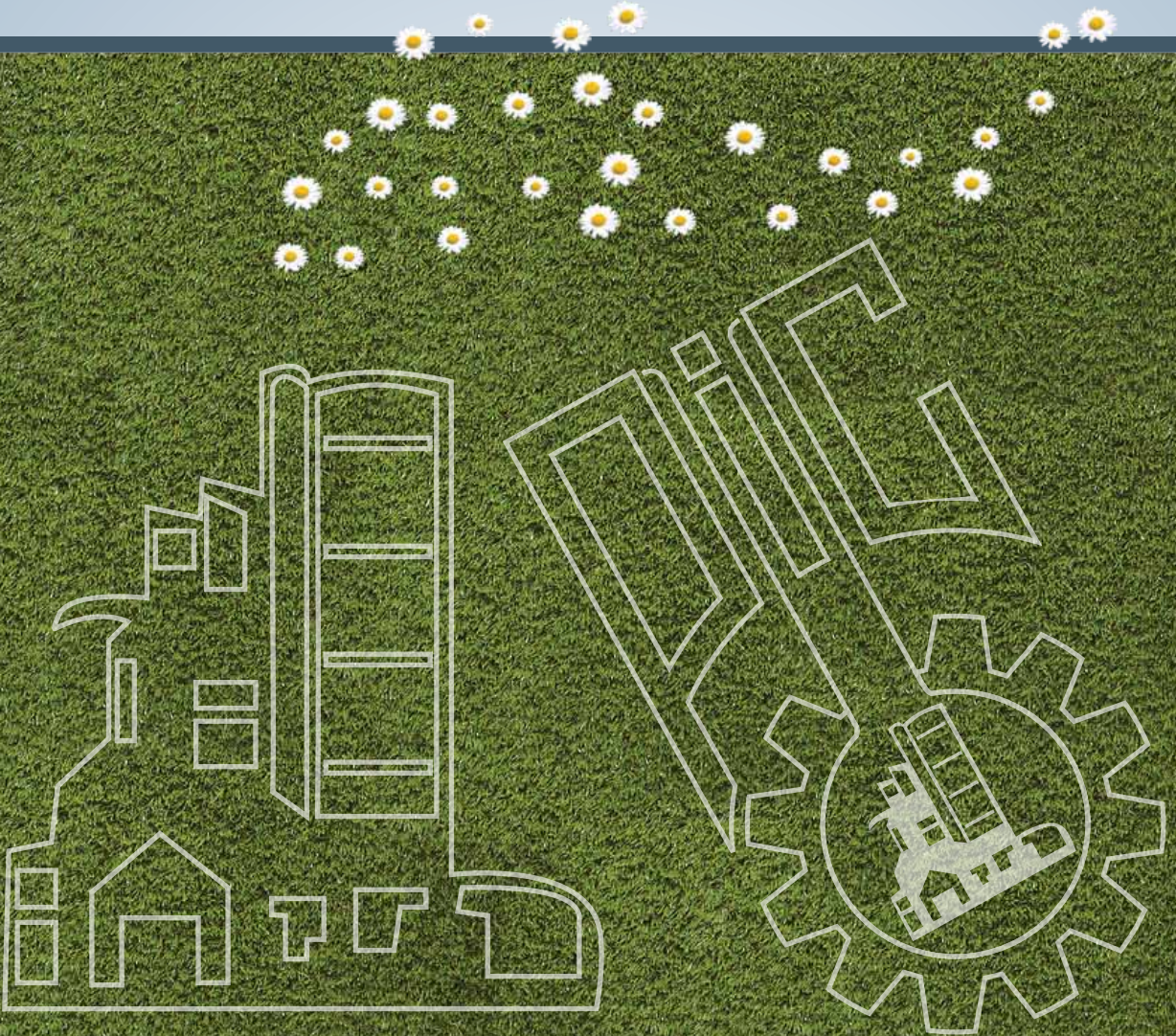




إحدى شركات مؤسسة البترول الكويتية
A Subsidiary of Kuwait Petroleum Corporation

PETROCHEMICAL INDUSTRIES COMPANY (K.S.C)



HSE

HEALTH, SAFETY AND ENVIRONMENT

ANNUAL REVIEW

2009 - 2010



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HEALTH, SAFETY AND ENVIRONMENT

ANNUAL REVIEW

2009 - 2010



Maha Mulla Hussain
Chairman & Managing Director

Statement from the Chairman and Managing Director

Petrochemical Industries Company (PIC) made it its policy from the onset to safeguard workers, neighbors, and community against anything that would endanger their Health and Safety as well as the Environment at large. PIC has always worked towards creating an HSE culture in which workers actively and willingly participate in HSE activities. I believe that this approach towards our HSE Management System is what awarded us the OHSAS 18001 certificate and recognized our competitiveness in HSE through winning the Arab Fertilizer Association HSE Award last year.

PIC intensified its focus lately on integrating HSE into every worker's job. Senior personnel were assigned to deliver awareness to newly promoted ones; interdisciplinary teams were utilized to perform Process Hazard Analysis, incident investigation, internal audit; all levels of workers were involved in risk assessment. HSE-related committees, working groups membership are changed on annual basis to ensure exposure to the maximum number of workers possible.

Last year we have also seen focus on cultivating the newly-introduced Six Sigma and BBS programs. The former was especially successful in terms of methodically studying defects in the

HSE Management System and proposing sustainable solutions to them. The latter became a corner-stone of our HSE culture especially enhancing communication and ownership. All these endeavors have reflected in an excellent zero-accident achievement in our 2009 turn-around where more than 1,800 workers were involved. I am also proud to announce that PIC had achieved more than eight million safe man-hours by the end of FY 09-10.

I would like to extend my utmost appreciation to all those who took part in supporting PIC HSE Management System and helped make PIC and its neighboring community a safer, healthier, and more environmentally-friendly workplace.

Maha Mulla Hussain

Chairman & Managing Director



Jehad Al-Hajji
Deputy Managing Director

Statement from the Deputy Managing Director

Petrochemical Industries Company's (PIC) Health, Safety, & Environment (HSE) strategy is helping people to benefit from effective health and safety management and a sensible health and safety culture. We believe that awareness and understanding are important prerequisites to good health and safety performance. PIC dedicates itself to continuously providing information, advice, and guidance, which are respected as reliable, comprehensive, and beneficial. This has played an important part in realizing our ambition.

During the past year we had achieved official recognition of OHSAS 18001 as the primary company in Kuwait to have it. The fact that three external OHSAS and all ISO 14001 assessments were received successfully proves that this was a significant achievement reflecting the world-class HSE management system of PIC.

PIC HSE is moving from information to support. The relationship becomes increasingly interactive, with consultation between PIC and Kuwait Petroleum Corporation (KPC) to develop and improve the HSE management system (HSEMS) standard.

Whilst thanking each one of you for the support extended to achieve excellence, also it gives me immense pleasure to congratulate all of you in this regard.

Jehad Al-Hajji

Deputy Managing Director - Fertilizers



Mijbel Al Shemmary
HSE Manager

Statement from the HSE Manager

“Continual improvement”... this has been one of PIC’s main core values, especially when it comes to the HSE management system. Our efforts towards continual improvement have yielded significant achievements in FY 09-10, as evidenced by our acquisition of the OHSAS 18001 certification, which demonstrates the world-class status of PIC’s HSE management system.

PIC HSE management system is built up on long experience and supported by numerous programs and activities. OHSAS 18001 certificate comes as a new step towards HSE excellence and as an addition to the ISO 14001 certificate PIC already has.

