

## **Gulf Petrochemical Industries Company**

## UN Global Compact Communication on Progress June 2013



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#### **GPIC Letter of Commitment**

28 April 2013

P/E076/176/13 H.E. Ban Ki-moon Secretary General United Nations New York, NY 10017 USA

Dear Mr. Secretary General,

The principles governing the United Nations Global Compact(UNGC) have long been extolled by Gulf Petrochemical Industries Company( GPIC) Bahrain. The Company is an avid supporter and promoter of the UNGC's ethical canon and our commitment to this global alliance is worn as a badge of honour.

It therefore gives me great pride to confirm our membership of the UNGC, as of July 2012. By doing so, we make a solemn declaration to the United Nations( UN) that we will continue to promote human rights and equality, to respect the labour rights of our employees, to protect the environment for future generations and to fight corruption in all aspects of our activities. What is more, we will share these values with our partner companies and espouse their rigorous use within our sphere of influence. As part of our corporate citizenship and sustainability strategy, these principles are already incorporated into our business operations; we will continue to develop our strategic plans in line with the broader development goals of the UN, including both the Millennium Development Goals and the UNGC's principles.

As one of the leading petrochemical and fertilizer industries in the Middle East, we are cognizant of GPIC's important role in the alignment of business ethics with those principles upheld by the societies from within which our staff is drawn, recognizing our reach in the national and pan-Arabian arenas.

Our adherence to the conventions of the UNGC underline the Company's inherent belief that those businesses which have the support and respect of their stakeholders, which consider corporate social responsibility as a key measure of their success and which have an exemplary conscience as a result of this, are likely to perform better.

Areas for improvement will be defined and various actions will be taken in the years to come. Progress on these activities will form the basis of regular communications to inform on measures taken, evaluate progress and promote the concept amongst those companies that have not yet joined.

Yours sincerely,

Abdulrahman Jawahery

President

## **Gulf Petrochemical Industries Company**

## **GPIC Overview**

<ul> <li>Equal Partnership between the Government of the Kingdom of Bahrain, represented by the Oil and Gas Holding Company (Noga holding), Saudi Basic Industries Corp. (SABIC) of Kingdom of Saudi Arabia and Petrochemical Industries Co. (PIC) of the State of Kuwait</li> </ul>
December 1979
<ul> <li>582 including trainees (90% Bahrainis as of 1 June 2013)</li> </ul>
<ul> <li>Sitra, Kingdom of Bahrain</li> <li>1200MT/D Ammonia, 1200MT/D Methanol, 1700 MT/D Granular Urea.</li> </ul>
<ul> <li>USA, India, China, South Korea, Australia, Brazil, Taiwan</li> <li>Medium</li> <li>US \$159 million (100% equity)</li> </ul>
• US\$ 430 million
US\$ 459 million
US\$ 539 million
US\$ 561 million
US\$ 212 million
US\$ 265 million
• 2012 - 1,454,298 metric tonnes
• 2011 - 1,575,018 metric tonnes
<ul> <li>ISO9001:2008;ISO14001:2004;OHSAS18001:2007;PAS99:2006; RC14001:2008;ISO27001:2005;ISO31000:2009;ISO22301 implementation in progress</li> </ul>
<ul> <li>UN Global Compact; National Safety Council( NSC -USA), Royal Society for the prevention of Accidents( RoSPA-UK), International Fertilizer Industry Association (IFA), Arab Fertilizer Association (AFA), Gulf Petrochemicals and Chemicals Association (GPCA), UN Global Compact GCC Network</li> </ul>
<ul> <li>The Arabia Social Responsibility Award, The RoSPA Chemical Sector Award, The ASTD Best Award 2012 by American society for training and development, AoN Hewitt-The Best Employer Award for Middle East and North Africa -2013, The IFTDO Global HRD Award 2013</li> </ul>

#### **About This Report**

At GPIC we are committed to being a responsible producer of fertilizer and petrochemicals. We are committed to being open, ethical, good environmental stewards, and above all to operate safely at all times. As a leading Bahrain based petrochemical and fertilizer industry, we are committed to ideals of transparency. This report is a reflection of our beliefs and principles. This report is part of our Communication on Progress and highlights our commitment and shows our progress on the implementation of the ten principles of the UN Global Compact. It aims to provide a summarized account of our social, ethical and environmental performance. It covers our business activities for the year 2012 till May 2013.

Along with this COP we shall also be posting GPIC's Annual Report 2012 and some of the latest editions of the Company's magazine 'Khaleejieh' that will shed some light on GPIC's journey towards Corporate Sustainability.

#### **Our 2012 Performance**

	CORPORATE OBJECTIVES AND TARGETS, 2012			
Performance Area	Objectives	Measures	Targets	Performance 2012
		Combined Net backs/ Metric ton	>= 326.07 US\$/MT	394.2
	Operate the company so	Total Cost / Metric Ton	<=182.30 US\$/MT	193.23
Financial	as to optimize profits and maximize revenues	Total Fixed cost/ Metric Ton	<=75.297 US\$/MT	87.77
Perspective	by minimizing costs and utilizing the resources efficiently	Total Variable Cost/ Metric Ton	<=87.567 US \$/MT	86.28
	enicientry	Liquidity( Quick) Ratio	>=2:1	5.23:1
	Operate the complex ensuring that all key	Total combined production	>=1,449,235 MT	1,454,298
Business Process Excellence	activities and processes are geared to achieve the optimum production and export levels in a	Energy consumption per saleable product ton	<=7.99 GCAL/MT	7.87
	safe, reliable, efficient and manner effective	IT Business Intelligence	1 Dashboard and 3 Elements	Completed
		SHE incidents (LTA)	Zero	1( one contractor LTA in October 2012)
	Promote SHE culture	SHE Audits	32	32
	within GPIC and also	BBS Observations	100,000	147,144
Safety, Health and Environment communities	communities by maintaining a zero harm	Sick leaves Days (SLD)	Reduction by 5% over 2011( 4,500 SLD)	5448*(Higher sick leaves due to employees non- job related surgeries)
		Safety training	6 hours per employee	10.67
		Bahrainisation levels	95%	91%
	Enhance internal skills and competencies by	Total training hours (including safety training)	20,000	25,794
Learning and Growth	providing learning and personal development opportunities to all	Number of suggestions raised	10% over 2011 target figure( 700 suggestions)	751
	employees	Employee Retention	97%	98%
		Environment awareness lectures at local schools	30	30
Corporate Social Responsibility	towards the social	ISO 26000: Corporate Social Responsibility compliance	Completion of external assessment for compliance	Completed
		Training external industrial trainees	160	203
		Contributions, sponsorships to charities/NGOs and other worthy causes.	90% achievement of donation budget	100% achieved
		Social and educational visits to GPIC complex	45	45

"GPIC's objectives for 2013 are a continuation of our overall strategy to be a global player in Corporate Sustainability and to achieve excellence and sustainability in all business areas."

CORPORATE OBJECTIVES AND TARGETS 2013			
Performance Area	KPI Objective	KPI Name	Targets
	To attain the target level of SHE incidents during the reporting period and maintain high level of Safety( personnel and environment)	SHE Incidents ( LTAs)	Zero LTA
Safety, Health	To ensure the target level of reduction in sick leaves taken by GPIC employees is attained during the reporting period	Sick leave days ( SLD)	Sick leave days: 5175 (reduction by 5% over 2012 figure of 5448* SLDs)
and Environment	To ensure availability and readiness of security systems at 100% all the times.	Security readiness	100%
(SHE)	To ensure the company reviews and addresses enterprise risk management issues.	Embed Enterprise Risk Management (ERM) Culture in the Organization	ERM issues addressed: 100%
	To ensure the company remains profitable.	Actual Net Profit (ANP) / Budget Net Profit (BNP).	ANP/BNP ≥ 100%
Financial Perspective	To ensure that the total cost of production (Ammonia, Methanol and Urea) does not exceed the budget cost.	Actual Production Cost (APC) / Budget Production Cost (BPC).	APC/BPC ≤ 100%
reispective	To ensure that the actual export of products (Ammonia, Methanol and Urea) equals to or exceeds the budget export quantities	Actual Export Quantities (AEQ) / Budget Export Quantities (BEQ)	AEQ/BEQ ≥ 100%
	To ensure that the actual netback equals to or exceeds the budget netback.	Actual Netback (AN) / Budget Netback (BN)	AN / BN ≥ 100%
	To ensure that the targeted level of combined production (Ammonia, Methanol and Urea) is attained during the reporting period.	Actual Production (AP) / Budget Production (BP).	AP/BP ≥ 100%
Business Process	To ensure that every saleable tonne of product (Ammonia, Methanol and Urea) is attained within the target level of energy consumption	Energy Consumption per saleable tonne.	Energy Consumption per saleable tonne ≤ 7.9 GCAL/MT
Excellence	To optimize plants (Ammonia, Methanol and Urea) availability.	Actual On- Stream Factor (AOSF)/ Budget On- Stream Factor (BOSF).	AOSF / BOSF ≥ 100%

