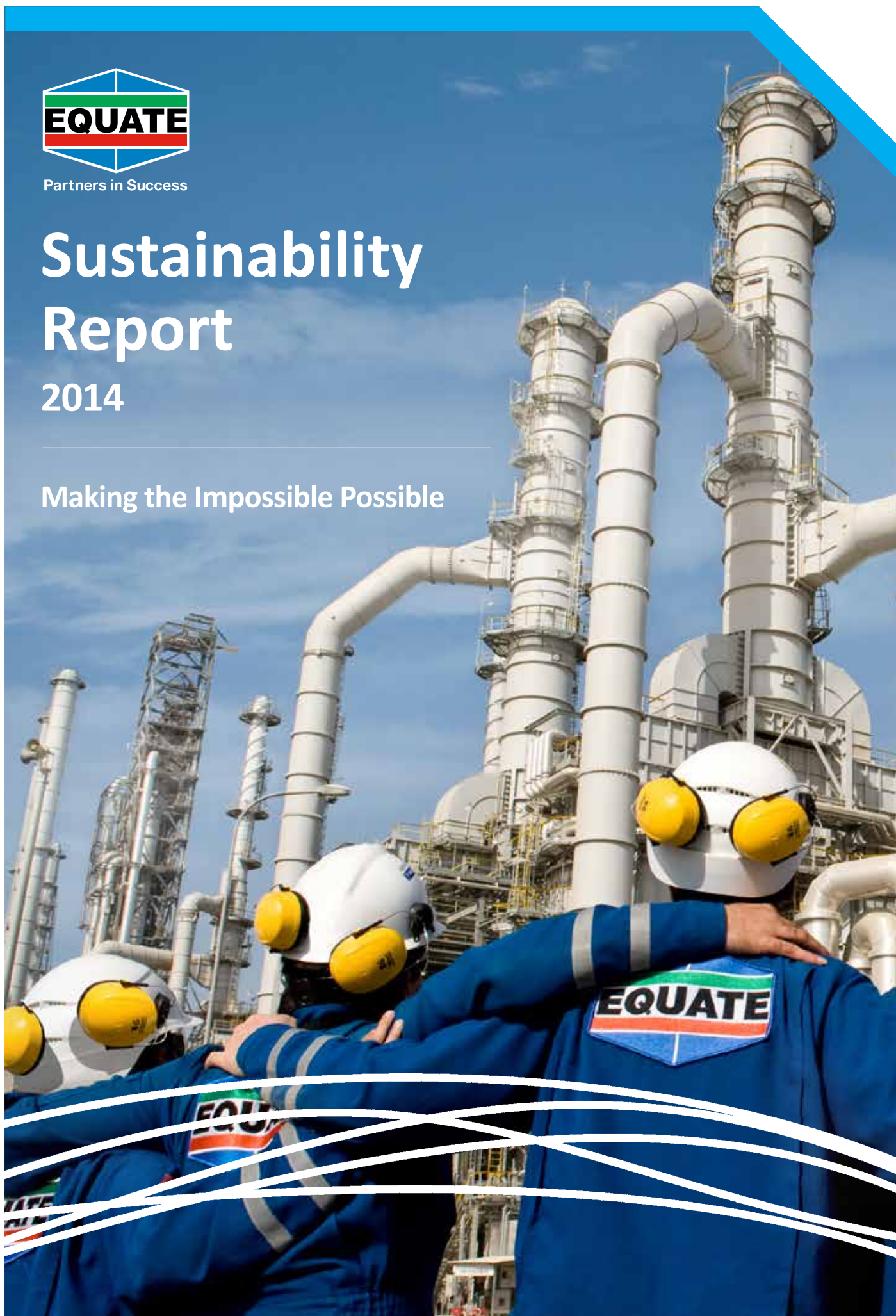




Partners in Success

Sustainability Report 2014

Making the Impossible Possible





EQUATE Groundbreaking June 15, 1995



EQUATE Inauguration November 12, 1997



Greater EQUATE Inauguration February 23, 2010



Greater EQUATE Groundbreaking March 1, 2005

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28 How we Conduct our business



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58 Our Impact on the Economies where We Operate

Letter from the President & CEO



G4-1

For EQUATE Petrochemical Company, Kuwait's first international joint-venture in this industry, sustainability is a core strategic objective. It is applicable to every aspect of the company, and not a mere term or expression.