I am all too glad to be able to inform you that persistent hard work coupled with effective and efficient training has culminated, for the first time, in the achievement of > 8,000,000 safe man-hours.

The man-hour record serves as one of many proofs of HSE buy-in on part of employees and contractors. PIC has bolstered communication and participation to the effect that workers came to consider themselves part and parcel of the HSE management system. PIC involves workers from all levels in teams specializing in risk assessment, PHA, RCA, incident investigation, audit, as well as training and awareness activities. Communication is also facilitated through a Worker

Representative, who serves as a focal point between top management and lower-level workers.

PIC gives balanced attention towards both process safety and behavioral safety. The first is exemplified by PIC currently heading the Kuwait Petroleum Corporation committee aimed at implementing PSM systems in Kuwait Oil Section companies. A rigorous behavior-based system was implemented and is overseen by members of management to keep at-risk behavior at its lowest.

PIC endeavors to study means of improvement in an in-depth manner. This is why PIC has launched a Six Sigma program, part of which was directed at enhancing HSE through disciplined research of defects and means of remediating them.

Dedication to advancing the HSE management system in PIC is well-illustrated through our winning of the Arab Fertilizer Association HSE Award for the year 2009.

It has been a fulfillment of my aspirations to lead the HSE Department. It has been eight years of challenging work with a team of dedicated professionals. Seeing the HSE advancing year to year has been my pleasure and a driving force towards ever more improvement

Mijbel Al Shemmary

Manager Health, Safety and Environment

Health, Safety, Environment, Quality & Security Policy

Petrochemical Industries Company (PIC), as a globally recognized Petrochemical player and a leader in Ammonia & Urea Manufacturing & Marketing, is committed to the Health, Safety, and Security of employees, contractors, visitors, customers, suppliers, distributors, public and to protect assets as well as the environment and ensuring the quality of the Company's products to satisfy customers' needs, through the implementation of high standards in Health, Safety, Environment, Quality and Security, promoting its compliance with these standards, and giving them utmost precedence in business practices.

The implementation of this Policy is the responsibility of line management, supported by Occupational Health, Safety, Environment, Quality and Security management systems.

To achieve this Policy, we are committed to:

- Conduct our businesses in accordance with local legislative requirements, industry standards and follow best practices related to Company activities.
- To give due attention to Health, Safety, Environment, Quality & Security issues, by enhancing awareness and taking all reasonable and practical steps to prevent and eliminate the risk of injury, adverse environment and health impact, reduce wastes and emissions, and promote resources conservation at every stage of our products' life cycle.
- Establish, implement, and maintain effective Occupational Health, Safety, Environment, Quality and Security management systems compatible with the requirements of RC 14001, OHSAS 18001, ISO 14001, and ISO 9001.
- Ensure employees and contractors are trained and qualified to perform their tasks effectively.
- Set objectives and targets that are measurable and consistent with this Policy.
- Continue to improve Health, Safety, Environment, product Quality and Security performance.
- Promote and maintain high level of awareness of workplace health and safety hazards, risks associated with them, and utilize the techniques necessary for minimizing risks as much as reasonably practical.
- Conduct regular audits on Occupational Health, Safety, Environment, Quality and Security management systems and utilize them in the review of management systems' performance.
- Publish Company's HSE&S Performance transparently and be responsive towards Stakeholders.

- All PIC employees understand and comply with this Policy.
- This Policy is available to the public and is reviewed regularly.

November 2010

Maha Mulla Hussain
Chairman & Managing Director

سياسة السلامة والصحة المهنية والبيئة والجودة والأمن

تتزم شركة صناعة الكيماويات البترولية (PIC) بصفتها رائدة عالمياً في صناعة الكيماويات وفي تصنيع وتسويق الأمونيا واليوريا بصورة مسحة وسلامة ومن العاملين والمقاولين والزوار والزبائن والموردين والموزعين والمجتمع وبمساهمة المجتمعات والبيئة وضمان جودة منتجاتها لتتفق رضا العملاء، وذلك عن طريق تطبيق معايير إقليمية في السلامة والصحة المهنية والبيئة والأمن والشغف على التزامها بهذه المعايير وإحداها الأهمية القصوى في الممارسات العملية.

تتخذ هذه السياسة من مطابقة الإرادات المعترف عداها بأهمية إدارة السلامة والصحة المهنية والبيئة والجودة والأمن.

ولتحقيق هذه السياسة، فإننا ملتزمون بتطبيق ما يلي:

- الالتزام بأهمية ومساؤوليات الصحة المهنية والبيئة والسلامة والبيئة والجودة والأمن العملية والداخلية وإدراج أفضل الممارسات المتعلقة بأمنها الشركة.
- إعطاء الأهمية المستوية لتوسيع الصحة والسلامة والبيئة والجودة والأمن عن طريق زيادة الوعي بها والحد من المخاطر العملية للأزمة لمنع وقوع حوث الإصابات والأمراض المهنية والقتل والإعاقات، والتدريب بالإضافة إلى تعزيز ثقافة الموارد في جميع مراحل الدورة الحياتية لمنتجاتنا.
- تأسيس وتطبيق نظم فعالة لإدارة السلامة والصحة المهنية والبيئة والجودة والأمن والحفاظ عليها وتكون متوافقة لمطابقات أنظمة الرعية السنوية (RC 14001)، السلامة والصحة المهنية (OHSAS 18001)، إدارة الية (ISO 14001)، وإدارة الجودة (ISO 9001).
- التأكد من تدريب وتأهيل العاملين والمقاولين لأداء مهامهم بفعالية.
- وضع الأهداف والغايات التي يمكن قياسها والمتوافقة مع هذه السياسة.
- الاستمرار في تحسين أداء الصحة والسلامة والبيئة وجودة المنتجات والأمن.
- نشر وتعزيز الوعي بالشغف المتعلقة بالعمل والصحة المهنية والأمن مع تحقيق الثقافات الضرورية لتقليل من هذه المخاطر إلى أقل حد ممكن من الناحية العملية.
- التدقيق المنتظم على أنظمة الصحة المهنية والسلامة والبيئة والجودة والأمن واستعدادنا لتتجه في مرونمة أداء هذه الأنظمة.
- نشر تقارير أداء الصحة المهنية والسلامة والبيئة والأمن بتعافية والإشغافية لإستراتيجيات العمل.

- يلتزم جميع العاملين بالشركة بهم وتطبيق هذه السياسة.
- هذه السياسة متوفرة للعمامة وإتير من أعلنها إوريا.

نوفمبر 2010

Safety, Occupational Health, Environmental, Quality and Security Policy

Petrochemical Industries Company (PIC), as a globally recognized Petrochemical player and a leader in Ammonia & Urea Manufacturing & Marketing, is committed to the Health, Safety, and Security of employees, contractors, visitors, customers, suppliers, distributors, public and to protect assets as well as the environment and ensuring the quality of the Company's products to satisfy customers' needs, through the implementation of high standards in Health, Safety, Environment, Quality and Security, promoting its compliance with these standards, and giving them utmost precedence in business practices.

The implementation of this Policy is the responsibility of line management, supported by Occupational Health, Safety, Environment, Quality and Security management systems.

To achieve this Policy, we are committed to:

1. Conduct our businesses in accordance with local legislative requirements, industry standards and follow best practices related to Company activities.
2. To give due attention to Health, Safety, Environment, Quality & Security issues, by enhancing awareness and taking all reasonable and practical steps to prevent and eliminate the risk of injury, adverse environment and health impact, reduce wastes and emissions, and promote resources conservation at every stage of our products' life cycle.
3. Establish, implement, and maintain effective Occupational Health, Safety, Environment,

Quality and Security management systems compatible with the requirements of RC 14001, OHSAS 18001, ISO 14001, and ISO 9001.