	To obtain certification for ISO 22301 - Societal Security - Business Continuity Management System.	ISO 22301 - Societal Security - Business Continuity Management System Requirements	Complete implementation by 31 <sup>st</sup> December 2013.
	To ensure the target percentage of Bahrainisation is attained at GPIC during the reporting period.	Bahrainisation levels.	Bahrainisation level: 90 %
Learning and Growth	To ensure the target percentage of hours of training is attained during the reporting period.	Total Training Hours (including Safety Training).	Total Training Hours: 20,000 (inclusive Safety Training)
	To ensure the target percentage of employee retention is maintained for the reporting period.	Employee Retention	Employee Retention Rate: 95 %
	To ensure that a targeted number of environmental awareness lectures are delivered at Local Schools	Environmental Awareness Lectures at Local Schools.	30
Corporate	To ensure distribution of contribution money to worthy organizations and thus helping the local communities.	Number of contributions, sponsorships to charities, NGOs and other worthy causes	Utilize 100% allocated budget
Social Responsibility	To ensure that the target number of educational visits to the GPIC complex during the reporting period is fully achieved.	Social and Educational visits to GPIC Complex	Social and Educational visits to GPIC Complex: 45
	To maintain compliance with GRI Sustainability Reporting and UN Global Compact Principles.	GRI Sustainability and UN Global Compact Reporting.	100% Compliance by 31 <sup>st</sup> December 2013.

#### **Sustainability Focus Areas**

GPIC's sustainability strategy is centered on the United Nations pillars for sustainable development, namely People, Planet and Profit; whereby we measure our success on social responsibility, care for the environment and profitability.

Our Responsible Care and Social Responsibility ethic is seamlessly integrated throughout the cultural fabric of our Company, and is an important contributor to our leadership position.

In developing our sustainability strategy, we ensure a close-knit integration between the stakeholders' interest, the environmental aspects and the core business.

Our Sustainability focus areas for 2013 and beyond include;

#### Our Sustainability focus areas for 2013 and beyond include;

**First and foremost we consider ourselves as a corporate citizen of Bahrain**. It ensures that our business model is geared towards Bahrain's economic needs. We create an opportunity for a far wider community than the direct suppliers and customers; it helps us fulfill the economic promise of the nation as a whole.

Secondly We believe that the real key to profitability is being reliable and open for business when the market is good. To achieve this, we have crafted our strategies, prioritised our investments, maintained our assets and developed our human talent to ensure responsible operations and business continuity.

Thirdly We believe that in order to add value to the shareholders and to remain competitive and sustainable in this ever-evolving and challenging global market, we have to grow. In line with this outlook, we have developed a strategic plan ranging until the year 2020 and very soon we are also looking towards a major expansion project to build a multi-billion dollar, world-scale ammonia and granular urea plant adjacent to our existing facilities.

Furthermore at GPIC we are mindful that our success relies very heavily on our ability to attract, recruit, and retain the highest quality of human talent. This is why, as part of our commitment to people, the first group of stakeholders we identified consists of our own people. Simply put, without our people, our reputation would not be what it is today, so we focus on nurturing them and developing them throughout our careers.

Another set of stakeholders we have identified are the communities that host our business and our people. We are aware of the fact that our business and/or negligence may be equally damaging to these communities. We view this as part of our core responsibility to cater to their needs and be aware of their interests. At the same time, the safety of all our employees, contractors and host communities is also paramount.

At GPIC, corporate social responsibility is all about how we manage our core business processes to produce an overall positive impact on society. Our social investment strategy is crafted with a commitment to the idea that our stakeholders include a much broader category than only our people, shareholders or financial investors. We have an unwavering commitment to invest in helping address the social needs firstly of our neighbouring communities, but also of Bahrain as a whole.

At GPIC we believe in giving back to communities, addressing not just their immediate needs but also their long term ability to lead healthy and productive lives. This is why we have invested heavily in providing and supporting education, technical /vocational training, and health care. Furthermore, we ensure that our social investments reach every segment of the Bahraini society in need.

As the world's climate begins to change, no company can afford to ignore the impact it has on the environment any longer. We have committed ourselves to some of the most stringent standards when it comes to environmental management because we believe that the way any organisation manages environmental issues is a crucial measure of their standards of corporate social responsibility, competitiveness and vision. As part of our continual improvement, and in addition to taking responsibility of our own environmental footprint, we have been accredited to ISO 14001 and Responsible Care management system RC 14001.

In essence, our sustainability strategy highlights the commitment to manage the entire business in a manner that does not focus only on profits, but also the social responsibility factors. We believe being successful is about sharing opportunities. It is about trying to be successful in making the world a little bit better, by creating 'win-win' situations for us, our stakeholders and the planet.

#### **United Nations Global Compact Principles**

#### 1. Human Rights

Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights
Principle2	Businesses should make sure that they are not complicit in human rights abuses

Engrained in our organizational fabric, and formalized by our signing of the United Nations Global Compact, is our un-wavering attention to human rights in all our business activities.

GPIC seeks to ensure that the Company continues to safeguard human rights across its business operations and make its work environment safe, inclusive and diverse. As part of our commitment to our female workforce we continue to build and train new female talent and provide them with ample opportunities of growth. "Playing a role model for women empowerment in the private sector remains one of our top strategic priorities". Women employees are part of numerous cross functional working committees.

GPIC adheres to the strictest principles of merit in recruitment, compensation, and promotion decisions to ensure that all of our employees feel that the organization treats them fairly. We also aim to provide recognition for superior effort through an awards program that seeks to retain the best of our talent by providing them with leadership opportunities.

We also ensure that the Company maintains a fair retirement policy ,we have introduced a new retirement policy to provide employees choice for early retirement. By upholding ourselves to these lofty ideals and principles, we continue to attract, develop and retain some of the best human resource of the country.

"The achievement of the AoN Hewitt- Best Employer award for the Middle East and North Africa 2013 is a true reflection of GPIC's commitment and dedication towards ensuring a happier workplace along with well- being of GPIC employees and their families and we are thrilled to have been recognized by AoN Hewitt for our excellence in employee engagement" Abdulrahman Jawahery, GPIC President

#### **Human Rights: Our Commitment**

 GPIC joined the UN Global Compact in July 2012, the world's leading corporate citizenship initiative and is committed to implementing its 10 principles and the broader UN development goals.

#### **Human Rights of Women**

- GPIC is a role model in empowering women in Bahrain's industrial private sector. GPIC has a strategic priority to employ more women in various positions as allowed by the laws of Bahrain
- "The Gender ratio at GPIC and the number of female trainees that has increased over the years is a testimony of the leadership's commitment towards women empowerment"

Years	Total Emp.	Female	Male
2002	566	41	525
2003	551	41	510
2004	541	42	499
2005	547	43	504
2006	520	39	481
2007	536	38	498
2008	539	36	503
2009	558	37	521
2010	579	37	542
2011	572	42	530
2012	582	49	533

Year	Total Female Employees	Trainee Female Employees
2007	38	0
2008	36	1
2009	37	2
2010	37	3
2011	42	4
2012	49	13

- GPIC female employees are part of many cross functional working committees and has several dedicated ladies working committees also such as the Ladies working Committee and the Social Activities Committee
- In June 2013, as per the directives of HRH Princess Sabeeka bint Ibrahim Al Khalifa, Wife of His Majesty the King and President of the Supreme Council for Women( SCW); GPIC has introduced an Equal Opportunities Committee in cooperation with the SWC's integrating Women Needs Department.
- The Company run kindergarten at the GPIC recreational club and the summer camp for employees children allow married women employees to pursue with their professional needs
- In line with the UN millennium development goals the maternity medical insurance for female employees has been introduced in 2012 .