Since its inception in 1995, EQUATE has realized and continues to realize the importance of sustainability to ensure being "Partners in Success" with our employees, their families, shareholders, NGOs, customers, Kuwait Petroleum Corporation & Subsidiaries (K-Companies), financial institutions, contractors, government bodies, media outlets and other stakeholders who represent individuals, organizations and communities.

For that purpose, our current corporate strategy includes the five strategic objectives of Sustainability, People Excellence, Business Excellence, Growth and Maximize Value.

EQUATE is not only a producer of petrochemicals, it is a fully integrated world-class organization that aspires for sustainable excellence by benefitting from the advantages of combining innovation and industrial expertise with competent human resources, technological breakthroughs, rich feedstock, and valuable infrastructure.

EQUATE is fully committed to ensuring distinguished achievements for the benefit of all relevant stakeholders through sharing and leveraging best practices to guarantee solid partnerships for the optimum benefit in How We Conduct Business, Our Impact on the Economies Where We Operate, Our Community, Environmental Stewardship, Our People and Quality in Our Operations, within and outside Kuwait.

For example, during 2014 EQUATE has set a new world record in maintaining and updating petrochemical plants by finalizing a full-scale Turnaround (TA) within 30 days. With the participation of over 10,000 employees and contractors, EQUATE has realized the first of its kind international achievement by completing all operations within a record-time for petrochemical plants based on global standards. By "Making the Impossible Possible," EQUATE has affirmed its abidance by all laws

and regulations relevant to implementing the strictest guidelines in all fields pertaining to human resources, business conduct, financial discipline, as well as the environment, health and safety (EH&S). The TA 2014 is a key achievement in EQUATE's continuous journey as a Highly Reliable Organization (HRO) within its sustainability efforts.

As you go through our fourth sustainability report, I would like to highlight to you that it has been prepared in accordance with the guidelines of the Global Reporting Initiative (GRI). We are partners in sharing the qualitative and quantitative information included in the report as a tool to reflect EQUATE's economic, environmental and social initiatives. These three areas, which constitute the core of our sustainability efforts, carry several challenging opportunities that require a partnership with all stakeholders to turn them into a fruitful reality for all of us.

In conclusion, thank you for being one of our "Partners in Success" as we hope you will enjoy reading our EQUATE Sustainability Report 2014.

Regards,



Mohammad Husain
President & CEO

About this Report

G4-13 G4-18 G4-22 G4-23 G4-28 G4-29 G4-30

G4-31 G4-32 G4-33

EQUATE is proud to publish our fourth sustainability report. We are committed to publish our Sustainability Reports annually. All information in this report covers corporate data for the calendar year from 1 January 2014 to 31 December 2014, unless otherwise stated. The previous EQUATE Sustainability Report covered 2013 data. To learn more about EQUATE's sustainability activities and previous sustainability reports, please do visit our link <http://equate.com/en/Sustainability.html>.

Each year, EQUATE aims to provide its stakeholders with a more comprehensive, transparent and informative sustainability report. The content of the 2014 Sustainability Report is developed against the guidelines of Global Reporting Initiative (GRI) G4 "in accordance" Core option. The GRI G4 principles are adopted for defining the report quality and content. The report focuses on key material environmental, economic and social topics highlighted through our stakeholders' materiality assessment process. For more information, please refer to pages 24-26.

Through this report, EQUATE aims to cover all aspects of its operations in Kuwait, specifically in the head office in Salmiya and the company's production activities in the Shuaiba Industrial Area, except the data from EQUATE's marketing offices in Singapore, Hong Kong and Beijing. Data on business endeavors, contractors, suppliers and clients are also not included unless specifically mentioned.

In 2014, no significant change was made to the scope or coverage compared to EQUATE's Sustainability Report 2013 released in April 2014. There has not been any significant change to size, structure, ownership of the company and also to the scope, boundary or measurement methods for our performance indicators since our 2013 report. EQUATE also reports that we have not restated any information provided in the earlier report. A complete GRI G4 Content Index can be found on page 62 of this report.

The theme of this report "*Making the Impossible Possible*" is inspired from the successful completion of EQUATE Turnaround (TA 2014) and the first phase of the polyethylene plant debottlenecking project. The TA took place during November-December 2014 within a record time for petrochemical plants, based on global standards. As an international achievement, this TA is a distinguished milestone for EQUATE's employees, shareholders and other stakeholders.