4. Ensure employees and contractors are trained and qualified to perform their tasks effectively.
5. Set objectives and targets that are measurable and consistent with this Policy.
6. Continue to Improve Health, Safety, Environment, product Quality and Security performance.
7. Promote and maintain high level of awareness of workplace , health and security hazards, risks associated with them, and utilize the techniques necessary for minimizing risks as much as reasonably practical.
8. Conduct regular audits on Occupational Health, Safety, Environment, Quality and Security management systems and utilize them in the review of management systems' performance.
9. Publish Company's HSE&S Performance transparently and be responsive towards Stakeholders.
 - All PIC employees understand and comply with this Policy.
 - This Policy is available to the public and is reviewed regularly



PIC Vision, Mission and Values

PIC VISION

We Will:

- Build a sustainable advantaged position in basic and commodity petrochemicals.
- Extend our global reach through selected downstream petrochemical investments and strategic alian.
- Become leader among regional peers in HS&E and operational excellence.
- Strive to meet our stakeholders expectation.

PIC MISSION

PIC is a Petrochemical player. Our activities are focused on:

- Create a diversified regional petrochemical position.
- Maximize value added to Kuwait's hydrocarbons.
- Extend our petrochemical reach through international investment and market participation.
- Contribute to the local economy.
- Create a challenging and fulfilling environment that will support skill and capability development required to meet our international growth objectives.

PIC VALUES

- **Accountability:**
We believe that all employees should have ownership of their work, with clearly defined responsibilities and authorities, and be held accountable for the quality and timeliness of all the tasks that they perform.
- **Continuous Improvement:**
We believe that only through the unremitting quest for perfection shall we achieve sustained success both as individuals and an organization.
- **Passion about our Business:**
We believe that we will only achieve our goal of being recognized as a " World Class " performer by demonstrating boundless enthusiasm in everything that we do in our work.
- **Strong Leadership:**
We believe that leaders should clearly express a Vision of PIC's future, to enable employees to contribute to our Mission, and that all those who seek to lead should display the same high levels of willingness, integrity and ability that they require from those that report to them.
- **Teamwork:**
We believe that the added benefits achieved from working collaboratively and fairly with colleagues from all areas of PIC will enable us to achieve higher performance and success at both corporate and individual levels.
- **Respect and Dignity:**
We believe that every person, without distinction, has the right to be treated with a level of esteem equivalent to that which we ourselves wish to receive.

Introduction

Since the 1960s an industry for the production of ammonia and nitrogen fertilizers have been existing in Kuwait. It has constantly adopted to the latest developments in technology and uses Kuwait's Natural gas as its feedstock. Kuwait, represented by Petrochemical Industries Company (PIC) has not only established a firm footing for itself in ammonia and urea marketing at home, but has also set about establishing external affiliates for the production of a wider range of chemical fertilizers. The location of such affiliates in various geographical regions makes it easier for PIC to supply its markets.

Petrochemical Industries Company K.S.C (PIC) was incorporated by an Amiri decree on July 23, 1963. By virtue of that decree, the first chemical fertilizer complex both in Kuwait and the region, comprising of ammonia, urea, ammonium sulphate, and sulphuric acid production was completed in 1966 at the Shuaiba industrial area.

In 1980, Kuwait Petroleum Corporation was formed by an Amiri decree number 6 in that year, as the holding company for the Kuwaiti oil sector and all shares in PIC were transferred to it.

PIC Fertilizer Plants consists of two Ammonia Plants & three Urea Plants.

The ammonia process: is one of the major achievements of industrial chemistry in this century. In Kuwait, it is based on natural gas. Ammonia is produced from a mixture of hydrogen (H₂) and nitrogen (N₂) with a ratio of H₂ to N₂ of 3 to 1. Ammonia is used as a raw material in the urea and ammonium sulfate process

The urea process: synthetic organic compound produced by the reaction of ammonia with carbon dioxide, urea is the solid nitrogenous fertilizer with the highest nitrogen content (46.4%). It is white, granular material, which is easily stored and transported.



HSE in Brief

PIC came to be a leader in environmental protection among Kuwait Oil Sector companies through years of persistence at keeping on edge of the most up-to-date environmental expectations. Environmental activities were carried out in the past by the Lab Section in PIC. Eventually, PIC established an Environmental Protection Section (EPS) in 2001, before it was required by law. Role of the EPS included monitoring emissions, conducting awareness, and researching environmental best practice.

PIC established a strong relationship with the Kuwait Environment Protection Authority (Ku-EPA) upon its inception in 2001. Ku-EPA is the government body responsible for legislating environmental laws. Since PIC had a good experience in environmental issues, it was given platform to assist in reviewing Ku-EPA Law number 210/2001. PIC reports its environmental performance to Ku-EPA as well as to Kuwait Petroleum Corporation (KPC) on monthly basis.

Afterwards, PIC aspired to go further into compliance with international environmental standards. PIC formed a committee to establish an EMS in-line with the ISO 14001. This was accomplished without utilizing any external help or consultancy.

Establishment of an EMS in PIC was finalized in 2004, with awareness done to all workers. An external auditor was invited from LRQA. PIC was certified with ISO 14001:1996 from the first audit as no major non-conformities were noted. In the same year, a second audit was carried out to upgrade certification to the 2004 version. ISO certification was renewed in 2007. No major non-conformities were noted in any of the audits.

In addition to ISO 14001 audits, Ku-EPA reviews performance of PIC regularly. Periodic meetings are held between PIC and Ku-EPA.

PIC actively strives to keep itself above basic requirements. For example, PIC has set its own internal emission limits, which are lower than those required by Ku-EPA.

PIC is well-oriented towards continual improvement in all fields, including environmental performance. This is explicitly mentioned in the company's integrated HSE&Q Policy.

PIC sets challenging environmental objectives to prevent its EMS from stagnation. Examples include:

1. Under ground water treatment.
2. To improve PPE's system.



HSE Achievements



OHSAS 18001 certification (with no major non-conformance)



Re-certification in ISO 14001 and 9001 (with zero non-conformances).
 Won the Arab Fertilizer Association (AFA) HSE Award.
 Achieved more than 8 million safe man-hours.
 Completed turn-around 2009 with zero accidents.
 No occupational illnesses reported.
 No Industrial Disabling Injuries (Lost Time Incidents) reported.



Completed four Six Sigma projects on HSE issues:
 Eliminate Vanadium Environmental Incident
 Optimize PPE's distribution work process
 Improve occupational health programs
 Improve the work permit dosing system

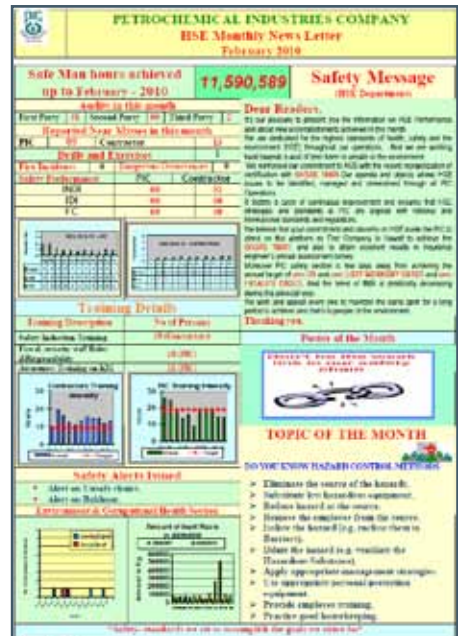
- Issued monthly HSE News-letter.
- Issued 15 Safety & fire Alerts.
- Issued quarterly safety magazine “al-Salama”.
- Conducted training in accordance with HSE Passport Training Matrix on:

- Safety Induction
- Audit
- Fire Extinguisher & Breathing Apparatuses
- Fall protection /prevention
- Permit-to-Work System
- Lifting Equipment
- Emergency & Evacuation Plan (in Shuaiba and Head Office)

- Conducted following additional trainings during TA for employees and contractors:

- TA 2009 Key Person Awareness
- Skills for TA Contractors
- Confined Space Training
- Fire watcher Training
- Lock-Out/Tag-Out and Blinding Training
- Safety Induction refresher
- Multi-Purpose Safety Training

- Conducted 3 near-miss campaigns.
- Conducted a campaign on environment and occupational health
- Conducted 12 emergency, fire, and environmental drills.
- Reduced waste more than 50% comparing with previous years
- Oil separation unit to recover oil contaminated with plants effluents
- Reducing CO2 emissions projects
- Implementation of Occupational health programs and establishing OH procedures and complying with KPC standard
- Implementing waste segregation plan
- Paper segregation project
- Purchasing anew equipment for monitoring OH elements
- Associate on Oil spill response team
- Review and updating 210/2001 Decision of KU-EPA Law with KPC
- Associating on Dow Training
- PIC has now achieved 8 million safe man-hour which is the best safety record to this point
- TA 2009 produced a good achievement in terms of incident free working during this Turn Around. No incident was reported on a positive note that TA 2009 reached Above 1 million Safe man-hours and successfully completed the Turn Around without a Lost Time Injury 1,800 Personnel on site/ day in peak period
- HSE principles and active participation has helped Zero Accident to become Reality



- In order to focus on the Safe execution of the job with Accident free turn over, Safety section has raised awareness sessions for all employees those who are participated in the Turn Around 2009
- Prior to the turn around all contractors were called for a meeting and form a Observation team and daily HSE meeting was conducted in Safety section with the presence of TA Manager, Team Leader safety, operation, maintenance, and contractors. Team Discussed daily TA HSE issues, Training, corrective actions, Daily progress of daily activities. A record of these meeting minutes and communicated with all
- PIC Safety observers are witnessed contractor's on-site daily pre-job safety tool box meetings prior to start the work and in which the specific hazards pertaining to the job are discussed.
- Confined space activities are carried out with stand by rescue team as per the action plan no job had carried out without rescue plan and team.
- On a regular basis Safety Audits observation played an important role to achieve the turn around target identified all the positive hazards and control measures also taken/advised by all safety observers

Blue	Green	Red	Yellow
1st week	2nd week	3rd week	4th week

- Fertilizer plant Turn Around successfully completed without IDI and INDI
- Implementation of Fire and Emergency and safe distribution procedures complying with KPC standard.
- Develop an evaluation system for contractors to evaluate their safety performance. Discuss the findings in separate meetings. Positive observations should be appreciated and negative observations should be analyzed and rectified
- Develop an evaluation system for contractors to evaluate their safety performance. Discuss the findings in separate meetings. Positive observations should be appreciated and negative observations should be analyzed and rectified
- Strictly enforced Job Risk Assessment (JRA) and conduct daily audit
- To overcome language and communication barrier during turn around a daily bilingual HSE Newsletter was issued to convey learning and new instructions discussed in the TA meeting of the previous day to shop-floor workers
- Develop systematic tools and equipments inspection to eliminate any defected or unsafe tools. Inspection shall be carried out by competent person.
- Develop an evaluation system for contractors to evaluate their safety performance. Discuss the findings in separate meetings. Positive observations should be appreciated and negative observations should be analyzed and rectified
- Having 1,800 TA manpower, conducting training, awareness, and Safety Induction was managed in different ways. Some Safety Induction was conducted inside contractor camps. Training sessions were carried out after work hours to maximize use of time.

Occupational Health Achievement

Occupational health should aim at: the promotion and maintenance of the highest degree of physical, mental and social well-being of workers in all occupations; the prevention amongst workers of departures from health caused by their working conditions; the protection of workers in their employment from risks resulting from factors adverse to health; the placing and maintenance of the worker in an occupational environment adapted to his physiological and psychological capabilities; and, to summarize, the adaptation of work to man and of each man to his job.

And here in PIC we care about our employee by taking a monthly audit on O.H. and an annual medical check for all employees in all departments.

This audit consists of 12 sections as follows:

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Health and safety system. 2. First aid. 3. Personal protection. 4. Respiratory protection. 5. Hazardous material. 6. Workplace ergonomics. | <ol style="list-style-type: none"> 7. Radiation. 8. Lighting. 9. Hearing conversation. 10. Hygiene food. 11. Waste disposal. 12. Training/awareness. |
|--|--|

PETROCHEMICAL INDUSTRIES COMPANY Environment & Occupational Health Section		PH FORM-OHE-HEENVN-01	
Occupational Health Monthly Check List		Date: Aug 2010	
Name:	Company No:		
Job title:			
Section:			
Date:	Location:		
Section 1. Health & Safety Systems Yes No comments Action to be Taken			
1.1 OHS policy displayed			
1.2 Accident report book			
1.3 Emergency procedures			
1.4 Training records			
1.5 Job Risk Assessments			
1.6 MSDS available			
1.7 OHS management systems			
Section 2. First Aid Yes No comments Action to be Taken			
2.1 Cabinets and contents clean & ordered			
2.2 Stock meet requirements			
2.3 Drop list available			
2.4 Staff trained for First Aid			
Section 3. Personal Protection Yes No comments Action to be Taken			
3.1 Employees provided with PPE			
3.2 PPE being worn by employees			
3.3 PPE expiry date			
3.4 PPE appearance			
Section 4. Respiratory Protection Yes No comments Action to be Taken			
4.1 provided and used when required			
4.2 written respiratory protection program			
4.3 cleaned, disinfected and repaired			
4.4 respirator used for the hazard present			
4.5 negative pressure respirators fit tested			
Section 5. Hazardous Materials Yes No comments Action to be Taken			
5.1 Stored appropriately			
5.2 Containers labeled correctly			
5.3 Adequate ventilation/exhaust systems			
5.4 Waste disposal procedures			
5.5 procedures followed			
5.6 safety shower, eye bath, extinguishers			
Section 6. Workplace Ergonomics Yes No comments Action to be Taken			
6.1 Workstation and seating design acceptable			
Doc. No. HSE-01-2010	Revision Date: 7 February 2010	1 of 3	
Author: Salah Alsheshi	Controlled: ENOH T.L.	Approved by: HSE Manager	