#### شركة الخليج لمناعة البتر وكماويات (ش م.ب) Gulf Petrochemical Industries Co. (BSC)

مذكرة Memo

: جميع العاملين To : All Employees إلى : رئيس الشركـة From : President من التاريخ : 5 يونيو 2013 Date : 5 June 2013 Ref. : P/160/13 اشار ة

#### Subject: Equal Opportunities Committee

في البداية أود أن اشكر جميع العاملين على جهودهم المبذولة في I would like start by expressing my sincere appreciation to each and every one of you for all of خدمة شركة الخليج لصناعة البتروكيماويات. the outstanding efforts provided to the Gulf

directives of HRH Princess Sabeeka bint Ibrahim Al Khalifa, Wife of His Majesty the King and President of the Supreme Council for Women (SCW); GPIC has introduced an Equal Opportunities Committee. The Company has completed this and each of the committee's required rules and regulations, in cooperation and coordination with the SCW's integrating Women's Needs Department. The 'GPIC Equal Opportunities Committee' consists of the following members:

I am pleased to inform you that as per the ويسرني أن أبلغكم بأنه وبناءً على توجيهات صاحبة السمو الملكي الأميرة سبيكة بنت إبراهيم آل خليفة قرينة جلالة الملك المفدى ورئيسة المجلس الأعلى للمرأة، ودعوتها المتعلقة بتشكيل وحدة تكافؤ الفرص في الشركات الصناعية، فقد أكملت شركة الخليج لصناعة البتروكيماريات تشكيل الوحدة المذكورة، ووضعت لوائح العمل الخاصة بعمل تلك الوحدة، وذلك بالتعاون والتنسيق مع إدارة إدماج احتياجات المرأة بالمجلس الأعلى للمرأة، وقد تم تسمية الوحدة بـ "لجنة تكافؤ الفرص " علماً بأن اللجنة تتألف من التالية اسمائهم:

الموضوع: لجنة تكافؤ الفرص

1. Fadhel Al Ansari, General Manager Manufacturing (Chairman of the Committee)

Petrochemical Industries Company.

- 2. Najat Sharif, Human Resources Superintendent (Vice President and Coordinator of the Committee)
- 3. Yusuf Ebrahim Fakhroo, Human Resources Manager (Member of the Committee)
- 4. Ahmed Mahmoud, Marketing Manager (Member of the Committee)
- 5. Salwa Abdulrahim, Financial Accounting Superintendent (Member of the Committee)
- 6. Entesar Falah, Purchasing Senior Supervisor (Member of the Committee)
- 7. Noora Al Sharyan, Trainee Legal Adviser (Member of the Committee)

Best regards,

- 1. فاضل مال الله الأنصاري، المدير العام للتصنيع (رئيس اللجنة)
  - 2. نجاة شريف، مراقب الموارد البشرية (نائب رئيس ومنسق أعمال اللجنة)
  - يوسف فخرو ، مدير الموارد البشرية (عضو اللجنة)
    - 4. أحمد محمود، مدير التسويق (عضو اللجنة)
  - 5. سلوى عبدالرحيم، مراقب الحسابات المالية (عضو اللجنة)
    - 6. انتصار فلاح، مشرف اول مشتريات (عضو اللجنة)
    - تورة الشريان، مستشار قانوني متدرب (عضو اللجنة)

مع خالص التحيات.

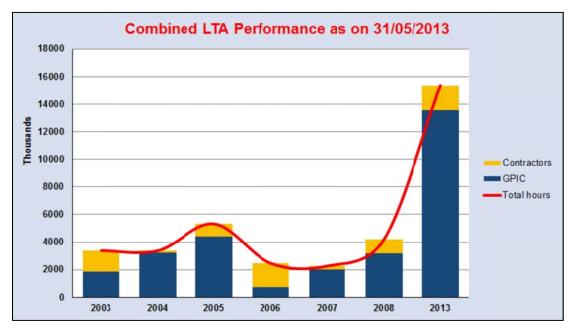
Abdulrahman Jawahery President

#### **Human Rights of Children**

- GPIC takes strides on human rights of children by deliberate and methodical support to children in education, innovation, environmental awareness, health, safety, and road safety, responsible care and social responsibility
- A summer school for employees' children and a GPIC run Kindergarten (day care center) are one of the few examples.
- GPIC employees continue to impart environmental awareness lectures to students in both public and private schools. The total number of students benefitting from this programme has risen to 21962 since launch of this programme in 2001.
- For the ninth consecutive academic year, GPIC sponsored the Ministry of Education/GPIC Environmental Research Programme for the GPIC Environment Award for secondary school students. This award has developed momentum and became the best Environment Award available to secondary school students.
- Students are provided with industrial training at GPIC. 207 students were provided with industrial training at GPIC in 2012.
- As part of its policy and in compliance to local and international laws GPIC does not employ any children at its facilities.
- GPIC in cooperation with Bahrain's Ministry of Education provides on the job training to students between the ages of 15 and 17 to enable them to have industrial experience before graduating from schools and entering the workplace.
- GPIC supports InJaz Bahrain programs for students between the ages of 15 and 17.
- GPIC provides scholarships to employees' children and total number of sponsored students was 43.
- GPIC also provides scholarships for non-employee children and the total number of chemical engineering sponsored students from University of Bahrain are 4.

#### **Human rights of employees**

 GPIC provides a safe, healthy, secure, transparent and fair work environment for its employees. Our safety performance over the years is a testimony to this commitment.



'Safety assumes special importance in the petrochemicals industry due to the nature of processes that employ flammable gases, high pressures, electrical risks and the presence of high-speed machines. For this purpose, GPIC employs a stringent risk management policy that has resulted in achieving more than 15 million hours without any lost-time accidents. GPIC's record of achievements in safety is outstanding by all standards' Abdulrahman Jawahery GPIC President

- GPIC supports the labour union and labour union members are part of all the key cross functional committees. The communication link between the labour union and the management is through the management/ union council and management/ union committee.
- GPIC provides comprehensive health, education and housing facilities to its employees and their families. Medical insurance is extended to employees and their families.
- GPIC trains and develops its employees not only to perform their work more effectively but also to broaden and expand employees' social skills and knowledge. The total investment in training and development has increased from 3 million US\$ in 2002 to over 8 million US\$ in 2012.
- Mentoring remains one of the cornerstones of the in-house development of human resources at GPIC. Every manager and superintendent select a protégé and impart knowledge to enhance their capacity.

Key training and courses, workshops and conferences attended by GPIC employees in 2012/2013 include the following:

- Leadership development for managers and superintendents: Based on 360 degree approach (In collaboration with Hay Group)
- IOSH safety training for supervisors, operators and other staff
- Business Impact Analysis(BIA) workshop(KPMG) for Managers and superintendents
- GRI Certified Sustainability Report Writing Course
- Workshops on Industrial waste management and environmental legislation compliance
- Courses and workshops on product stewardship and supply chain
- Global Conference on Sustainability and the launch of GRI:G4 guidelines in Amsterdam
- Process Safety Management( PSM) refresher presentation to all employees.
- Employees at all levels from management to operator/ technician level are given opportunity to attend courses/ conferences/ workshops/ technical exchange visits at both regional and international level.
- In 2012 GPIC further enhanced its training and development programme by launching its new Competency Based Training (CBT) philosophy.
- As part of its training and development programme, 11 GPIC employees are enrolled in the Bridging programme. The programme's objectives is to groom identified in-house talent for supervisory positions in the Company by enhancing their education and skills. The programme is launched in partnership with Bahrain Polytechnic.
- A new training simulator( OTS) for HP steam boilers was installed in 2013 that will enhance the skills and competency of GPIC employees.
- E- learning was started in 2007 at GPIC, to date 17,412 E-Learning hours have been completed by GPIC employees and 734 hours were completed in 2012.
- GPIC has a grievance handling system in place and all cases of grievances are filed.
- GPIC security staff attended training on human rights (planned for Q3 2013)
- GPIC staff attended code of business conduct refresher (2012)
- As part of continued improvement in the working conditions and enhancement of facilities,
   GPIC is providing dedicated telephone facilities in the operator cabins of all the plants

#### ■ Employee Benefit Scheme:

GPIC ensures that our people's compensation and benefit plans are in line with our overall strategy. We have also introduced a new early retirement policy for our Bahraini employees, to improve employee attainability of benefits whilst still ensuring the company's financial security and business continuity. Other benefits include a savings scheme, health insurance covering all our people and their families, loans, indemnity, annual bonus etc.

