



**Year: March 2010 to February 2011**

**STATEMENT OF CONTINUED SUPPORT:**

Attock Refinery Limited (ARL) history of over 85 years is replete with CSR initiatives and for this we have been following the triple bottom line approach i.e people, planet & profit. At ARL, we feel it is our foremost duty to consider the economic, social, ethical and environmental impact of our activities on our various stakeholders.

ARL considers the call of the Global Compact to companies, a noble mission to embrace, support and enact, within their sphere of influence, a set of four issue areas of human rights, labour standards, the environment, and anti-corruption. We have adopted all these principles in our day to day business activities.

In pursuance of the Global Compact principles, our sustainability attributes are based on five pillars of strength i.e diversification, competitiveness, transparency, synchronized community & social responsibility services and environmental protection. We realize that Integrated approach to manage social, environmental and financial issues is a challenging task especially to embark on patrolling of boundaries between legal and illegal, ethical and unethical, right and wrong, fair and unfair, good and poor quality.

In order to clearly define these boundaries, and eliminate barriers to innovative ideas. Our business reliability is strongly supported by our six core values i.e., Integrity and Ethics, Quality, Social Responsibility, Learning & Innovation, Teamwork and Empowerment.

In the light of these core values, my team is committed to work even harder to provide a healthy workplace which should have a positive impact on adjoining communities. The safety of our employees, contractors and stakeholders remains paramount for us. In line with our commitment to preserve Mother Nature, we have applied to become first oil and gas sector industry in Pakistan to achieve green industry status from Federal Environment Protection Agency.

We once again reiterate our continual commitment to remain a socially responsible company by extending full support to UN Global Compact guiding principles leading to fair business practices all over the world.

March 17, 2011; M. Adil Khattak, Chief Executive Officer

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PRINCIPLE 7		BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES	
Actions	<b>Actions taken</b>		
	<p><b>Commitment:</b> ARL is an environmental conscious company and strongly believes in prevention rather than cure. In this regard, we are committed to adopt precautionary approach by taking early actions to ensure that irreversible environmental damage does not occur.</p> <p><b>System:</b> ARL has a well defined and implemented Environmental Management System (ISO14001), where we have clearly defined procedure of hazard identification and risk assessment (OHS-PR001). The procedure defines ARL precautionary approach towards systematic application of risk assessment, risk management and risk communication.</p> <p><b>Activities:</b></p> <ol style="list-style-type: none"><li>1. ARL has Health, Safety, Environmental and Quality (HSEQ) policy endorsed by company board of directors, clearly reveals our commitment to prevention of pollution and care for environment.</li><li>2. Hazard identification and risk assessment is conducted for all functions of the refinery. The hazards identified include environmental, safety, chemical, physical, psycho-social, hygiene, ergonomics and fire hazards. On the basis of identified hazards potential consequences are determined quantitatively, which further classifies the hazard as high, medium and low risk.</li><li>3. A quality council committee headed by CEO reviews the application of precautionary approach like hazard and risk assessment on defined frequency.</li><li>4. The implementation of hazard and risk assessment is also assessed by the third party assessors.</li><li>5. Ambient air quality is monitored to see if there are any adverse impacts of ARL operations to the surrounding community to take any precautionary measures if required.</li><li>6. Monthly environmental monitoring of air emissions and effluent water to check if the National Environmental Quality Standards (NEQS) are met.</li></ol>		
Outcome	<b>Measurement of (expected) outcomes and value added for our company</b>		
	Precautionary approach provides us food for thought for the environmental challenges that we face. It also provides the basis for preparing our short-term and long-term environmental improvement targets.		

PRINCIPLE 8		BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY	
Actions	Actions taken		
	<p><b>Commitment:</b> ARL believes in the ‘triple bottom line’ of sustainable development – environmental quality, economic prosperity and social equity. We are committed to promote greater environmental responsibility guided by ARL core values, HSEQ policy and initiatives integrated into all elements of business planning and decision-making and fostering openness and dialogue with employees and the public.</p> <p><b>System:</b> ARL management has identified its vision, mission and core values. In correlation to core values, annual corporate targets for sustainable development are set. All environmental, social and economic initiatives, targets and achievements are then published in the form of Annual Financial and Annual Sustainability Reports.</p> <p><b>Activities:</b></p> <ol style="list-style-type: none"><li>1. ARL has defined its vision, mission and six core values to demonstrate its responsibility towards environment and all stakeholders.</li><li>2. ARL believes in transparent business practices. We publish annual sustainability report as per the guidelines of Global Reporting Initiatives (GRI) and Accountability 1000 (AA-1000). The report provides environmental, social and economic initiatives, targets and achievements of ARL. It also includes stakeholder needs and our response. The report is shared with all stakeholders and is also available on our website (<a href="http://www.arl.com.pk">www.arl.com.pk</a>).</li><li>3. In compliance to our sustainable business strategy, ARL has implemented volunteer management standards like Quality Management System (ISO9001), Environmental Management System (ISO14001), Occupational Health and Safety (OHSAS 18001) and Laboratory Management System (ISO/IEC 17025).</li><li>4. ARL transparent sustainable practices are endorsed in the form of prestigious ACCA-WWF Best Sustainability Report Award for the last three consecutive years (2007-2009).</li><li>5. We used to engage the neighbouring education institutes, environmental protection agencies, customers to celebrate world events like World Environment Day, World Biodiversity Day etc.</li></ol>		
Outcomes	Measurement of (expected) outcomes and value added for our company		
	All these initiatives have not only given a green image of ARL to the stakeholders but also self-satisfaction that we are running business on a sustainable basis with greater environmental responsibility.		

PRINCIPLE 9		BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES	
Actions	Actions taken		
	<p><b>Commitment:</b> ARL is committed to adopt such environmental friendly technologies that all legal requirements like National Environmental Quality Standard (NEQS) etc. are met. Our mission states “we will utilize best blend of state-of-the-art technologies, high performing people, excellent business process and synergetic organizational culture thus exceeding expectations of all stakeholders”.</p> <p><b>System:</b> At ARL, we have well defined environmental treatment mechanism. This mechanism applies to gaseous emissions, effluent water, recycling of wastewater, oily sludge and incineration of hazardous wastes.</p> <p><b>Activities:</b></p> <ol style="list-style-type: none"><li>1. Installation of low NOx, low SOx burner at plants helps in meeting NEQS emissions requirement.</li><li>2. Wastewater is subjected to effluent treatment plant comprises of oily water separators, equalization basins, slant rib coalescing units and dissolved air floatation units before exit the refinery. The wastewater complies with NEQS.</li><li>3. Boiler blowdown water and Merox spent caustic is treated at the plant level.</li><li>4. Kitchen wastewater is treated in a 50 gallons capacity treatment facility.</li><li>5. Car wash water is recycled after treatment. Unit is indigenous developed with a capacity of 1 ton / day.</li><li>6. Bioremediation is frequently used in refinery for the treatment of oily sludge. Oily sludge from crude oil tanks, furnace oil tanks, API separators, drain channels etc. is collected in pre-defined pits for this purposed having polythene lining. Cow dung is used to fasten the bioremediation process to convert the sludge to manure.</li><li>7. Incineration of hazardous materials like oily rags etc.</li></ol>		
Outcomes	Measurement of (expected) outcomes and value added for our company		
	<ol style="list-style-type: none"><li>1. Compliance to country legal requirements</li><li>2. Stakeholder’s confidence</li><li>3. Reuse of resource like water</li><li>4. Green image of ARL.</li></ol>		