PETROCHEMICAL INDUSTRIES COMPANY Environment & Occupational Health Section		PH FORM-OHE-HEENVN-01	
Occupational Health Monthly Check List		Date: Aug 2010	
Section 6.2 Appropriate training provided			
6.2.1 Screen breaks taken every 2 hours			
6.2.2 The work area free of distracting noise			
6.2.3 Muscular loosening exercises done			
6.2.4 Wrists kept straight when working?			
6.2.5 No heavy jewelry on wrists?			
6.2.6 Any O/H complaints of pain, numbness or swelling in hands?			
Section 7. Radiation Yes No comments Action to be Taken			
7.1 Radiography operator license			
7.2 Signage displayed			
7.3 Procedure available			
7.4 Area barricades, fencing & bonding			
7.5 Stock materials of radioactive materials are secured against unauthorized removal			
7.6 lab coats, gloves and radiation dosimeters used when handling materials			
Section 8. Lighting Yes No comments Action to be Taken			
8.1 Adequate and free from glare			
8.2 Lighting clean and efficient			
8.3 No flickering or inoperative lights			
8.4 Emergency lighting system			
8.5 glare or reflections on the screen			
8.6 light directed away from operator's eye			
8.7 screen filters required to minimize glare			
8.8 operator or the screen face a window			
8.9 Any nearby surfaces reflect glare?			
8.10 operators take breaks, do other tasks			
Section 9. Hearing Conversation Yes No comments Action to be Taken			
9.1 continuous noise levels exceed 85 dBA			
9.2 preventive health program to educate employees in safe noise levels, exposures, the effects of noise on their health and the use of personal protective equipment			
9.3 work areas where noise levels make voice communication between employees difficult been identified and posted			
9.4 noise levels measured using a sound level meter, noise dosimeter or octave band analyzer and are records kept			
9.5 engineering controls been used to reduce excessive noise levels			
9.6 if engineering controls are determined to be unfeasible, have administrative controls (i.e., worker rotation) been instituted to minimize			
Doc. No. HSE-01-2010	Revision Date: 7 February 2010	2 of 3	
Author: Salah Alsheshi	Controlled: ENOH T.L.	Approved by: HSE Manager	

HSE Projects

Environmental Projects

In the context of growing interest in the environment given by the Petrochemical Industries Company, conservation and control sources of pollution and provide all the requirements and possibilities to reduce it in addition to providing a work environment clean. The company through the intensive efforts and national cadres has completion of environmental projects, which received the approval and blessing of the senior management of the company and the Foundation KPC.

It should be noted in this area Petrochemical Industries Company has already completed several projects after the operation actually succeeded in achieving its objective to achieve optimal use of the Kuwaiti petroleum wealth in the best-known techniques to cope with the environmental standards of local and international conservation of the environment and human health. They are:

- Zero Ammonia Emission Project
Objective of the project: to prevent the emission of ammonia in the abnormal conditions to the atmosphere and burning through which any leakage before it is sent to the atmosphere
Location: urea plant the second and third
- A study groundwater and soil in cooperation with the Kuwait Institute for Scientific Research.
Objective of the project: To ensure the quality of groundwater and to develop plans to deal with the water in case of contamination.
Location: inside the walls of the company
- Irrigation Project
Objective of the project: use the treated ammonical water in irrigating the plants.
Location: within the company
- Extra gas detection for new gases from Olefin Project.
- The most important certificates that have been obtained or renewed in the field of environmental protection:
 - Environmental Management System Certificate (EMS) ISO 14001
 - Certificate of Quality Management System (QMS) ISO 9001
 - Certificate Management System Health and Safety ISO 18001 (OHSAS)





Safety projects

ACCESS CONTROL SYSTEM

1. Live Display System Installed (Head Count)
2. Buobyan Club Data center Access control system Access control point with magnetic Lock.
3. Material Entry exit Full turn style door.
4. PIC Shuaiba parking area Access control Maintenance.

FIRE DETECTION AND PROTECTION SYSTEM

1. New fire detection system installed for Plant-A control Room corridor, offices and lab.
2. New fire detection system installed in Security building CCTV system equipment Room.
3. New fire detection system Installed Diesel generator building Plant – B
4. New fire detection system Installed in Ammonia IV S/S and cable tunnel.

ONGOING PROJECT

1. Procurement of Fire and Rescue Items
2. New fire alarm system installation in various locations
3. Replacement of corroded foam tank in ammonia IV
4. Centralized fire Alarm system



HSE Six Sigma Projects

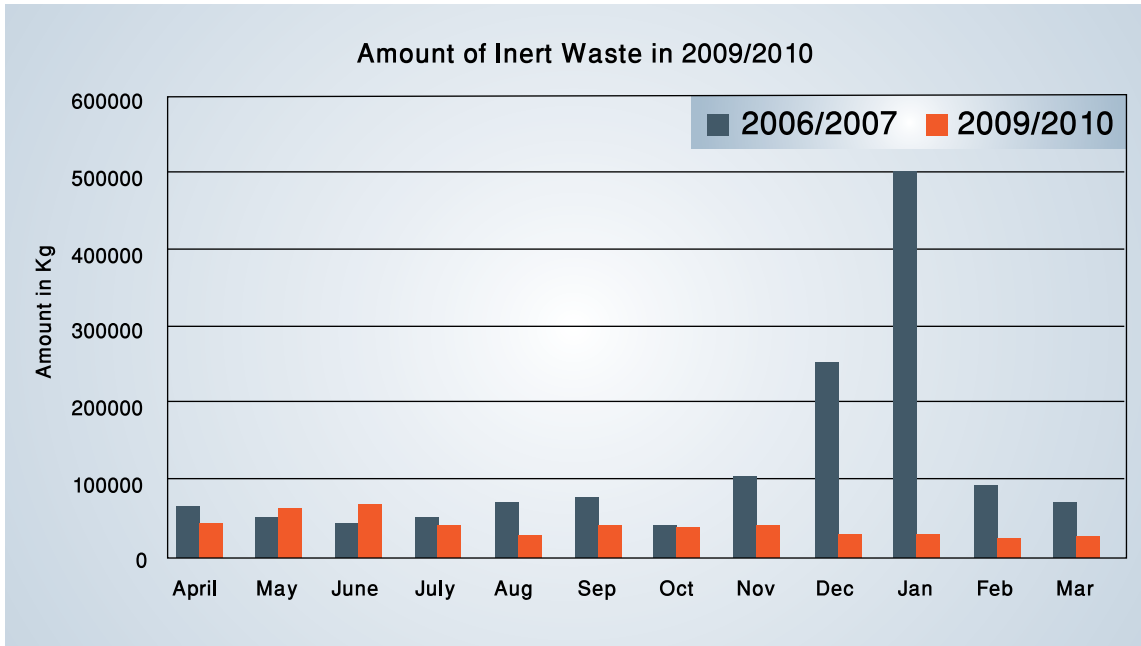
Six sigma is a key management philosophy for us and has led to increasing company profits, reducing costs, achieving employee job satisfaction, and improving the services provided for them. And in our department we have applied this tool to solve problems that facing us such as:

1. Eliminate Vanadium Environmental Incident
2. Optimize PPE's distribution work process.
3. Improve occupational health programs.
4. Improve the work permit dosing system.