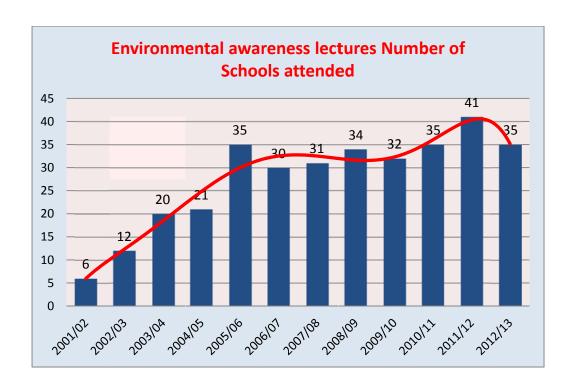
Allowance & Benefits	Bahraini	Non- Bahraini
Social Allowance	Yes	Yes
Housing Allowance	Minimum 15% of basic salary to a maximum of 25% of basic salary depending on the grade of the employee	Furnished apartment according to the grade of the employee and number of family members
Indemnity	Yes	Yes
Saving Scheme	Yes	No
Housing loan	Yes	No
Transport Allowance	Yes	Yes
Medical Insurance	Yes	Yes
Educational assistance for employees children under 18 years	Financial assistance for staff grade 14 and above	Financial assistance for incoming staff recruited grades 10 and above.
Life insurance	Yes	Yes
Canteen food	Yes	Yes
Uniform	Yes	Yes
Scholarship programme for staff children	Yes	No

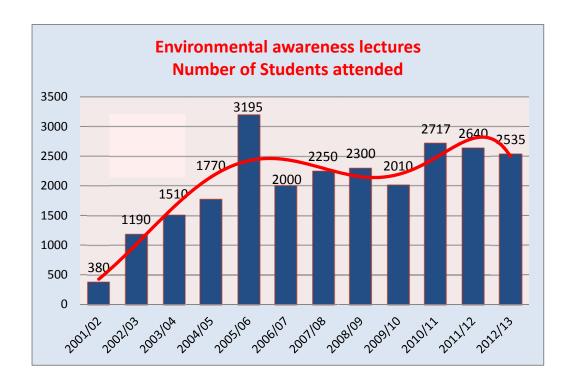
#### **Human rights of contractors**

- GPIC provides a safe and healthy work environment for its contractors whereby they are treated as company's employees.
- A common on site catering facilities for management, employees, and contractors alike. If required, the contractors can also be treated at the 24 hours medical facility within GPIC.
- A dedicated air conditioned dining and rest area for contractors within GPIC.
- GPIC strictly follows the governmental regulation of suspension of work in open sun during peak summer months of July and August from 12pm to 4pm. Moreover juices are provided to employees and contractors during the peak summer months.
- As part of its commitments to social responsibility, GPIC has introduced a clause in its standard purchase order issued to all local contractors advising them that GPIC has the right to inspect the contractor's labour camps/housing accommodations to verify that their rights are respected.

#### **Human rights of community**

- GPIC considers education and development as a basic right for every human being and provides support financially and provides the necessary tools and infrastructure.
- GPIC through partnerships with local Non-Governmental Organizations (NGO) such as inJAz plays a significant role in imparting education to Bahrain's youth through programmes.
- GPIC involves the community and protects its rights through open, transparent, and amicable partnership with NGOs, local charities, sports clubs, ministries, and parliamentary representatives.
- GPIC shares with the community its performance indicators and concerns.
- GPIC invites local community to its site as verification of its operation and performance.
   During 2012 we had 45 educational and social visits to the complex.
- GPIC ensures that as much as possible all business interactions are done with local businesses to further support local economy and creation of wealth to the community.
- GPIC strives to only recruit locals as much as practicable. The Company has achieved 90% Bahrainisation levels till June 2013.
- GPIC has made its integrated Quality, Safety, Security, Health, Environment and Social Responsibility Policy available to the public by posting it on its company web site.
- GPIC employees continue to impart environmental awareness lectures to school children in Bahrain as part of their CSR initiatives.





 GPIC launched a country wide campaign to reduce road accidents caused by distracted driving



#### **GPIC Mobile Phone Ban Campaign**





'Based on the statistics and the research conducted by the NSC that showed a huge increase in car accidents as result of using the mobile phone while driving, the President has issued the GPIC mobile ban principle while driving to save lives and protect the GPIC employees, their families, contractors and visitors. Awareness campaigns and Reach out to community for the same is in progress.'

This ground breaking initiative that goes with the safety, well -being and human rights of the employees and the communities at large was highly appreciated by the National Safety Council, USA

#### 2. Labour Standards

Principle 3	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining
Principle 4	Businesses should work towards the elimination of all forms of child labor
Principle 5	Businesses should ensure effective abolition of child labor.
Principle 6	Businesses should uphold elimination of discrimination in respect of employment and occupation

While GPIC has committed to providing its employees with enriching and rewarding careers, we also recognise the need for our management to be held accountable. To this end, the company is one of the few that permits freedom of association and actively encourages our employees to participate in collective bargaining by forming unions. As on December 2012 , 86%( 501) of GPIC Employees are members of the GPIC Labour Union

Our progressive attitude towards union activity stems from our understanding of the fact that companies best serve their interests by working with labour unions rather than against them. A healthy relationship with unions can result in a balance of accountability between the management and employees' interests.

Unionisation also connects well with our aim of inclusiveness, with employees' interests being represented at every level of decision-making in the organisation.

In addition, we also remain committed to curtailing the implementation of child labor or compulsory labor across our business.

Our "Caring Employer" approach has cemented our reputation as a globally competitive organization that seeks to uphold the highest standards in labor practices and rights.

- GPIC stand committed not to resort to any form of forced or compulsory service
- Each employee has a current job description
- Each employee has a contract of employment stating the terms and conditions of service
- As an additional benefit to its employees GPIC introduced Morning shift allowance for shift personnel
- A number of GPIC employees have been provided with an opportunity to improve their education and are currently studying in Bahrain educational institutions
- GPIC revised and reissued its personnel policy in March 2013 which provides further benefits to employee

#### 3. Environment

Principle 7	Businesses should support precautionary approach to environmental challenges.
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.

GPIC has consistently demonstrated that a rapidly growing company in a highly competitive emerging market can not only continue to meet its environmental responsibilities but actually improve its profitability as it continues to dramatically improve its environmental footprint.

We are proud of the fact that during 2012, despite a challenging year with a mammoth maintenance turnaround in the history of the Company our environmental performance was par excellence. The Company's policies with respect to the planet began to come to fruition and yielded outstanding results in terms of helping us become a more environmentally sustainable organization. As one of the leading fertilizer and petrochemical industries in the region, our environmental footprint is highly complex, and therefore requires a multifaceted strategy to confront the challenge of an environmentally sustainable business model.

GPIC has adopted a multi-pronged strategy with respect to managing our investments in the environment. Firstly, we actively monitor our greenhouse gas emissions as well as other excursions into the atmosphere and have enacted several measures to reduce our carbon footprint. Secondly, GPIC ensures that it is maximising the efficiency of its resource utilisation – of everything from water to energy to raw materials – so as to minimise the wastage from our manufacturing processes, making our facilities greener and more planet-friendly.

Thirdly, we continue to holds ourselves accountable to some of the highest global standards by pursuing internationally recognised certifications. Our facilities are frequently audited by third parties to ensure that we are holding ourselves to the standards we have committed ourselves to. We are also actively engage in inculcating a culture of environmental responsibility amongst our employees, by launching campaigns to conserve energy, save paper, recycle more. We seek to ensure that our employees become environmentally conscious citizens.