EQUATE 2014 Sustainability Report chapters highlight our continued focus and efforts on enduring sustainability in every aspect of our business operations. We have structured the report content around six key chapters:



1

How We Conduct Our Business



2

Quality in All Our Operations



3

Our Environmental Stewardship



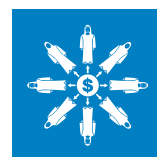
4

Our People



5

Our Community



6

Our Impact on the Economies where We Operate

Throughout this report, we have highlighted specific success stories and initiatives in the form of case studies, indicated by the following icon



While we work closely with credible partners to ensure global standards in sustainability reporting, this report is not externally assured. EQUATE has internally reviewed the information in this report to ensure that the data presented

in this report is accurate and reliable. We aim to put a process in place that makes it possible to obtain external assurance in the future and receive an external viewpoint on our sustainability performance.

We value our stakeholder's feedback as it helps us improve our reporting, ensure transparency and meet your demands and needs. Kindly provide your comments and feedback regarding our sustainability report and practices to sustainability@equate.com.



About EQUATE

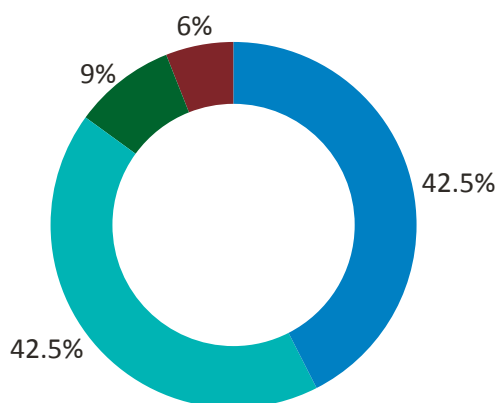
Organizational Profile

G4-3 G4-4 G4-7 G4-17

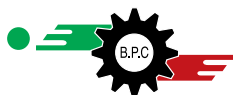
Partners in Success

Established in 1995 as Kuwait's first international joint venture in this industry, EQUATE Petrochemical Company (EQUATE) embodies its "Partners in Success" slogan through the partnership between Petrochemical Industries Company (PIC), The Dow Chemical Company (Dow), Boubyan Petrochemical Company (BPC) and Qurain Petrochemical Industries Company (QPIC).

EQUATE's successful partnership benefits from the advantages of combining innovation and industrial expertise with competent human resources, technological breakthroughs, rich feedstock and valuable infrastructure.



Petrochemical Industries Company



Boubyan Petrochemical Company



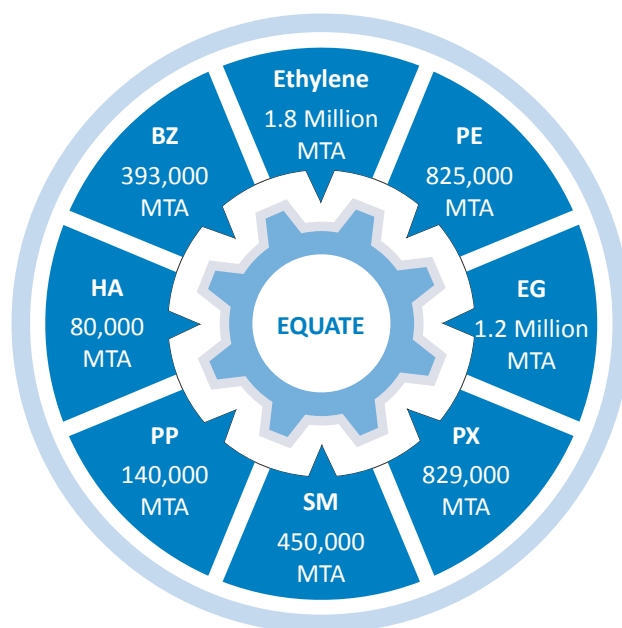
The Dow Chemical Company



Qurain Petrochemical Industries

World Class



Commencing production in 1997, EQUATE is currently the owner and single-operator of several fully integrated world-class petrochemical units, within the Greater EQUATE joint venture, that annually produce over 5 million tons of the highest quality grades of Ethylene, Polyethylene (PE), Ethylene Glycol (EG), Polypropylene (PP), Styrene monomer (SM), Paraxylene (PX), Heavy Aromatics (HA) and Benzene (BZ). The products are marketed throughout the Middle East, Asia, Africa and Europe.