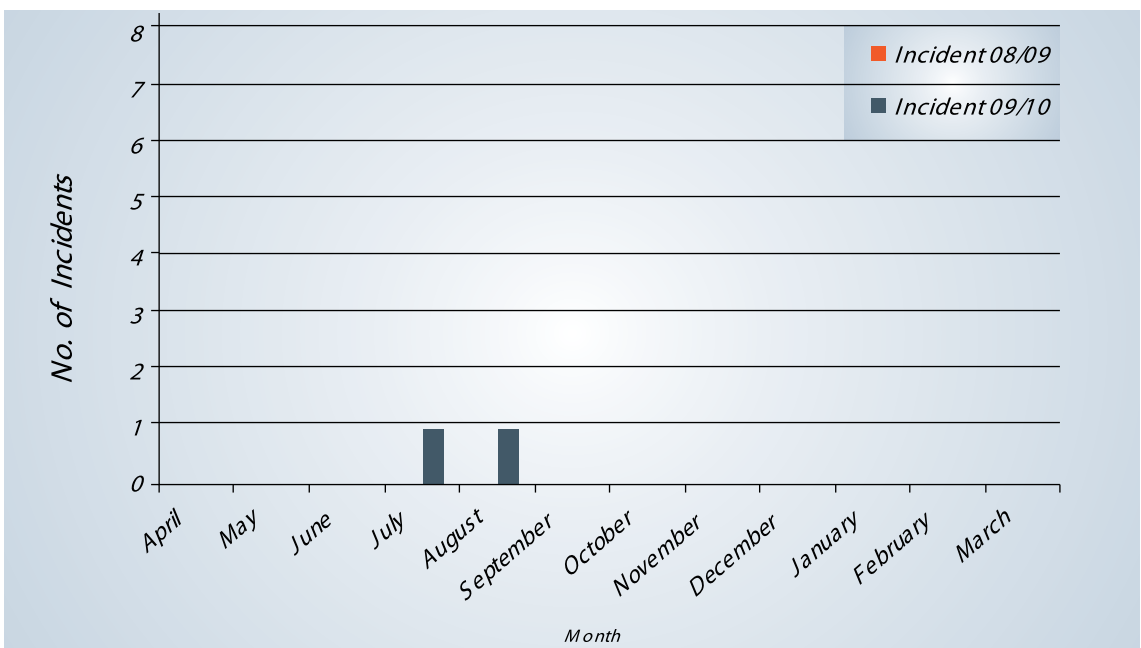


HSE Performance Measures

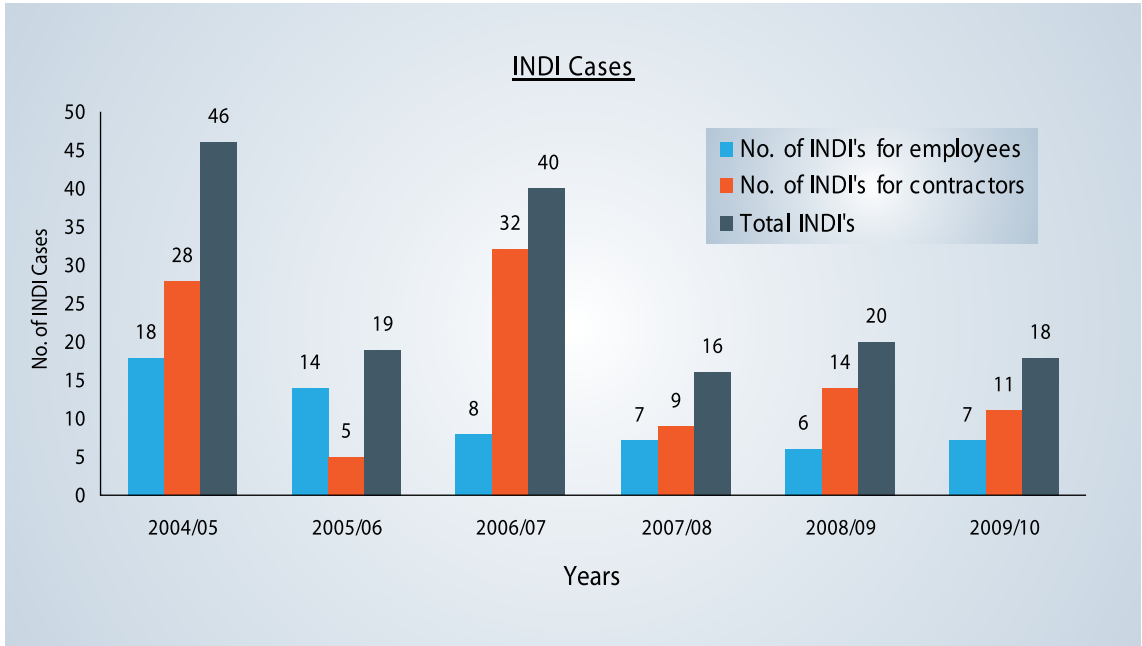
- Reduce the proportion of inert waste by more than 60% during the year 2007-2009, Our Target is to reduce Inert Waste by 5% comparing with 2006/2007 because it was TA, at the end of year 2009/2010 reduction progress is to 62%.



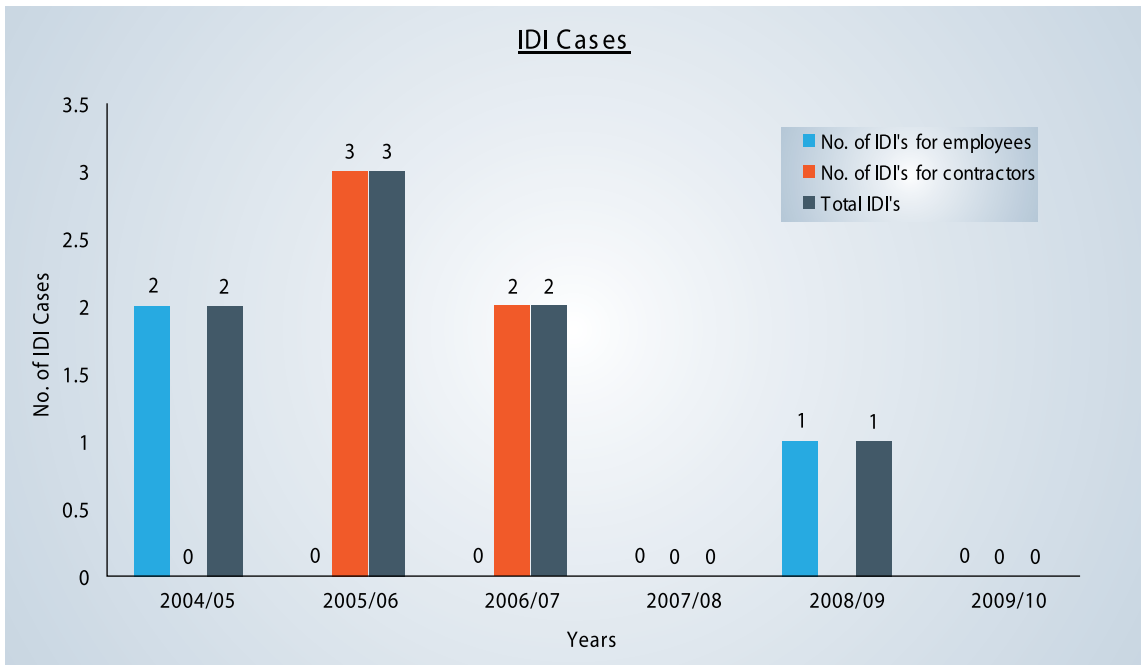
- Two environmental incidents were recorded for the year 2009/2010, while not recording any environmental incidents during the year 2008/2009 as shown in the following:



Industrial Non Disabling Injury (INDI)



Industrial Disabling Injury (IDI)



Compliance

The newly appointed Safety Observers has conducted inspections of site locations and recorded

Contractor Management Meetings

Special meeting also has been conducted with contractor's management to discuss the latest HSE performance and issues to control all site activities

Employee's welfare Program

Food Shelters/toilets and offices are provided and maintained in clean and hygienic way. Suitable rest areas were provided in all PIC facilities with enough Emergency exit.

Drinking water and soft drinks provided throughout the day

PIC provided refreshment snacks every day for all employees

Excellence

PIC have award Appreciation Certificates to all TA Participants for Accident free Turn Around.

Achieved OHSAS 18001 certification In 2009/10





HSE Training

As part of Safety Section's activities to enhancing all employees' safety knowledge, a Training Matrix was developed to tailor HSE training to employees according to their position. Safety Section has delivered training to top management, Operations, and Maintenance in line with Matrix. Basic and other necessary training has been given to all contractors work force.

