Shaker Faras Manager Operations (South Kuwait)



Mr. Mustafa Megdad Manager (Ahmadi Services)



Mr. Sulaiman Al-Somali Manager (Security & Fire)



Mr. Abdulla Al-Sumaiti Manager Operations (West Kuwait)



Mr. Dhari H. Al-Gharabally
Team Leader
Health and Environment



Mr. Jawad Akbar HSE Group Planning Coordinator





SUPREME WINNERS

Installation of Gas and condensate Interconnection with GC-27



Abdulla Al-Azmi - Imad Azzam - Ali Al-Kandari - Yousef Al-Hamoud -Mr. Louis Thiagraj

The Produced Gas of 32 MMSCFD was being flared in GC-27 due to low HP Gas Production. This prevented Opns. (WK) from commissioning HP/LP Compressor Packages. Operations (WK) have Short/Medium term initiatives to facilitate early start-up of GC-27. The subject project is part of Medium Term solution to operate the GC-27 KP/HP Compressors by spilling the Export Gas from GC-16 & BS-170 to GC-27 in order to increase the HP gas availability for safe operation of the HP/LP Compressors. Additionally this project provides operational flexibility to divert the Export Gas from GC-16 & BS-170 from old AGRP to New AGRP in the event of the non-availability of old AGRP.





Safety Features in Deep Rig Kdc-15



John D'souza - Mohammed Jassem Al-Saeedi - Gyan Chand Gupta -Abdul Qader Al-Kandari - Nigel Coelho

Deep Drilling Teams in Exploration Group are committed to waste management and enhancement of safety features in Deep Drilling Rigs.

This Project was to apply the quick wins and first step cost effective measures to reduce the waste fluids and OBM cuttings discharge.

Some Of These Modification Are:-

- Usage of recycled waste water.
- Fabrication of dump lines and drainage system for all tanks.
- Drainage system around the rig floor.
- Drip pan under rotary table.
- Usage of hp steam cleaner.
- Use of matting boards.





Zero Oil to the Crude Pits & Eliminating the Use of Line-80 at SK GCs



Mahdi Al-Qazweeni - Syed Zubair Gilani - Sasan Azari - Bader A/Rahman Mahmoud Adnan Al-Haider

In order to implement the safety drive of the C & MD in KOC, responsible 'asset team' and the 'project control team' initiated and implemented the bold concept of "Zero Discharge of crude oil / liquid and associated solid particulate to an Open Pit". Thus eliminating the use of Line-80 it self, which is discharging to an outside open pit, by carrying out an extensive and rigorous detailed engineering design to provide more reliable 'drains handling facilities' for the containment of all the fluids discharge through all the drains in the GC.

All the drains would remain within the closed system & re-cycled back to the system. Thus no oil discharge to the cold / unburned oil pits.





(1) Urea Breath test Study (2) New Colonoscopy protocal



Dr. Emad Alhamar - Jamila R. abdulla

Urea Breath Test (UBT) study: a study of efficacy of the triple therapy in patients with positive UBT, which is the main cause of stomach ulcers.

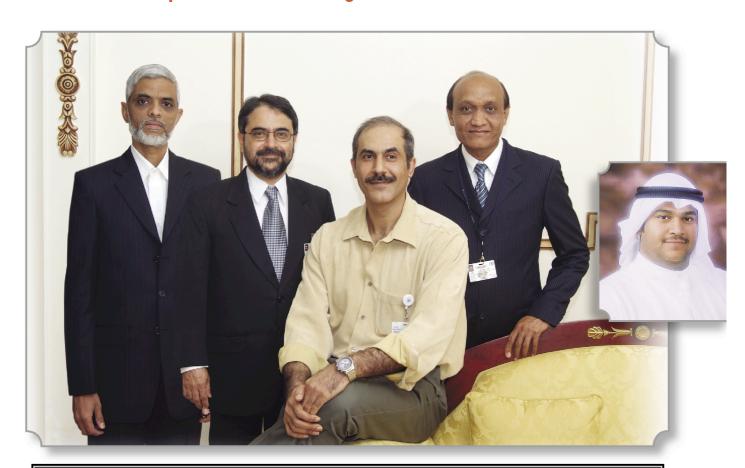
The new colonoscopy protocol: We change the preparation method for colonoscopy and the number of hospital stay which resulted in reduction of total hospital stay by 50% and preparation cost by 90%.





