

Sustainability

Quarterly Newsletter

June 2015



Act Responsible, Think Sustainable



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Message - EHSS Manager Why we care for Sustainability???

Embracing sustainable practices in key areas like the Environment, Worker Care, and Food Safety is not just ethically appropriate, it benefits businesses, communities, and our families. Who are nourished by the same food supply that we proudly provide to the Kingdom and people around the globe.

Sustainability starts from within. Collaborate with employees to discuss sustainability in terms of their job functions. Help them define their roles in achieving the business' sustainability goals. Because much of the pressure for adopting sustainability programs comes from outside the company (e.g., regulators, investors, customers, suppliers etc), many companies initiate sustainability programs and publish reports directed to external stakeholders. However, it is important that employee engagement is not a lower priority than the development of a public report. Otherwise, many employees might not understand sustainability and might be cynical about its benefits and authenticity.

It is important to engage internal stakeholders in the design, adoption and promotion of a sustainability program before significantly communicating the commitment to the outside world. This is a role for upper management to lead, and the sustainability team to help clarify the significance of this effort to the company's business profile, products, employees and future. Thus, top management has established the governance structure as a part of commitment named as Sustainability Steering Committee (SSC) and SHE Awareness Committee (SHEAC) to facilitate and promote the sustainability programs and Company's strategic theme "HSSEQ" objectives across the organization and public at large.

Steering Committees are doing the great job towards sustainable development within the organization and also actively participating with global sustainability partners like CDP, GPCA, ACI and GRI along with Customers. In parallel SHEAC has developed a plan in coordination with SSC and steering to control them and implement their objectives by involving employees and people around.

Sustainable development challenges are huge and require contributions from all stakeholders. Confrontation puts the solutions at risk. Cooperation and creative partnerships foster sustainable development.

Hassan M. Al-Mutairi

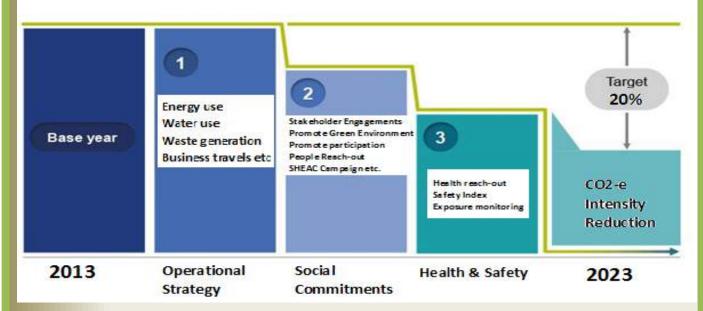




Farabi's Carbon Reduction Strategy

Our long-established carbon reduction strategy is based on a holistic approach: first and most importantly operational strategy under which we focus on 5 KPI's followed by its monitoring, measurements and control to avoid and reduce its intensity figures. It's a very simple methodology to measure the intensity levels which comprises and depend on common denominator factor which is our production and variable numerator factors such as CO2-e emissions, energy consumptions, water consumptions, hazardous and non-hazardous waste generation for each respective KPI's. The numerator factors are being minimized either by process optimization through APC, or reduction in consumptions by adopting and implementing initiatives as identified and planned. Intensity target could also achieved by increasing the product range; so inline to get that we have company's strategy theme "Grow the Business" and many initiatives under which recently added a new product C-10 Paraffin in our product portfolio.

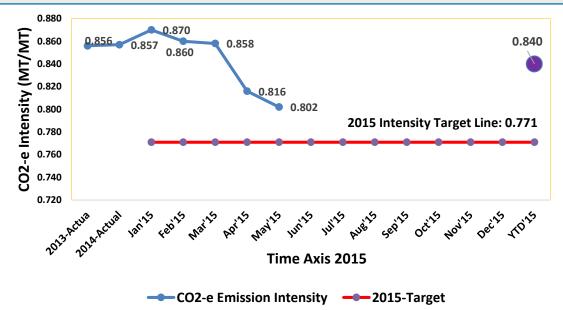
Three levers of our carbon reduction strategy



Farabi's Sustainability Performance at a glance.

We are consistently working on integrating sustainability aspects in our business. Here is our progress

made:







Farabi's Ongoing Initiatives and Status

Sustainability Initiatives	Target Date	
APC Implementation (40k MMBTU)	Completed	
HVAC set point logic change in Buildings	Jun'15	
HC Waste Reduction (6-Sigma Project)	June'15	
Impeller Trimming (LAB-2 HOH)	Jul'15	
Alternate fence lighting option	Aug'15	
C10 Paraffin Production	Completed	
Loader Modifications	Oct'15	
Water Recycling Project – Study & Evaluation	Dec'15	
light replacement with LED	Dec'15	

Sustainability Initiatives (Social & Participation)	Target Date
Stakeholder Engagement	Jul'15
GRI Report – B Level	Aug'15
Promote Green Environment	Completed
People Reach Out	Q4-15
Extending monitoring boundaries	Dec'15 Included
Participating in Global CSR Reporting (ACI, CDP, GPCA & Others)	As per target
Sustainability Newsletter Release	Quarterly Basis
Beach Cleaning (WFE/GPCA)	Completed





Social Commitment WFE/Beach Cleaning



Waste Free Environment (WFE) is a global event and an important environmental campaign launched by the Gulf Petrochemicals and Chemicals Association (GPCA).