Greater EQUATE JV

Greater EQUATE includes EQUATE, The Kuwait Styrene Company (TKSC), Kuwait Paraxylene Production Company (KPPC) and The Kuwait Olefins Company (TKOC) under one fully integrated operational umbrella at Kuwait's Shuaiba Industrial Area.

EQUATE as Single Operator




Company	Shareholders	Products	Capacity	Marketing Outlet
	PIC 42.5% Dow 42.5% BPC 9% QPIC 6%	PE	825,000	EMC
TKOC	PIC 42.5% Dow 42.5% BPC 9% QPIC 6%	EG	550,000	MEGlobal
	KARO 57.5% Dow 42.5%	SM	450,000	EMC
	KARO 100%	PX HA BZ	829,000 80,000 393,000	PIC PIC Not for commercial sales. Used only for SM production.
PIC PP Plant (Operated by EQUATE)	PIC 100%	PP	140,000	PIC
 (Not operated by EQUATE)	PIC 40% KNPC 40% QPIC 20%	KPPC does all production of KARO.		

- All capacities are metric tons annually.
- Ethylene is only used as feedstock, not for sale.
- KARO: Kuwait Aromatics Company

EQUATE Presence

G4-5 G4-6 G4-8



-  EQUATE Headquarters
-  Product Distribution
-  EQUATE Offices

Scale of Operations

G4-9



EQUATE Sales in 2014

Total sales value of over
US\$ 2.6 billion

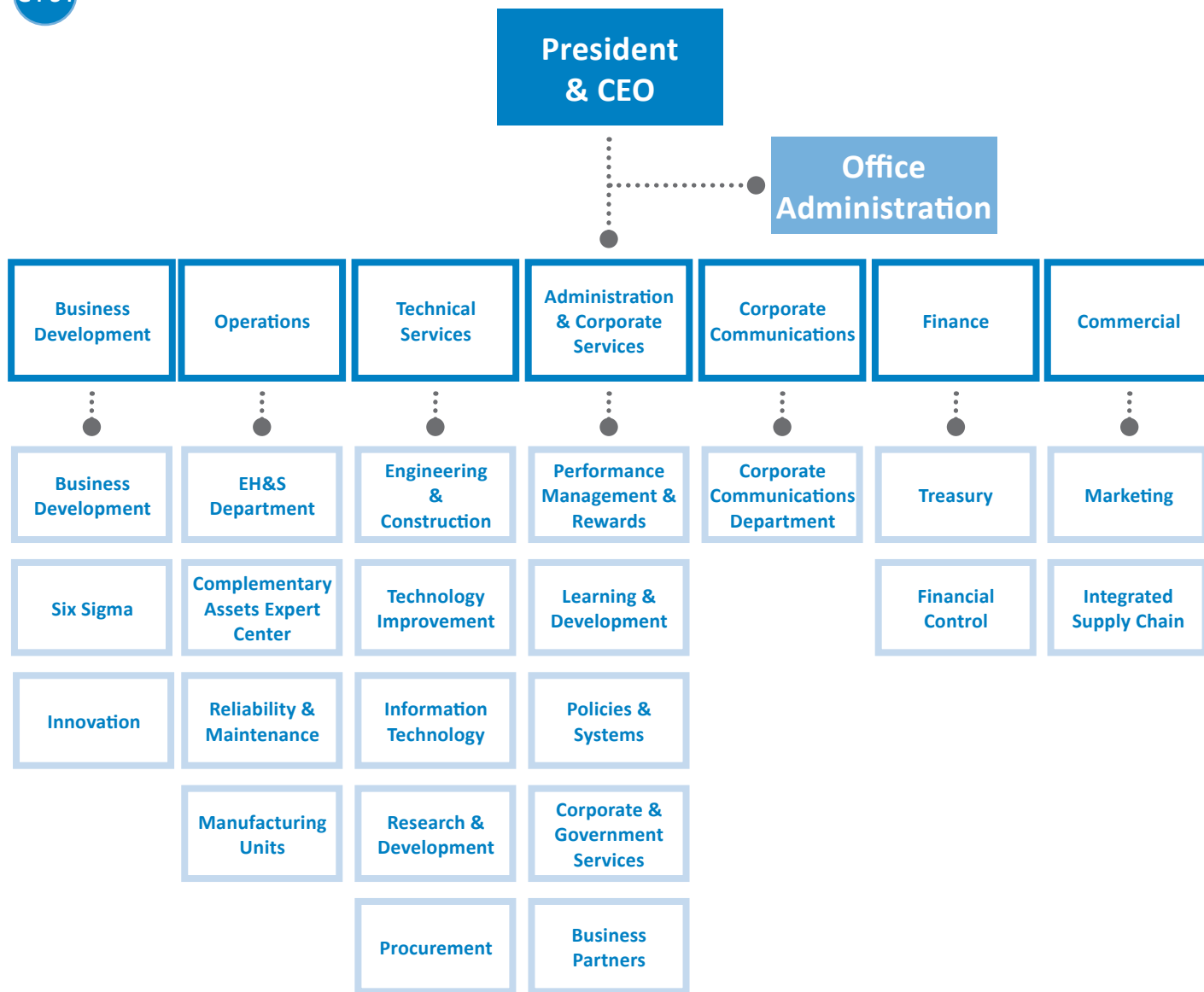


EQUATE Net Profit in 2014

US\$ 1.04 billion

EQUATE Corporate Governance

G4-34



EQUATE CSR Governance



EQUATE Board Members



Abdulrasool Jafar
Board Chairman



Raja Zeidan
Board Vice Chairman



Bader Al-Sumait
Board Member



Dabbous Al-Dabbous
Board Member



Hamad Al-Subaie
Board Member



Jasser Al-Jasser
Board Member



**Sheikh Mubarak
Al-Sabah**
Board Member



Luis Antuna
Board Member



Luciano Poli
Board Member



Javier Constante
Board Member

EQUATE Management



Mohammad Husain
President & CEO



Eliezer Maldonado
Senior Vice President



Mohammad Al Benali
*Vice President Technical
Services*



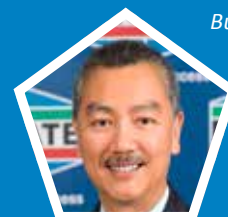
Tareq Jafar
*Senior Executive for Corporate
Business Development*



Abeer Al-Omar
*Senior Executive for Administration
& Corporate Services*



Robert Brandt
Vice President Operations



Phisanu Sermchaiwong
Chief Financial Officer

EQUATE's Mission, Vision & Values

G4-56

EQUATE's strategies, policies and activities are guided by our corporate Mission, Vision and Values. We are committed to producing quality products while embedding the values of a sustainable economy.

Our Vision