And lastly, we ensure that our products are designed to have a minimal impact on the planet, helping to make even our customers' lives and livelihoods more environmentally sustainable

## Following are some of our 2012 highlights reflecting our commitment to UN Global Compact's principles related to environmental sustainability

- Use of Chlorine for disinfection of its sea water intake system has been phased out and a new sodium hypochlorite unit installed in 2012 thus reducing the risk of using it with a more environmentally acceptable alternative.
- Energy saving through ammonia converter retrofit in 2012 The new basket enabled the reduction in operating pressure from 312 barg to 281barg and an energy saving of 0.17 Gcal/MT of ammonia produced.
- Green IT Concept expansion at GPIC has resulted in substantial energy savings.
- During 2012, we implemented a noise reduction project by replacing a steam vent silencer in process condensate stripper resulting in a noise reduction from 95decibel to 81 decibel(A).
- GPIC organized the first international CSR conference in Bahrain during the period from 3<sup>rd</sup>-6<sup>th</sup>
   March 2013 .The conference was attended by CSR and Sustainability specialists from around the globe including officials from UN.
- Continued efficient run of Carbon Dioxide Recovery( CDR) plant, capturing 450 MT/Day of CO<sub>2</sub> that was venting to atmosphere and recycling back. Hence reducing the Company's carbon footprint in addition to resource efficiency and production augmentation.
- Expansion of green belt at the company's periphery in second quarter of 2013 has increased the green area to 83473 m² which is 12.64% of the total area of 660000m²
- Tree plantation and care for the environment is taken up very religiously at GPIC. At present we have more than 2870 trees and plants at our facilities. Furthermore on the invitation of the HRH Shaikha Sabeeka bint Ibrahim Al Khalifa, wife of his Majesty the King, GPIC distributed Bahraini Lemon trees to all its employees in 2013.
- In order to make GPIC free from Ozone depleting substances A phased replacement of aging ACs and ones using R-22 with environment friendly refrigerant is in progress. During 2012/2013 about 100 units have been replaced with environment friendly refrigerants.
- New HP Steam boiler has been installed and commissioned. "One of the salient features is the
  use of ultra low NOx burners that has resulted in reducing the NOx emissions by 75% as
  compared to standard NOx emissions".

- GPIC's strive towards energy conservation projects continue. 500 street lights in the complex are being replaced from old high pressure sodium vapour lamps to the energy efficient LED lamps. So far 35 LED fittings have been replaced with a net saving of 12775KWh per year achieved. The energy saving from the total project will be 182500 KWh per year.
- Spent catalyst waste disposal area expansion in 2012 has enabled responsible storage of spent catalysts and resins prior further processing(Disposal to recycling agents/or storage at governmental waste disposal sites.)

#### GPIC – Sponsor of the RoSPA International Dilmun Environmental Award

GPIC's strategic partnership with RoSPA(Royal Society for the prevention of accidents, UK) stems from our firm belief that improving health, safety and care for the environment is a borderless pursuit that must be adopted and encouraged by all.

GPIC will continue its support of RoSPA to ensure that all responsible global organisations share their endeavours, so that every workplace, home and place of leisure has accident prevention at its core.

Participation in the International Dilmun Environmental Award is an opportunity to assist us in removing harmful environmental practices from work places.

- Specific training sessions and workshops were arranged for employees related to environmental legislations and waste management, GRI reporting and CSR trends.
- As part of its annual contribution to replenish the national fish stock in the territorial waters of the Kingdom, GPIC further enhanced its fish farm to hold 80,000 sea bream fish.
- On 25/3/2013 GPIC's President issued a directive to focus on the potential energy savings projects for further study and implementation at GPIC. This will also include expanding the use of Renewable energy at GPIC such as the Solar Energy.

 On the occasion of World Environment Day, GPIC President urges interaction with the United Nations campaign to reduce food waste.



On World Environment Day, which falls on the fifth of June of each year, Mr. Abdulrahman Jawahery President of GPIC highlighted the growing importance of maintaining the environment, pointing out the great efforts made by the United Nations with regard to environmental issues.

Mr. Jawahery said that the UN had chosen the slogan "Think, Eat, Save." Through this slogan, the aim is to reduce both wasteful food and the waste of food, a campaign that encourages us all to work together to fight against extravagance in our eating habits and to reduce the more than 1.3 billion tons of food wasted each year, according to the United Nations Food and Agriculture Organization (FAO.) Such a quantity is the same amount of food produced by all the Sub-Saharan countries combined; millions of people go hungry every day around the world, while more than 20 thousand children a day under the age of five perish from hunger, daily.

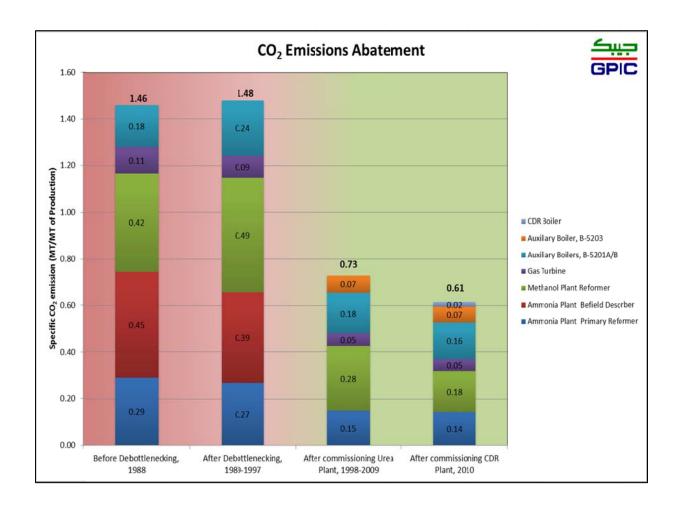
The President added that as a result of this massive imbalance in lifestyles and its devastating effects on the environment, the theme this year represents an encouragement for all to be more aware and conscious of the environmental impact resulting from the food choices that we taking in each day, as it represents a call to action to make better informed decisions in this regard, pointing out that the planet is struggling to provide enough resources, while the World Health Organization (WHO) estimates that one-third of international global food production is either spoiled or thrown away.

He stated that the waste of food represents an enormous drain on natural resources. It is also a significant contributor to negative effects on the environment, stressing that this year's campaign invites us to take decisive action, starting from our own homes. We may then see the effectiveness and power of collective decisions to reduce the massive amounts of food waste, save money, and reduce the environmental impact of food production.

Mr. Jawahery added that wasting food means wasting all the resources and effort used in the production of these foodstuffs, including fresh water, land, forests and biodiversity, so making an informed decision will mean to choose foods that cause limited environmental impact, as in organic foods, which avoid chemicals in the production process and the purchase of locally produced food which can contribute greatly to the reduction of harmful emissions.

In conclusion, Mr. Jawahery called on everyone to stop for a moment to reflect about the twenty thousand children who die every day from hunger, before deciding to waste food by throwing it in the trash cans. We may all contribute thereby to save humanity and the environment in which we live.

Climate Change: GPIC is mindful of the fact that responsible organizations cannot ignore the fact that climate change is one of the key challenges that has to be addressed to ensure the sustainability of our future generations. The following trend shows how GPIC has reduced their carbon footprint over the years.



#### 4. Anti-Corruption

Principle 10	Businesses should work against corruption in all its forms, including
	extortion and bribery.

GPIC's pursuit of profit is underlined by a pervasive commitment to be ethical in all that we do. As a result, GPIC's work ethos embodies some of the highest standards of corporate governance in Bahrain, which is in line with the commitment to responsible business as exhibited by the world's leading organizations. Our pursuit of ethical behavior stems from a Corporate governance strategy built upon mechanisms that ensure responsible behavior across all tiers of interaction throughout the organization's operations; including who we conduct business with, the employees of the organization, the people of the communities that host us, as well as the government representatives who regulate our business practices.

Our Corporate governance policy begins with a very simple and basic premise. All of GPIC's workings, ranging across all stakeholders, must and do, comply with the laws and regulations of Bahrain. However, as with everything that is GPIC, we aim to go beyond just mere legal compliance, and hold ourselves to an even higher standard.

GPIC's stringent policies ensure that we monitor the action of those connected to the organization in any capacity, thus preventing them having undue advantage of their access to information. At GPIC, Corporate governance is also about preventing a disadvantage to those who interact with the organization. The company makes it a point to pay suppliers on time, as well as fulfilling all other financial obligations without any delays.