WINNERS Technical Integrity

Replacement of Gathering Center # 19 Lateral Line



Shabbir Safri - Shailesh H. Shah - Fuad B. Alshatti - G. Unnikrishnan - Haithem Abogaith

GC-19 Crude Transit Line Flowing to Wara Manifold got ruptured due to accidental collision of excavator on 30-10-2005. Which led to; reduction of capacity by 20,000BPD, unsafe integrity & environmentally condition and (Loss of \$ 100,000/D worth of production). The Line was already severely corroded and clamped 13 times. Cycle of line replacement normally requires at least 365 days. Our multidiscipline team in line with KOC Strategic Objective #1 exerted all efforts to execute the replacement of the Transit line within 90 days including the implementation of MOC and in full compliance with HSE & Fire regulations assuring potential savings of \$ 275,000,000. Also, eliminated the Existence of unsafe condition that was a potential for a major incident.





WINNERSTechnical Integrity

Integrity Management at West Kuwait



Ashok Kumar Veeraraghavan - Mohammad Al-Anzi - Kaushik Roy -Mike Parkin - Athary Mohd Al-Murished

Integrity Management team (IM) has been established with the aim to implement the KOC IM standards through controlled application of risk management, process safety & engineering practices. The team is working towards reducing the possibility of release of process fluids, prevent equipment /infrastructure failure. The IM team has progressed by reducing the process safety overrides, defective Fire & Gas systems, overdue Pressure Safety Valve (PSV) and identifying the basis for Safety Critical Equipment (SCE).





WINNERSTechnical Integrity

Early Resumption of Production in Post - HIC scenario - GC 16



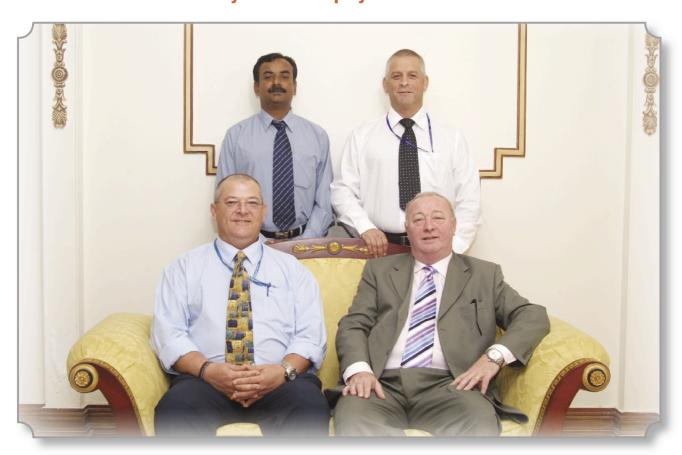
Amer Al-Hajri - Imad Azzam - Ali Al-Kandari - Louis Thiagraj

Insp.& Corrosion Team (N&W) notified that three separators (HP Sep-1, LP Sep-6 & LP Test Separator) are non-FFS (Fit-For-the Services) as this equipment are affected by Hydrogen Induced Cracking (HIC) and accordingly the facility was shutdown. This had resulted in production loss of 75,000 BOPD. The Production Operations carried out the modification required via utilizing the healthy available separators and resumed GC production of 50,000 BBL/day in short period of time (within 6 days).





Fire Safety for KOC Employees and Contractors



Dr. Alan Royston Clark - Stephen P Holt - Suhas Pawar - Robert Caster

The identification, creation, development and implementation of "The Fire Wardens Handbook" and the "Industrial Fire Training Book ". Both were developed to supplement attended courses, with suitable presentations.





Defensive Driving Awareness Program



Ali Al-Jazzaf - Timothy Connell - James Baker - Esam Al-Houti - Curtis Williams

Defensive Driving is an essential part of any HSE program. We have produced a Powerpoint Presentation that incorporates the use of video clips and audio narration to deliver this very important message in an interesting format.





Work permit display board



Timothy Connell - Khaled El-Machtoub - Clive Smith - Saeid Al-Duwaisan - James Baker

The Work permit display board enhances the process of tracking active work permits. It provides an easy to understand visual means of tracing work, cross-referencing permits and planning and coordinating upcoming work. Active work permits are indicated by color coded markers on the applicable area of the board. RED for Hot work and GREEN for cold work, BLUE for confined space entry, Yellow for Excavations and SPECIAL MARKERS for Radiography.