A global leader & world class producer of petrochemicals.

Our Mission

We provide valued products & services to the world.

EQUATE's Values



Integrity

Conducting all business affairs while observing ethics, honesty and transparency.



Respect

Teamwork as a cornerstone for success, with people as our most valuable asset through helping and caring for each other.



Acting Like an Owner

Taking responsibility for all actions while reflecting loyalty through commitment and care for EQUATE by embodying an ownership driven behavior and being proactive.



Performance

Excellence through hard work, continuous improvement and discipline, as well as being rewarded through pay for performance that prioritizes team achievement.



Customer Centric

Responsive to customer needs through win-win agreements as we deliver value within a context of intimate customer experience.



Community & Society

Strengthening ties with Kuwait Petroleum Corporation & Subsidiaries (K Companies), local and global stakeholders, as well as implementing green responsible philosophy.



Learning Organization

Adopting best practices, embodying innovation, mutual outside-in improvement through exemplary handling of stakeholder requirements, approaching all matters with open minds, focusing on people growth & development, seizing any available opportunity, adaptable & flexible attitude with all arising issues, as well as continuous improvement.



Safety

Adopting Responsible Care Principles.

Annual Sustainability Objectives



EQUATE's Membership in Associations

G4-16

Gulf Petrochemicals & Chemicals Association (GPCA)

- EQUATE is a founding member of GPCA. EQUATE President & CEO has been a GPCA Board Member since its inception during 2006.
- EQUATE is an active member in 5 out of 6 GPCA committees.
- EQUATE sponsors and participates in several GPCA events and seminars.

Kuwait Industries Union (KIU)

- EQUATE's ties with KIU is relevant to it being the main NGO in Kuwait for advocacy, especially with official bodies, relevant to the industrial sector in Kuwait.
- EQUATE participates and sponsors a number of KIU's activities, such as committees, events and publications.

Kuwait Chamber of Commerce & Industry (KCCI)

- Membership to KCCI is stipulated by law for all Kuwaiti private commercial organizations.