In addition to that training has been given to all contractors work force to assist and fulfill the Turn Around objective that employee can hold within this Turn Around as a safe worker. Safety Section Completed total 10560 training hours against a target set of 9000 training hours during turnaround period. The training conducted for PIC and contractors. Special training and awareness program has been conducted in their camps due to huge no of peoples are came together for Turn Around

- Safety passport training
- Induction Training
- Safety Audits
- Fall protection/Prevention
- Work Permit System
- Confined Space Entrant and attendant
- Training Based on the Skill
- Fire Extinguisher & BA training
- Emergency & Evacuation
- Lock out Tag out
- Key personnel Awareness
- Fire Watcher
- Blinding Procedure
- Personnel Protective Equipment
- JRA training
- Multi purpose training
- HSE awareness

HSE Communications

Many effective means of communication are used to ensure the smooth and efficient transfer of HSE information. Worker participation and the appointment of a Worker Representative are examples of features of strength in the communication system.

HSE section published Safety and Fire Alerts it was one of the successful achievement in the previous years. This was being in touch with all and it provided knowledge and guidance through communication/public relation team.



Safety Suggestion

This program is intended for improving the safety standards and procedures, including elimination of work hazards. It does this by encouraging employees to submit suggestions that lead to a better and safer, way of doing things.

All employees PIC and contractors are encouraged to submit suggestions that lead to improve the safety aspects. All the suggestions will be evaluated by Safety section and Occupational Health section and respective section they will be rewarded for the effort taken towards improving safety standards and performance upon implementation of their suggestion,

Near Miss

In view of the accident Prevention in PIC, Safety section has been increased focus on Accident prevention and implemented more comprehensive HSE Program to ensure the safety of all workers working at in PIC premises all employees were encouraged through incentive program to submit the Near-miss. Total 3 Near-Miss campaigns were conducted in the previous year. Total 237 Near-Misses were submitted in the fiscal year 2009/10

Fire & Security

Fire Section

Fire section has conducted various training sessions including live fire training and fire drills and mock drills in fertilizer plant and office facilities

Training sessions were conducted to increase the awareness of employees to use the fire extinguisher and Breathing apparatus. More than 22 in house training and 9 field training conducted in cooperating with safety section. The training included the following subjects

Live Fire training

Fire extinguisher and BA training

Rescue operation Training

Fire and Mock Drills



Fire equipment evaluation committee continues the evaluation of fire equipments condition and provides recommendations to upgrade the system. Committee visited neighboring companies to compare the system with others and upgraded the systems in to international level.

Fire detection and protection system inspection has been carried out with coordinating with system maintenance contractor and recommended necessary system modification and maintenance. As per the recommendations PIC upgrade the fire detection and protection with advanced systems. Fire section has completed the fire risk assessment survey in the fertilizer plant in coordination with fire risk assessment specialists from USA.

Fire section representatives representing PIC in the KPC Fire and emergency committee and safe distribution committee

Fire Detection and Protection System

1. New fire detection system installed for Plant-A control Room corridor, offices and lab.
2. New fire detection system installed in Security building CCTV system equipment Room.
3. New fire detection system Installed Diesel generator building Plant – B
4. New fire detection system Installed in Ammonia IV S/S and cable tunnel.

Ongoing Project

1. Procurement of Fire and Rescue Items
2. New fire alarm system installation in various locations
3. Replacement of corroded foam tank in ammonia IV
4. Centralized fire Alarm system.
5. Replacement of old Breathing apparatus sets

Security Section

The Security systems were enhanced by active involvement of external agencies to ensuring that security risk to PIC operations, personnel and facilities is mitigated to an acceptable level. Consequently the engagement, coordination and cooperation of the agency is a key factor in the execution of this security plan. Agency and departments having responsibilities in dealing with a security incident or a breach of Security at this site include: PIC HSE department, Shuaiba Industrial Authority, Ministry of the Interior, State Installations Security, Criminal Investigations Division, and Shuaiba Port Authority, local fire departments and emergency response agencies or departments.

Implemented visitor's identification card system in PIC Head office this will help to identify the visitor location if in case of any emergency also it will give all necessary information about the visited.

A new permit-to-search card introduced to avoid possible personal sensitivities associated with searching of individuals. Also introduced Security traffic check list as part of the OHSAS-18001 requirement

Process Safety Management (PSM)

Background about PSM:

Process Safety Management (PSM) is a system that contains requirements for the management of hazards associated with processes using highly hazardous chemicals. It is intended to address and prevent process-related accidents in chemical industries, by preventing fires, explosions, and releases of toxic, reactive, or flammable liquids and gases. PSM complements Personal Safety, which intends to prevent non-process-related accidents.



When PSM is implemented in a process industry, safety is achieved through,

- i. identifying process-related hazards
- ii. understanding them and evaluating their risk
- iii. controlling them

PSM in PIC:

PIC-Fertilizer took the initiative to start implementing a PSM system in 1996 and it was formally founded in 2002. A 10-member Committee, headed by the Operations Manager, oversees the implementation of the PSM system in PIC.

The PSM system in PIC consists of 16 Elements encompassing three general areas: Technology, Facilities, and Personnel:

1. Process Safety Information (PSI)
2. Process Hazard Analysis (PHA)
3. Operating Procedures & Safe Practices (OPSP)
4. Pre Start-up Safety Review (PSSR)
5. Quality Assurance (QA)
6. Mechanical Integrity (MI)
7. Management of Technology Change (MOTC)
8. Management of "Subtle" Change (MOSC)
9. Management of Personnel Change (MOPC)
10. Emergency Preparedness & Response (EMR)
11. Incident Investigation (II)
12. Training & Performance (Tr.)
13. Managing Contractors Safety (MCS)
14. PSM Audits
15. PSM Communication
16. Management Leadership & Support

PSM Achievements for FY 09-10:

Many initiatives were implemented in the past year in addition to continuing activities serving and enhancing the PSM system in PIC. These achievements include:

1. Carrying out several Six Sigma projects for the purposes of:
 - a. Improving Managing Contractor Safety performance.
 - b. Improving the objectiveness of PSM internal audit.
 - c. Develop KPI's for 15 PSM Elements.
 - d. Align Shift Controller Job Description with PSM competency requirements.
2. Carrying out training and awareness to improve process-safety knowledge, including:
 - a. Refresher training to Operations and Technical Support staff.
 - b. Two training courses on Hazard & Operability Study (HAZOP), which is one of four methods used for Process Hazard Analysis (PHA) studies.
 - c. Training course on Safety Integrity Level (SIL) and Safety Instrumented System (SIS), which is necessary to ensure reliability of instrumentation loops.
3. Updated the procedures of seven PSM Elements.
4. Conducted three internal audits on:
 - a. Urea.
 - b. Ammonia & Utilities.
 - c. Export.
 - d. And all their related activities (Maintenance, Reliability, Inspection, Engineering, Safety, and Training Sections).
5. Closed all recommendations related to:
 - a. PSM external audit by KPC.
 - b. PSM internal audit on Export & related activities.
6. Carried out a comprehensive PSM Campaign, covering all shifts.