Program of Developing a positive Health, Safety & Environment Culture



Faisal Al-Khudhri - Mohammad Vanoo - Jasem Al Fares - Mohammad Al-Otaibi -Jasser Al-Jasser

A comprehensive program was developed in Commercial Affairs Group to create positive HSE culture by emphasizing on the group's major concerns & providing information, training, rewards & audit tool. The program consists of:

- Commercial Affairs Group Near Miss Competition
- Preparation of Warehousing Monthly Safety Checklist
- Courses & Awareness: Chemical Store Management
- Preparation & distribution of chemical safety information leaflets (Arabic/English)
- Preparation & distribution of Commercial Affairs Group Major Incident Procedure Poster.

We circulated this program to various teams with similar HSE concerns. It was very well received, appreciated & additional copies were requested by them for their utilization.





HSE Live



Khalid Al-Bash - Ibrahim El-Mahdy - Mohammed Rashidul Haque - Saeed Al-Shaheen Shafiqa Mubarak

HSELive is an HSE web based data capture and reporting system, which was designed and implemented in Production Development Support Group during 2005& 2006, in which all employees throughout group teams entering all the Health Safety and Environmental data in a common data base. It is also used to follow-up the progress of all these events. Once the data is entered, a subscription based notification system notifies interested parties via e-mail regarding the occurrence of an event. HSELive also provides an interface for entering a remedial work plan (also called action plan) for timely closure of critical and non-critical events. Individuals assigned to particular action items in the work plan get automatic e-mail reminders regarding that action item until it is closed. HSELive is also used for contractor and Driving management. All the mentioned above led to decrease in the Industrial Disability Injury Rate (IDIR), Automotive Accident Rate (AAR) and Increase in the Risk Identification Reporting Rate (RIRR) which are good performance parameters for Health, Safety and environmental management system. HSE Live is an excellent loss prevention & Risk Management tool in KOC.





Office HSE Awareness project



Ibrahim Kendil - Salam Al-Hamaani - Dwoijottam Chattopadhyay - Nasser Al-Mutawwa - Noori Al-Khatrash

The purpose of this project is to provide basic understanding about HSE aspects in and around our work areas, (offices / buildings) & to emphasize behavioral safety measures among KOC employees for keeping KOC employees/buildings in safe and healthy environment while working inside offices. Other objective is to inspect most of KOC building for finding the problems and make suitable correction to avoid re-occurrence.





WINNERS



Josiah Edwin 7 Years



Akash Gupta 10 Years



Helen Prarthana 10 Years









G. Yashwanth 14 Years





Tulika Gupta 16 Years





Tuiba Al-Omran 15 Years







CONTRACTORS

BJ Services Company

Eastern United Petroleum Services Co. (EUPS)

Schlumberger Oilfield Services

BEST DRIVERS

Mr. Sanad Al-Sanad	Mr. Saeed Yousef Hamada
Mr. Fares Al- Mansouri	Mr. Waeel Mohd. Al-Adsani
Mr. Sabah Abdulhadi Marafie	Mr. Ibrahim Ahmed Al-Ibrahim



STATISTICS

	07	06	05	04	03	02	01	00	99	98
KOC EMPLOYEES										
The total number of received applications	102	103	142	78	124	83	95	77	92	85
The total number of wining applications	13	11	11	10	9	11	10	10	13	16
 The number of winning groups 	17	14	13	15	10	9	11	8	7	6
CONTRACTORS										
 Number of nominations 	11	19	15	6	17	8	7	10	7	3
 Number of groups which submitted nominations 	3	10	9	5	7	5	4	5	3	2
YOUTH & CHILDREN										
The total number of the youth entries	21	63	42	26	14	19	30	15	16	11
• The total number of children entries	68	104	87	26	25	24	30	24	21	39

Group	No. of employee
Operations (West Kuwait)	9
Exploration	5
Operations (South Kuwait)	5
Major Projects (I)	5
Commercial Affairs	5
Production Development Support	5
Security & Fire	4
Ahmadi Services	4
Major Projects (II)	3
Ahmadi Hospital	2
Support Services (South & East Kuwait)	2
Operations (East Kuwait)	1
Industrial Services	1
Engineering	1
HSE	1
HSE Team (West Kuwait)	1
HSE Team (Technical Services)	1