EQUATE in Numbers

Managing Environmental Impact

G4-EN3

G4-EN8

G4-EN10

G4-EN15

G4-EN16

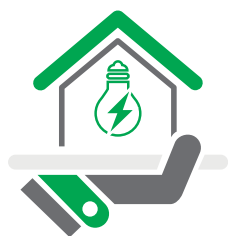
G4-EN22

G4-EN23

G4-EN24

G4-EN25

Indirect energy
Consumption – Electricity
consumption



2014	2,194,368MWh
2013	2,197,869MWh
2012	2,273,617MWh

Total water withdrawal



2014	417,475,810m³
2013	456,518,678m³
2012	445,524,916m³

Total water discharge



2014	403,657,152m³
2013	451,280,400m³
2012	433,747,894m³

Total volume of water
recycled and reused



2014	1,452,333m³
2013	2,019,873m³
2012	1,571,309m³

Number of spills



2014	1
2013	6
2012	1

Volume of spills



2014	15.5t
2013	22t
2012	8t

Solid waste (hazardous) to
landfill



2014	1,544t
2013	11,607t
2012	51t

Solid waste (non-
hazardous) to landfill



2014	424t
2013	6,186t
2012	43t

Liquid waste to
incineration



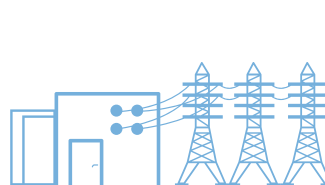
2014	725t
2013	73t
2012	785t

Direct CO₂ emissions



2014	1,513,129tCO ₂
2013	1,749,503tCO ₂
2012	1,809,799tCO ₂

Indirect CO₂ emissions



2014	734,413.58tCO ₂
2013	1,441,770 tCO ₂
2012	1,346,400tCO ₂

Economic Development

G4-
EC6G4-
EC9

Percentage of goods and supplies purchased locally in Kuwait



2014
87.5%
2013
91%
2012
91%

Kuwaitization



2014
51%
2013
50.6%
2012
51.3%

Percentage of total local workforce in senior management



2014	2013	2012
57%	88%	75%

People

G4-9

G4-10

G4-LA1

G4-LA6

G4-LA9

G4-LA11

Total full-time employees



2014
1,312
2013
1,339
2012
1,373

Total males

2014	2013	2012
1228	1,252	1,286

Total Females

2014	2013	2012
84	87	87

Total number of new employees



2014
37
2013
9
2012
87

Total number of employees who left



2014
68
2013
47
2012
49

Independent contractors working on-site



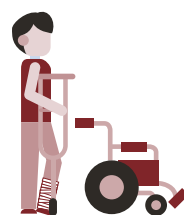
2014
1,400**
**For TA 2014, the number of contractors working at site went up over 12,000