PIC Behavioral Observation Card		Name	Location	Observer	
Date		Time	Shift	Observer	
Job		Task	Equipment	Observer	
Behavior Observed		Item #	Why	Observer	
1. BODY POSITION		Item #	Why	Observer	
1.1	Line of fire		While	Observer	
1.2	Pinch points		Was	Observer	
1.3	Eyes on path		Because	Observer	
1.4	Eyes on task / hands		Solution	Observer	
1.5	Ascending /		Try	Observer	
		Follow Up	Yes	No	
2. BODY USE/ERGONOMICS		Item #	Why	Observer	
2.1	Lifting/Lowering		While	Observer	
2.2	Twisting		Was	Observer	
2.3	Pulling/Pushing		Because	Observer	
2.4	Overextension/cramps		o	Observer	
2.5	Assistance		Try	Observer	
		Follow Up	Yes	No	
3. TOOLS/EQUIPMENT		Item #	Why	Observer	
3.1	Selection/Condition/Use/Storage		Because	Observer	
3.2	Vehicle		Solution	Observer	
3.3	Barriers & warnings		Try	Observer	
		Follow Up	Yes	No	
4. PROCEDURES		Item #	Why	Observer	
4.1	Lock Out/Tag Out/ Isolation		Because	Observer	
4.2	Work Permit / Authorization		Solution	Observer	
4.3	Communication of Hazards		Try	Observer	
4.4	Pre / Post job		Follow Up	Yes	No
5. PPE		Item #	Why	Observer	
5.1	Head		Was	Observer	
5.2	Eyes & face		Because	Observer	
5.3	Hearing		Solution	Observer	
5.4	Respiratory		Try	Observer	
5.5	Hand/Arm		Follow Up	Yes	No
5.6	Body		Item # 1.4 (Example)	Observer	
5.7	Foot		While (task being done)	Observer	
5.8	Foot		Was (At Risk Behaviour Observed)	Observer	
6. ENVIRONMENT		Item #	Why	Observer	
6.1	Walking / working surfaces		Because (Discuss & note down reasons for behaviour)	Observer	
6.2	Housekeeping		Suspension (Note down the agreed successor's)	Observer	
6.3	Other		Try (discuss & note down the agreed successor's)	Observer	
7. OTHER		Item #	Why	Observer	
NO NAME NO DATE				Observer	

Behavioral Based Safety

Behavioral Safety is the application of behavior science to occupational safety. The goal of Behavioral Safety is to make the work environment as safe as possible. This involves constant assessments of the condition of our tools and physical space, our knowledge about the work to be done and work processes, the effectiveness of our personal motivation and the motivational and management strategies in the organization, the strategies that management employ to show the value of each individual to the organization, etc. Behavioral Safety also involves a set of principles and techniques that are used to improve safety either at the level of individuals or at the level of the organization.

So in PIC BBS committee was formed on 23/9/2008 to follow this issues and improving the behavior of workers on the organization.

The total observations sheet collected from all location in PIC are 1055 sheets. The safe percentage 87.5%

AIC Audit Incident Committee

What Is Safety Audit?

It is a routine scheduled inspection of a department or operating unit and is typically conducted at monthly intervals.

Types of Audits

1. Scheduled Audits:

Every year the Auditing Committee releases its scheduled audits with assigned auditors for the entire year covering all company facilities (from 8:00 AM to 16:00 PM)

2. Silent hour Audits:

This is only applicable to areas active

- After the day shift (From 20:00PM to 7:00AM)
- Weekends and holidays.

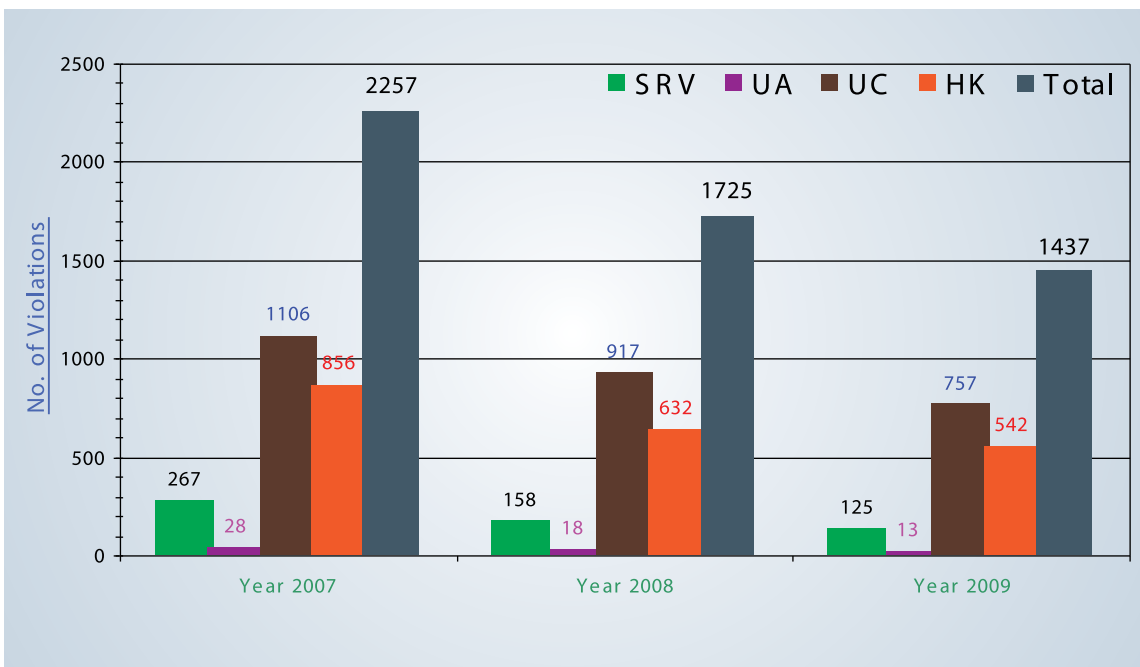
3. Unscheduled Audits:

This is the responsibility of supervisors or superintendents of a particular area. (Auditing/Incident Committee to assign responsibilities for each area)

What to look for while auditing?

- A) Look for positives and not only negatives
- B) Talk to people and get their feedback
- C) Observation categories:
 - 1- Safety Rule Violations
 - 2- Unsafe Acts
 - 3- Unsafe Conditions
 - 4- Housekeeping

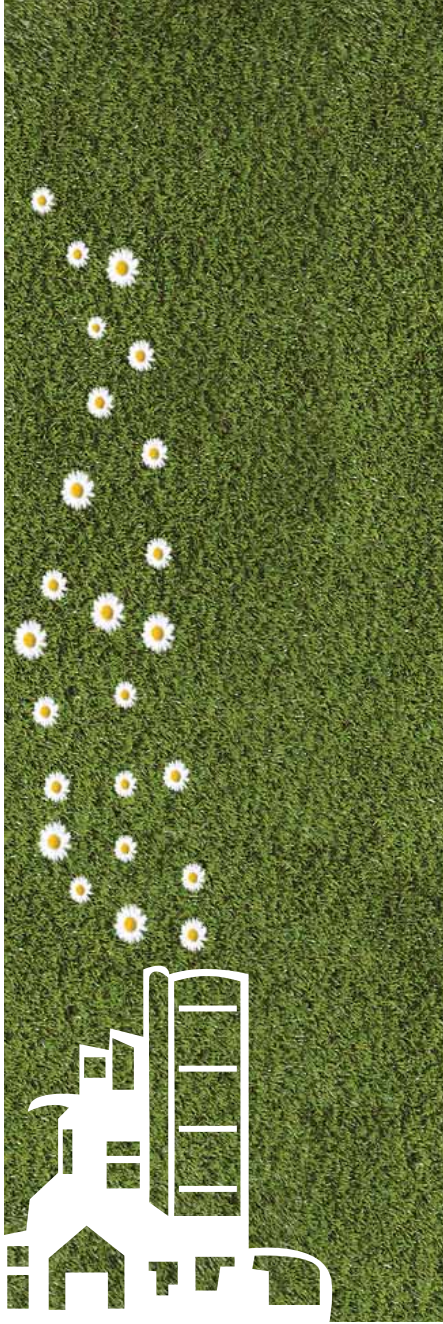
YEARLY COMPARISON





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