

NEWS LETTER

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MAIN NEWS

Innovative Ideas to Prepare for Post-COVID-19 Era Presented



On June 3, CEO Suyeong Yang hosted a presentation session to share ideas for survival in the post-COVID-19 era. Executive members and 21 senior vice president of KNOC attended the session. Various ideas such as creating new businesses, improving financial structure, and restructuring were discussed.

President Yang said that “All employees should create innovative ideas to ensure the survival of the company in the post-COVID-19 era,” “Based on those ideas, KNOC will play a leading role in the government’s commitment to the national resource security” he announced.

President Yang, who already launched the Management-Union Joint Task Force for Post-COVID-19 responses on May 13. He will thoroughly examine these ideas to establish future strategies of KNOC.

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Plan to Build a Floating Offshore Wind Farm in East Sea



KNOC will build wind farm facilities on its Dong-hae gas field platform with the goal of beginning to generate electricity by 2026. To make this happen, on June 10, KNOC signed an agreement with 19 specialized agencies and institutions, including the Ulsan city government. KNOC will stay committed to the development of the offshore wind power generation industry by sharing data and knowhow accumulated in developing and operating the Dong-hae gas field.

A New High in Petroleum Supply to KNOC Gas Stations in May



Although the outbreak of the COVID-19 pandemic dampened the demand for oil in Korea, the supply of petroleum products from KNOC to its gas stations reached a new high in May. The new record—304,615 barrel per day (48,430,000 liters per day)—is more than five times higher than the average of the previous month. The surge is attributable to the KNOC's effort to provide petroleum products at a more reasonable price than its competitors do. Going forward, KNOC will continue to provide quality petroleum products at reasonable prices to help stabilize domestic oil prices.

Strategic Purchasing of Oil Stockpiles Completed



To leverage the benefit of low oil prices, KNOC has purchased 713,000 barrels of oil—563,000 barrels in crude oil and 150,000 barrels in diesel. Both of these additions exceed the initial purchase targets for 2020. While working to increase stockpiles, KNOC will actively engage in the monitoring of oil prices and trading of crude oil.

Remote Medical Counselling for Employees Overseas



On June 11, with the help of medical professionals from local hospitals, KNOC provided medical online counselling for nine employees and their family members residing overseas. Doctors asked them about their health conditions in connection with the COVID-19 pandemic, and advised them on ways to stay healthy on the internet video.

“KNOC Will Better KADOC’s Capital Structure,”E&P Chief Says



Ohkyeu Baek, Senior Executive Vice President for Exploration and Production, explained recent KNOC’s E&P business in an in-house interview.

In June last year, KNOC produced the first oil from Haliba field in the United Arab Emirates and production has increased to 33,000 barrels per day, he said. Near the field, KNOC also has carried out an exploration drilling. In addition, KNOC with GS Energy have a plan to convert its investments into equity to improve the financial structure of KADOC, the shareholder company. Once completed, it will boost the equity amount of KADOC to US\$74 million, he said.

Baek also commented that KNOC will do its best on exploration drilling in Korea’s continental shelf scheduled for May next year while actively responding to future projects such as offshore wind energy generation and CCS(carbon capture and storage) projects.