Furthermore, our governance framework allows for a stringent, frequent and thorough audit of every department where financial transactions are scrutinized and system compliance audits are conducted. Each department is regularly audited and issued audit reports. In 2012, we were successfully able to improve our governance by issuing a revised Corporate Governance Policy and incorporating guidelines on segregation of duties.

Following are some of our 2012 highlights reflecting our commitment to UN Global Compact's principles related to ant-corruption

- New Guidelines on segregation of duties have been issued in 2012.
- The corporate governance policy was revised in 2012.
- Every employee is given a code of business ethics booklet.
- Robust accountability and auditing system prevents any wrong doing.
- The three bids system for tendering is yet another step towards anti-corruption.

#### **Leading Awards 2012**

#### The Arabia Corporate Social Responsibility Award

#### GPIC won this award for the second time.

This is a pan-Arabian award which is given to the entity or corporation that is most effective and focused in the areas of social responsibility, sustainability, environmental protection, corporate governance, transparency and other global standards. It is awarded by the Arabia CSR network based in United Arab Emirates.

#### The RoSPA Chemical Sector Award

#### GPIC won this award for the twelfth time in twelve years.

This award is presented by the Royal Society for Prevention of Accidents(RoSPA) and is given to the winner following an extensive evaluation of its Safety, Health and Environment Management Systems, including strength of leadership, effective participation by the workforce, effective communication, risk analyses, performance monitoring and evaluation and personal initiatives.

#### The ASTD Best Award 2012

#### GPIC is the only company in the Middle East to win this award

This award is presented by the American Society for Training and Development to businesses and companies for the training and development of their people

#### **Management Systems**

- In 2012 GPIC aligned its Enterprise Risk Management( ERM) framework with ISO 31000 Risk Management's- Principles and guidelines, followed by a successful external assessment by BSI, confirming that the company meets ISO 31000 standard requirements.
- Societal Security Business Continuity Management System ISO 22301 implementation is in progress . As part of this process workshops on Business Impact Analysis( BIA) have been conducted for key people within the organization.

#### **Key Social Contributions 2012**

GPIC 's leadership believes that corporate social responsibility goes beyond the traditional Philanthropy. It is about building bridges and partnerships to make the difference.

 Donations and Sponsorships (The following are some of the recent examples, for a detailed outlook visit our website <u>www.gpic.com</u> and browse the section press releases and media).

- Ministry of Social Development
- AlRahma Centre for disabled
- Bahrain Cancer Society
- inJAz, Bahrain
- Ministry of Education, Bahrain
- Crown Prince's Scholarship Programme
- King Hamad Hospital Campus
- Second West Asian Federation for Ladies
- Bahrain Women's Union
- First National Occupational Safety and Health Conference and Exhibition
- Bahrain Football Association
- Bahrain Athletics Association
- Bahrain Golf Association
- Bahrain Tennis Association
- Bahrain Special Olympics for people with intellectual disabilities
- GPIC becomes the diamond sponsor to hold the first ever Bahrain international CSR conference
- Bahrain Handicapped sports federation
- Bahrain Society for child development
- UNEP for supporting environmental sustainability
- GPICs participation/membership and alliance with several local , regional and international organizations

With the aim to be proactively involved and to contribute towards knowledge sharing and professional networking, we participate in several organizations at a national, regional and international level.

#### International/Regional Associations and Committees

- UN Global Compact
- UN Global Compact GCC Network
- Gas Processing Association (GPA)
- Gulf Petrochemical and Chemical Association(GPCA)
- Arab Fertilizer Association (AFA)
- International Fertilizer Industry Association (IFA)
- National Safety Council USA
- Royal Society for the prevention of accidents (RoSPA)

#### **Bahrain Associations and Committees**

- National Oil and Gas Authority( NOGA) –Bahrain
- Supreme Council for Youth and Sport
- Bahrain Polytechnic
- National Initiative for the Development of Agriculture
- InJAz Bahrain
- Crown Prince's International Scholarship Programme
- Bahrain Institute of Public Administration
- Bahrain Training Institute
- University of Bahrain College of Science and Industrial advisory committee
- Organising Committee for Bahrain Companies and Establishment Football League
- Major Companies Environment Networking Committee

## **GRI Performance Indicators Relevant to UNGC Principles**

#### **Economic**

Performance Indicator	Description	Page	UNGC Principle	Remarks
EC6	Policy, practices and proportion of spending on locally-based suppliers	31	Principle 8	The following factors in combination, not necessarily listed in their order of importance are considered in selecting the potential suppliers (Local suppliers are defined as Bahrain based suppliers).  Suppliers' ability to meet the requirements of the client.  Principal suppliers or original manufacturers.  Suppliers' previous history record of performance in similar scope of supply.  Suppliers who have service facilities in Bahrain.  Suppliers with Bahrainisation level of manpower.  Safety. Health &Environment system certifications.  Suppliers compliance to labour laws and other local regulations
EC7	Procedures for local hiring and proportion of senior management hired from the local community	31	Principle 8	GPIC is an equal opportunity employer Our HR/recruitment policy highlights the need to tap local talent first prior to looking for alternative talent.  GPIC's senior management is 100% Bahraini. GPIC has a well-established and documented Succession and Talent Management Plan

#### **Environmental**

Performance Indication	Description	Page	UNGC Principle	Remarks
EN5	Energy saved due to conservation and efficiency improvements	22-26/32	Principle 7	Energy efficiency remains a key performance indicator: Some of the recent energy saving initiatives are:  • Energy saving through ammonia converter retrofit in 2012 The new basket enabled the reduction in operating pressure from 312 barg to 281barg and an energy saving of 0.17 Gcal/MT of ammonia produced  • Replacement of ammonia primary reformer tubes with thin walled micro alloy tubes in 2012.  • Miscellaneous energy saving initiatives as follows:  1. Shower and change building Electrical water heating system (Saving of about 5KW load).  After ensuring its satisfactory result, Modification raised to replace with Solar water heating system at all BOPA( Building outside process areas).  The total load for BOPA will be about 50KW.  2. LED tube light lights replaced in place of Fluorescent tube at workshop area as testing purpose.  Once it is proved working well, it will be replaced in all buildings. Lower wattage with more illumination output.  3. LED Street light fitting replaced near Inner gate for testing. All street lights will be replaced with LED type soon resulting in less power consumption and better illumination level.  Old High pressure Sodium vapor lamp wattage of 210W is replaced with 110W LED lamps.  It reduces the power consumption by 100W for each fitting. So far 35 LED fittings replaced and saving of 3500W (ie. 3.5KW x 10hrs per day x365 days =

	Initiatives to provide energy-			12775Kwh saving per year).  After completing the replacement of 500 Street light fitting energy saved will be 50000W= 50KW (50KW X 10hrs x 365= 182500 KWh saving per year).  4. Green IT initiatives resulting in significant energy savings
EN6	efficient or renewable energy based products and services and reductions in energy requirements as a result of these initiatives	33	Principle 8	A project is under study to expand the use of renewable energy sources at GPIC, such as Solar energy.
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	33	Principle 9	A continued operation of carbon dioxide recovery plant since 2009 at GPIC captures 450 MT of carbon dioxide from methanol reformer stack flue gases and recycles back to process.
EN23	Total number and volume of significant spills	33	Principle 7	We did not have any significant loss of containment in the reporting period.
EN26	Initiatives to mitigate environmental impacts of products and services and extent of impact mitigation	33	Principle 7	<ol> <li>GPIC has established a number of local. initiatives to mitigate the environmental impacts of its products. One such example is where the company has invested in measures to reduce CO2 emissions by setting up a carbon dioxide recovery unit.</li> <li>Moreover, the company has also set up a fish farm, bird sanctuary, herbal garden and charity vegetable garden at its complex.</li> <li>To reduce noise pollution we are upgrading/ replacing silencers on various vents and have recently installed an improved version silencer on process condensate stripper vent with improved noise abatement benefits.</li> <li>A urea plant ammonia flare project is in progress that will further mitigate the impact of ammonia venting.</li> <li>Another key project of constructing an Evaporation Pond to handle liquid industrial waste, will commence June 2013.</li> </ol>
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	33	Principle 7	Nil