Exposure hours



2014
15,920,295hrs
2013
6,302,363hrs
2012
5,124,912hrs

Number of recordable injuries



2014
4
2013
2
2012
4

LTI frequency 2014

Number of lost days from LTIs 2014
18

Number of lost-time injuries (LTIs) 2014
1

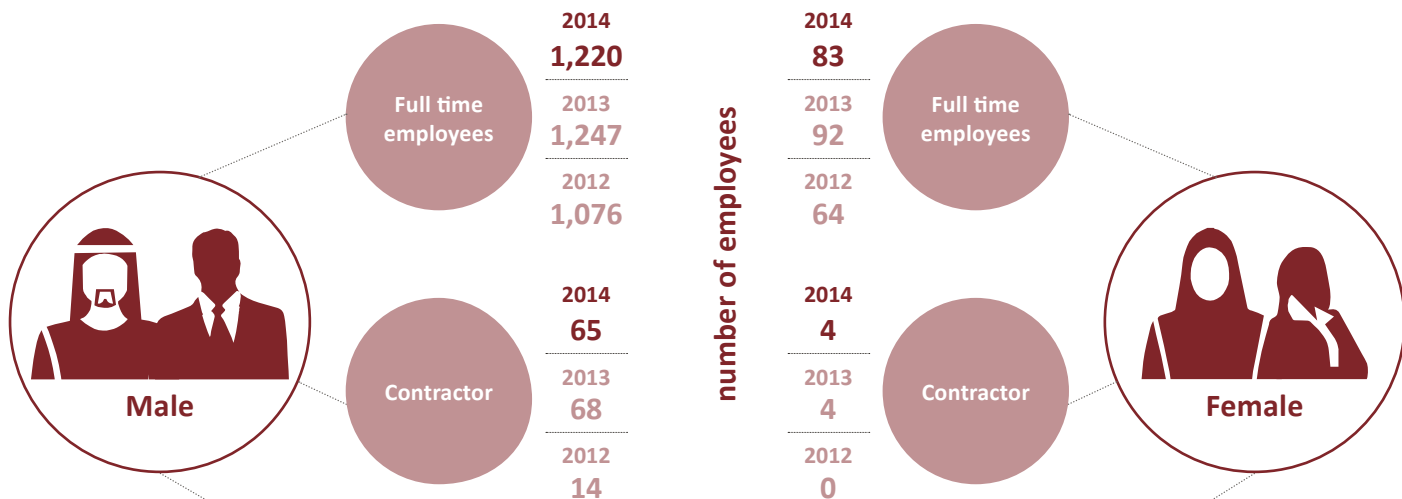
Total recordable incident rate

2014	2013	2012
0.05	0.06	0.12

Number of sickness absence days

2014	2013	2012
6,486	5,877	6,812

People Training



Internal/External trainings



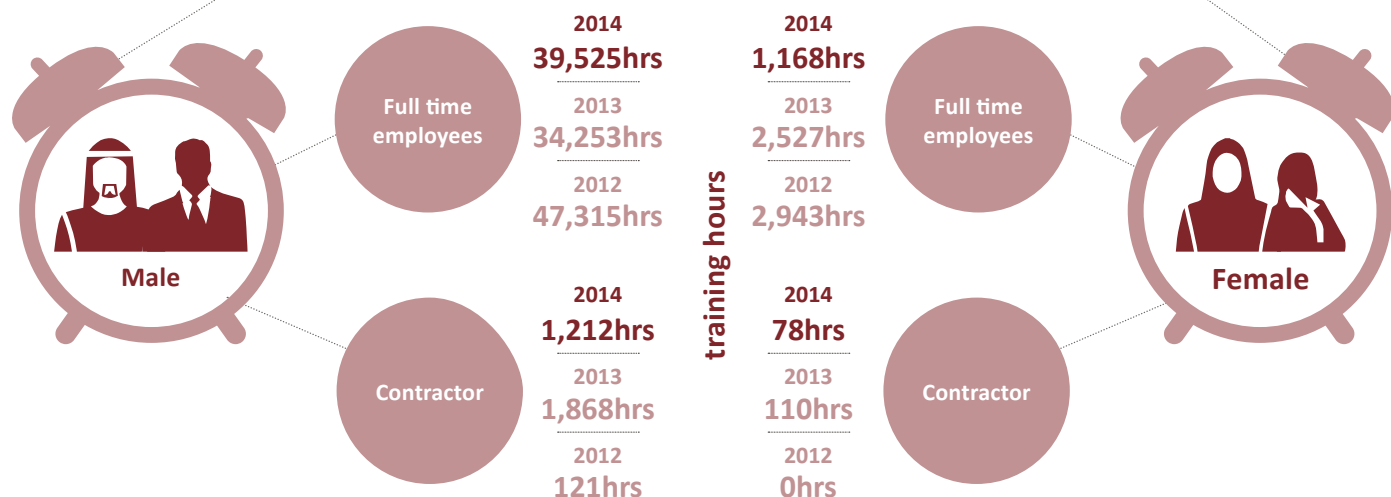
2012	2013	2014
1,140	1,411	1,960



Percentage of total employees who receive a formal career performance review



2012	2013	2014
100%	100%	100%



Product Responsibility



Zero Incidents of Non-Compliance

Concerning the health and safety impacts of products and services

Concerning product and service information and labeling

Society and Local Community



Zero number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices

No significant fines for non-compliance with laws and regulations



Awards



■ Gold Award for Best Internal Communication from Transform Awards MENA 2014



■ BGreen's Lifetime Achievement Award 2014 for Sustainability Related Achievements



■ Oil & Gas Middle East and Refining & Petrochemicals Middle East 2014 Award

- Corporate Social Responsibility Initiative of the Year Award
- Localization Strategy of the Year Award



American Society of Safety Engineers (ASSE) – Kuwait Chapter

- Gulf-level Excellence Award in the Category of HSE Excellence
- Gold Award in Manufacturing
- Special Gold Medal for HSE Management



President's Award 2014 from the American Society of Safety Engineers (ASSE) for EH&S Achievements



The background image shows two men in blue work uniforms and safety gear. The man on the left wears a white hard hat with safety glasses on his forehead and glasses. The man on the right wears a white hard hat with the EQUATE logo, sunglasses, and yellow earplugs. Both have 'EQUATE' patches on their blue jackets. In the background, there is a large industrial structure with pipes and scaffolding under a clear blue sky.