Farabi Petrochemical Company in association with GPCA joined together for beach cleaning session along with other JIC affiliates at the Jubail Corniche Beach. Farabi team was headed by SHEAC and SSC toiled from 8:00 o'clock in the morning on 26th February 2015 with enthusiasm despite a humid day and collected 22 bags of wastes.

WFE promotes recycling and encourages a more responsible attitude toward litter disposal and the need for the community to respond to environmental issues. Everyone should be following the 3R's: Reuse-Reduce-Recycle!











SHEAC Campaign at a glance

March

- Paper Waste Campaign
- Food Waste Campaign
- World Water Day
- Work Permit Campaign

Work Permit Compliance



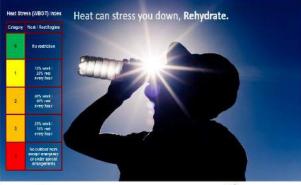






April

- Work Permit Compliance
- World Earth Day
- Confined Space
- Arc Welding
- Launching of Monthly SHE Quiz







May

&

June

World Environment Day

Hot Work Permit



World Environment Day

In observance of World Environment Day 2015 and as part of the global campaign, 22 volunteers from FPC Family participated in a Tree Planting Project on 4th June, Thursday at the Jubail Municipal Hall.

"The tree planting activity represents FPC's assurance in caring the environment which is part of the company's commitment to sustainable production."

- Hassan Al-Mutairi (SHEAC)

"Tree planting is just one of the ways we can do for environment but our commitment should not end from here, it should go with us, with our family and community."

- Manish Khandelwal (SSC)













Employee's Article

Environmental sustainability involves making decisions and taking action that are in the interests of protecting the natural world, with particular emphasis on preserving the capability of the environment to support human life. It is an important topic at the present time, as people are realizing the full impact that businesses and individuals can have on the environment.

Environmental sustainability is about making responsible decisions that will reduce your business' negative impact on the environment. It is not simply about reducing the amount of waste you produce or using less energy, but is concerned with developing processes that will lead to businesses becoming completely sustainable in the future.



Currently, environmental sustainability is a topical issue that receives plenty of attention from the media and from different governmental departments. This is a result of the amount of research going into assessing the impact that human activity can have on the environment. Although the long term implications of this serious issue are not yet fully understood, it is generally agreed that the risk is high enough to merit an immediate response. Businesses are expected to lead in the area of environmental sustainability as they are considered to be the biggest contributors and are also in a position where they can make a significant difference.

Businesses can potentially cause damage to all areas of the environment. Some of the common environmental concerns include:

- · damaging rainforests and woodlands through logging and agricultural clearing
- polluting and over-fishing of oceans, rivers and lakes
- polluting the atmosphere through the burning of fossil fuels
- damaging prime agricultural and cultivated land through the use of unsustainable farming practices

For much of the past, most businesses have acted with little regard or concern for the negative impact they have on the environment. Many large and small organizations are guilty of significantly polluting the environment and engaging in practices that are simply not sustainable. However, there are now an increasing number of businesses that are committed to reducing their damaging impact and even working towards having a positive influence on environmental sustainability.

Environmental sustainability forces businesses to look beyond making short term gains and look at the long term impact they are having on the natural world. You need to consider not only the immediate impact your actions have on the environment, but the long term implications as well. For example, when manufacturing a product, you need to look at the environmental impact of the products entire lifecycle, from development to disposal before finalizing your designs.



Zakir Hussain Staff Project Engineer





Employee's Article

There is a common concept that a human's basic need lies with food, clothing and shelter. This concept relates to one's basic necessity to survive and a modern concept of well-being and comfort. For example, our basic need for clothing, every person needs to have appropriate clothing whatever culture you belong, this is a necessity. But the modern concept of clothing no longer lies as someone's necessity, the modern concept is about how fashion industry is shaping every culture to have sense of self-esteem. Your choice for fashion impacts more than just your appearance. How is that? Making clothing involves a large amount of resources such as energy, water, labor including the pesticides used to grow crops for textiles, the dyes used to color them.