#### **Social: Labor Practices and Decent Work**

Performance Indicator	Description	Page	UNGC Principle	Remarks
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	17	Principle 6	A new benefit as morning shift allowance was introduced 2012/2013
LA14	Ratio of basic salary of men to women by employee category	34	Principle 6	Distinction based on talent and not gender

## **Social: Human Rights**

Performance Indicator	Description	Page	UNGC Principle	Remarks
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	34	Principle 1-2	As part of pre-qualification of suppliers in addition to other requirements the following are also considered: 1) No inclusion of supplier/ Company owned by a GPIC employee or his/ her immediate relative is permitted until its approved by the President as a special case with a clear justification. 2) Human rights related to health, safety and environment are considered and preference will be to those suppliers who are certified for quality, health, safety and environment management systems.
HR4	Total number of incidents of discrimination and actions taken	34	Principle 6	None
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken to support these rights	34	Principle 3	Holding of fair and free elections of the labour union in 2011 is one of the measures taken by the Company in the reporting period intended to support rights to freedom of association and collective bargaining.
HR6	Operations identified as having significant risk for incidents of child labour and measures taken to contribute to the elimination of child labor	34	Principle 5	Our HR policy clearly describes the minimum age of recruitment as 18 Years.
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	34	Principle 1-2	Human Rights specific training for GPIC security personnel is planned in 2013

## **Social: Society**

Performance Indicator	Description	Page	UNGC Principle	Remarks
SO2	Percentage and total number of business units analyzed for risks related to corruption	35	Principle 10	Our financial audits both internal and external across the organization ensure that no financial corruption is taking place.  Our Enterprise Risk Management also covers the risk of a major fraud.  Our Audit, Finance and Risk  Committee along  with an external audit reviews our financial statements and legal/ regulatory compliance on quarterly/  Yearly basis.
SO4	Actions taken in response to incidents of corruption	35	Principle 10	No incident of corruption was reported during the period 2012-2013

#### What Others Say About GPIC?

"We at GPIC give paramount importance to the feedback and comments from all our stakeholders. We believe that this kind of remarkable engagement and networking with our stakeholders enables excellence and sustainability. It also keeps us well informed of what others think about GPIC and helps us in maintaining excellent international and regional relationships. It motivates us to attain further heights and successes.

Following are some of the examples of these excellent communications and networking with our stakeholders, globally"



#### UNITED NATIONS ENVIRONMENT PROGRAMME

ramme des Naions Unidas para el Medio Amblei Программ: Организации Объединенных Наций по окружающей среде برنامج الأمم المتحدة للبيئة 新会 国 跃 接 號 初 獨



Date: 14.04.2013 Ref: 116.13

Subject: Support for Translation of GEO-5 Book

Dear Mr. Jawahery

It is with great pleasure that I received your letter, ref P/E060/13, where you kindly confirmed your esteemed company's support to the translation and printing of GEO-5 publication with a contribution of up to an amount of USD 25,000.

This exhibits GPIC's solid commitment towards Environmental Sustainability and active contribution to the global knowledge sharing on the state of the environment. This will certainly help all those concerned and especially policy makers to choose policy options that are scientifically based and tested.

Once again, please allow me to thank you for your generous contribution and express our delight at partnering with GPIC on such important initiative.

Best regards

Iyad Abumoghli, Ph.D.
Director & Regional Representative
UNEP ROWA

Mr. Abdulrahman A.Hussain Jawahery President Gulf Petrochemicals Industries Co.



The National Examination Board in Occupational Safety and Health

Dominus Way Meridian Business Park Leicester LE19 1QW

telephone 0116 263 4700 fax 0116 282 4000 www.nebosh.org.uk

His Excellency Mr Abdulrahman Jawahery President Gulf Petrochemical Industries Co. (BSC) (GPIC) P O Box 26730 Manama Kingdom of Bahrain

31 December 2012

Dear Abdulrahman,

#### **GPIC Annual Celebration**

Thank you so much for your generous hospitality during our visit to Bahrain. It was a privilege and an honour to meet with your Board of Directors and share in the celebration of GPIC's achievements in 2012. It was particularly important to me personally, that your own major contribution to health and safety was recognised. It was a wonderful occasion and I was so pleased that there was an opportunity to celebrate your work in promoting a health and safety culture and assisting colleagues in Bahrain, the GCC and in the Petrochemical and the fertiliser industries to safeguard their people and protect the environment.

Our Board of Trustees and I are extremely grateful to you for your continued support for NEBOSH as our Ambassador, and for the letters you have sent to your business colleagues promoting our qualifications and the part they can play in improving safety and productivity in the workplace.

Please let me know when you will be visiting the UK. I would like to return some of your hospitality and also Neil would like to arrange for you to meet Lord McKenzie of Luton at the House of Lords. The invitation to visit the Health and Safety Laboratory in Buxton still stands and I know that Eddie Morland, the CEO would greatly enjoy showing you their facilities and explaining the work they are doing on major hazards.

I really enjoyed learning more about Bahrain, and its history and culture during this visit, particularly the Dilmun period. I am looking forward to reading your colleague Nancy's book and her observations on the history of Bahrain.

I wish you and your colleagues in Government every success in promoting human rights and maintaining peace and stability in the Kingdom of Bahrain. I very much value the warmth and friendship I have found in Bahrain and I greatly admire the leadership which has been shown by you and your colleagues in promoting education, equality and health and safety. All the very best for 2013.

Yours sincerely

**TERESA BUDWORTH** 

Tem. Riduson

Chief Executive



May 17, 2013

Abdulrahman Jawahery President GPIC P.O. Box 26730 Manama, Kingdom of Bahrain

Dear Abdulrahman,

Thank you so much for keeping us informed of your progress on eliminating cell phone use while driving. I continue to be inspired by your commitment and resourcefulness in getting this safety message to the people of Bahrain.

I commend you on your innovative approach of working with a known figure such as Mr. Buheji to reach as many citizens as possible. We have received the CD's of the public safety message and want to thank you for sharing them with us. We will house them in the NSC Library so others can benefit from them.

I sincerely thank you for your efforts in bringing this important safety message to so many. You are a true leader in this effort. I often use GPIC as an example of what organizations can do in this area as I speak with other groups. You continue to be an inspiration to many.

Please continue to keep me abreast of other updates on your campaign as they arise.

All the best,

Janet Froetscher



# n wins

MANAMA: Gulf Petrochemicals Industries Company (GPIC) was among the recipients of the Best Employers Middle East Award for its achievement and on-going commitment to delivering employee engagement.

The awards are presented by Acn Hewitt, the global talent, retirement and health solutions business of Aon, and GPIC was the only Bahrain company out of 15 regional organisations to be honoured.

The announcement follows Aon Hewitt's third Best Employers Middle East survey, which this year looked at more than 130 busi-

nesses with a combined total of 13,000 employ-

ees surveyed.

This is representative of a total workforce of more than 267,000 people – making it the most extensive study of its kind in the region.

It is also one of the few programmes which is free for participants to enter.

free for participants to enter.

"We are thrilled to have been recognised by Aon Hewitt for our excellence in employee engagement," said GPIC president Abdulrahman Jawahery.

"Teamwork is of utmost importance and we are proud to say that we offer an environment

where people want to come and work together, which in turn adds value to our customers and shareholders.

"Participation in this year's Best Employers is the highest yet, and we are delighted to reward the fantastic efforts of GPIC with this accreditation," said Aon Hewitt Middle East chief executive Dr Markus

Wiesner.

They have set the benchmark for employee engagement in Bahrain, which is testament to the increasing focus that organisations are placing on creating a positive work culture.

Launched globally more than 10 years ago, Best Employers has become an international benchmark for nternational benchmark for business, reflecting the opin-ions of an unprecedented number of employees and providing companies with a unique opportunity to assess and understand the level of

employee engagement.
With unparalleled experience in conducting intensive reviews of human resources best practice, Aon Hewitt's Best Employers is the most robust study of its kind in the

region.
The Best Employers Middle East 2013 winners will be presented with their awards at a high profile networking event to be held at The Address Downtown in Dubai on June



Mr. Abdulrahman Jawahery Gulf Petrochemical Industries Company Safat Bahrain Haldor Topsøe A/S Nymøllevej 55 2800 Kgs. Lyngby Denmark

VAT No. DK41853816

Tel +45 4527 2000 Fax +45 4527 2999 www.topsoe.com

May 31, 2013

Dear Abdulrahman Jawahery

Thank you very much for your personal mail and your kind words about my father, his life, and his contributions to your company and our society.