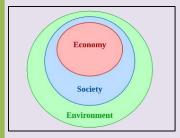
Our concept of need goes far beyond than what is essential and is impacting our environment and our future. Our desire for comfort has taken over our concern for sustainable development, our concern of our future generation. We need to have a clean air to breathe but also desire car for transportation. We need food to survive but we eat more than our body can take thus resulting in food waste. How many of our needs are in conflict with one another? How do we decide which need to be met? If within ourselves we have conflicting needs, how much impact would it make if you look at it in a bigger scale, at your community, your country and the world?



Rice Plantation, Batad Province, Philippines, photo by Adi Simionov

Development is an inevitable change. But development bears responsibility. This responsibility lies with our obligation to responsible consumption of natural resources. This responsibility is called Sustainable Development, defined in Brundtland Report as "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

How can we make our footprint in supporting sustainable development less impacting?



Meeting the needs today and of the future depends on how well we balance social, economic, and environmental needs when we make decisions. These decisions may seem in conflict with our commitment to sustainable development but there are ways we can implement to have lesser impact to our environment such as our business commitment in Farabi to continue improving our Heating, Ventilation and Air Conditioning (HVAC) equipment and systems to ensure total reduction of energy consumption or individually, we can shut down computers, lights that are not in use to reduce electricity.

Water is relatively essential in Saudi Arabia more than we need the diesel for our car. In Saudi Arabia, we use energy to purify water to supply households and industries. Meeting basic needs through sustainable lifestyle and going green in every footprint. Nature recycles everything and so we should too. Take time to walk. It is not only good for our health but reduce our carbon footprint – with less and better transportation means less global warming.

Needs and development are both essential and inevitable. We can meet both of them without compromising our future. If we don't balance our social, economic, and environmental needs today, how can we expect to sustain our development in the future?





Employee's Kid's Corner

Many people say that there is a need to protect the environment, but do not really make any effort to do anything about it. Are you one of these people? We know that our non renewable resources are being exhausted and if we use them at a high rate we may tend to have nothing more left. What can we do to encourage people to take an action to protect the environment?

Most of us are increasingly polluting our mother earth and we turn our helpless backs at others. We want a change, but why not you be the change, you want to see in others? Pollution has not only led to the degraded environment or polluted natural resources but also a lot of people have become victims of different diseases amongst which most of them are children of very young ages.

Do we have a final solution for all this? Yes we do. If you take some early precautions listed below it may help to stop pollution and degradation of the resources to an extent. Take more of public transports. Since you may not have wide availability of public transportation in the Kingdom, We could use more of car pooling when we travel to a shop or maybe even to your work place. Avoid usage of plastic bags unless required, try maximum usage of the plastic bag to an extent and always make sure they are recycled. Thirdly, take your vehicles for regular engine checkups to avoid unwanted letting of smoke and also have smoke filters to avoid mixing of toxic particles in the air. In an industrial city like Jubail, Letting out of smoke by many industries is very common. We must try and avoid letting out of smoke directly into the air, Instead it should be treated before letting into the atmosphere directly. We should use electricity judiciously, make sure to switch of all the lights and other resources when not in use. Water shortage can be a common problem in near future as people are constantly wasting water. Turn off the taps when not in use. Also intimate when you see leaky pipes or taps. Saudi Arabia is a Petroleum rich country, although we need to learn to use gasoline in a responsible way.

Let us join our hands together and save mother earth. Start taking maximum precautions today, because it is never too late. Let us make earth a better place to thrive.

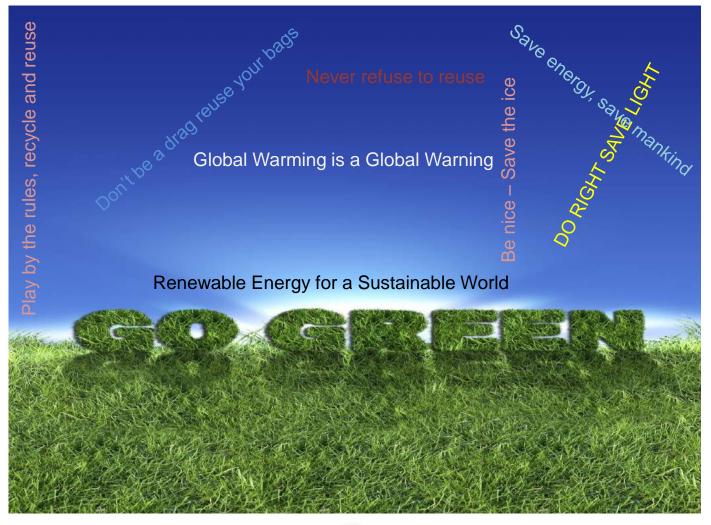
SAVE NATURE FOR A BETTER FUTURE STOP POLLUTION IT IS THE BEST SOLUTION GO GREEN, HELP CLEAN, DONT BE MEAN

> Ms. DHIVYA GUNASEKAR D/o Mr. K. GUNASEKAR











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