I know that my father placed great value on the personal contacts with you over so many years.

During this sad period, I think back on the visits to GPIC together with my father. I especially think back on the outstanding and extraordinarily well arranged visit that you hosted on the occasion of our Queen's official visit to Bahrain.

The company will miss an irreplaceable, visionary leader and our family will miss our loving head but at this sad moment, we can be grateful for the many contributions he made to industry and society during his long life.

We are also committed to build on my father's strong vision and values and his emphasis on improving the conditions for people around the world.

As the new chairman of the board, I very much look forward to maintaining and developing the relationship that my father and my colleagues have had with you.

Please extend our thanks to the GPIC Executive Management Team and everyone at GPIC.

Yours sincerely

HALDOR TOPSØE

Henrik Topsøe

Chairman of the Board

NB: We have created a legacy site www.topsoelegacy.com where we - with your permission - will keep your kind words. They will be treasured by the family and colleagues in the years to come.

RESEARCH | TECHNOLOGY | CATALYSTS

#### EMBASSY OF JAPAN

KINGDOM OF BAHRAIN P.O. BOX 23720

11 March, 2012

H.E. Mr. Abdulrahman Jawahery President Gulf Petrochemical Industries Company (GPIC) Kingdom of Bahrain.

Dear Mr. Jawahery,

My wife, Tomoko and all my staff join me to express our deepest thanks and gratitude for the warmest reception and generous hospitality accorded to us during our visit to your company last Thursday. Our meeting with you was very informative, enlightening and fruitful, and we very much enjoyed the luncheon kindly hosted by you for us at GPIC Club, and the exchange of various subjects of mutual interest.

It was really a red carpet treatment!!

We are really impressed and touched by the wonderful arrangements and the interesting program prepared for us. Our guided tour in GPIC Complex and the wonderful and amazing Aromatic Plants Garden of Princess Sabeeka was memorable. We could imagine the great efforts and hard work exerted for turning such Complex and Garden into an ideal and unique landmark in Sitra.

I also thank you for wonderful gifts accorded to me.

I avail myself of this opportunity to extend my most sincere and warm congratulations and greetings to you and all your colleagues on the very beautiful Garden and its environment-friendly facilities.

Please accept also our special thanks and appreciation for the memorable and beautiful time we spent at GPIC and the wonderful souvenirs you kindly presented to us. With our very best wishes for further success and development of GPIC as well as your good self,

With my best personal regards,

Shigeki Sumi

Yours sincerely.

Ambassador of Japan

## UNITED NATIONS INFORMATION CENTRE UNIC



#### NATIONS UNIES CENTRE D'INFORMATION CINU

#### مركز الأمم المتحدة للإعلام لبلدان الخليج

29 January 2012

Dear Mr Jawahery

I would like to express my most sincere thanks to you for the opportunity to visit the Gulf Petrochemical Indus:ries Co. plant on Thursday, 26 January 2012. The tour was well organized and highly informative on the importance of GPIC's work on the national economy and beyond.

I was very impressed by the careful thought and attention that have gone into the designing of the plant to ensure maximum efficiency while at the same time, minimizing its effect on the environment. I highly commend your ecological efforts to preserve rare plants and bird species in your beautiful park where I was honoured by the privilege of planting a palm tree in my name. GPIC's fisheries project is yet another proof of your environment awareness and GPIC's role in preserving the ecosystem. I truly believe these are inspiring ways to raise awareness on the importance of protecting our environment, joining the UN's efforts in achieving the Millennium Development Goal No 7 which is Environmental Sustainability.

I also appreciate GPIC's focus on youth and your efforts in training youngsters who, inspired by your visionary mindset, will certainly become the future leading entrepreneurs in the Kingdom of Bahrain. And finally, I would like to thank you for your generous hospitality and for the delicious healthy lunch.

Furthermore, it is with great pleasure that I received today the photo album documenting our memorable visit, and for this I express my deepest gratitude.

I do look forward to implementing the ideas we discussed during our meeting to further involve GPIC and you personally in a stronger partnership with the UN system in Bahrain and at large.

With my best Regards,

Nejib Friji Director

UNIC Manama

Mr Abdulrahman A Hussain Jawahery

President
Gulf Petrochemical Industries Co
P O Box 26730
Manama, Kingdom of Bahrain

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12th January 2012

#### Dear Mr. Abdul Rahman Al Jawahery,

Thank you for your recent contribution of Twenty-Three Thousands Five Hundred Bahraini Dinars (BD 23,500.000) to inJAz Bahrain in support of the Company and Be Entrepreneurial programs, received on 10<sup>th</sup> January 2012. Your contribution is already at work, providing young people with the real-world skills they want and need, like how to manage money, how to prepare for a career, and how to open and run a business. In the process, students are connecting classroom learning to the real world, which is allowing them to recognize the value of staying in school, increasing the likelihood they will graduate. Because of your generosity, more students are receiving lifechanging financial literacy, work readiness and entrepreneurship education, and the results can be profound.

Thank you again for investing in inJAz Bahrain's young people, helping us teach them about money management and how business works. This education will allow them to compete in the workforce and become successful professionals, which will strengthen the economic health of our community and nation. Truly, we believe this is the most important investment that you will make all year. It is certainly the most appreciated.

We remain grateful for your gift and look forward to your continued partnership.

Yours sincerely,

حسنا موج

Hessa Bint Khalifa AlKhalifa Executive Director inJAz Bahrain

Inspiring Youth For A Better Life



#### **Corporate Outreach**



#### Visit to Gulf Petrochemical Industries Co.

The Arabia CSR Network was invited by GPIC in Bahrain to inform the company about ACSRN's objectives and services. During this meeting, ACSRN was given the opportunity to discuss CSR standards such as the GRI reporting framework, UNGC's principles and more. The meeting resulted in GPIC's renowned commitment to implementing CSR best practices with the help of the Arabia CSR Network.

During this visit, the Arabia CSR Network was also requested to attend GPIC's Strategic Staff Meeting. During this meeting, the management discussed the political situation of Bahrain and its impact on the organization. The management also spoke about the need for the organization to act as a catalyst for unity within the country.

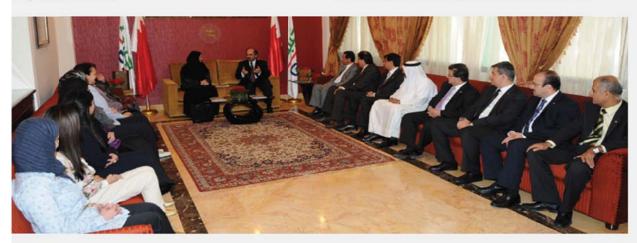
The President Mr. Adulrahman Jawahery stated that it would be part of GPIC's CSR stewardship to reach out to key segments of society to ensure the well-being of everyone. He stated that GPIC would like to give utmost preference to the education of women in the organization and in society.

The President also called for adoption of change within the organization to move forward. He claimed that since the standard of education within the organization was much higher today than before, it would be easier to implement the organization's expansion plan for the coming years. He stated that since a lot of new and young talent was introduced into the organization, he had high hopes that change would be quick, cost-effective and long-lasting.

Discussing the achievements of the past year, GPIC's Chairman stated that there were no incidents reported by the Environment, Health & Safety (EH&S) department. In addition, sick leave was reduced by 21%. GPIC continued its ISO 26000 certification status and also was able to increase its environmental outreach by 117%. Contribution to charities increased by 83%, sponsorships of social programs by 400% and social and education programs by 42%.

During the meeting, GPIC's medical department also presented a study in which they reported the average days absent of the male and female staff. This study reported that the female staff members were absent fewer days as compared to their male colleagues. The Chairman stated that he wished to have this study continue on a long-term basis.

Arabia CSR Network's involvement in this meeting was very useful as it made valuable suggestions on how GPIC could consider the local, regional and global sustainability context that it operates in. ACSRN also put forward several recommendations for GPIC to enhance its sustainability performance and its role as one of the biggest commercial entities in Bahrain and the Gulf region.



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