Our Approach to Sustainability

The nature of our business presents significant sustainability challenges from our products, processes and business operations. EQUATE's Mission "Maximizing shareholder value by providing quality products and services to our customers" is realized as we enhance our socio-economic impacts and minimize our environmental footprint. Sustainability is one of the most important strategic objectives for EQUATE.

We regard our stakeholders as "Partners in Success" and recognize the importance of their expectations in shaping our sustainability journey forward. Our stakeholder dialogues are, in effect, important at every level and all about giving stakeholders a voice, understanding what they have to share, and being prepared to act or react accordingly.

In this chapter:

01 | EQUATE Stakeholder Engagement Process

02 | Reporting on What Matters

EQUATE Stakeholder Engagement Process

G4-24

G4-25

G4-26

G4-27

EQUATE consults and collaborates with key stakeholders on pressing issues around our operations. Additionally, we participate in industry forums, conferences and workshops to address emerging issues and develop industry-wide approaches to tackle future sustainability challenges.

Name of stakeholder	Channels of engagement	Sustainability interest
 Kuwait (Government)	<ul style="list-style-type: none"> • Meetings, conferences and collaborations • Publication of annual sustainability report • International affairs function 	<ul style="list-style-type: none"> • EQUATE's contribution to the sustainability of (Kuwaiti) economy • Regulatory compliance
 Shareholders	<ul style="list-style-type: none"> • Quarterly meetings to generate mandatory government reports • Board meetings • Publication of annual sustainability report • Business updates 	<ul style="list-style-type: none"> • Financial sustainability • Corporate governance • Reputation • Kuwaitization + Sustainability KPIs • Regulations • Sharing of knowledge + information
 Customers	<ul style="list-style-type: none"> • Customer satisfaction surveys • Marketing and media • Website • Publications • Participation at key industry exhibitions, conferences, seminars and workshops 	<ul style="list-style-type: none"> • Pricing and supply of products • Product safety and security • Global citizenship • Product innovation • Cost optimizations
 Communities/academia	<ul style="list-style-type: none"> • Involvement in organized events • Employee volunteering • Sponsorships 	<ul style="list-style-type: none"> • Support for community • Sponsorships and job creation • Impact on environment
 Sponsor and support events and conferences	<ul style="list-style-type: none"> • Attendance to events and conferences sponsorships • Publication of annual sustainability report 	<ul style="list-style-type: none"> • Impact on environment • Provide support for long term community initiatives
 Industry associations	<ul style="list-style-type: none"> • Committee meetings • Publication of annual sustainability report • Attendance at events and conferences 	<ul style="list-style-type: none"> • Impact on environment • Support for local causes
 Employees	<ul style="list-style-type: none"> • Interviews • Intranet and news letter • Employee survey • Team building exercises 	<ul style="list-style-type: none"> • Employee rewards and benefits • Career growth • Employee retention • Talent acquisition
 Suppliers	<ul style="list-style-type: none"> • Procurement process • Site audits • Clarification meetings • Publication of annual sustainability report 	<ul style="list-style-type: none"> • Quality of service and quality control • Local development through involvement in long-term CSR initiatives

G4-24 G4-25 G4-26 G4-27

During the development of EQUATE 2014 Sustainability Report, we met with the stakeholders as part of the materiality assessment process. We interacted with 15 stakeholders, of which 11 were representatives from our external stakeholders and 4 were members of EQUATE Board. We conducted our stakeholder meetings through emails, face-to-face meetings and conference calls.

The stakeholder engagement process was conducted through interviews based on questionnaires tailored specifically for our internal and external stakeholders. The questionnaires enabled us to gather stakeholders' perception and expectations about EQUATE. During these meetings, stakeholders provided recommendations for improvement in the current engagement process and suggestions for future collaborative sustainability initiatives. We have responded to our stakeholder's comments in the relevant chapters of this report.

We continue working on developing our Sustainability Strategy in alignment with EQUATE Corporate Strategy. We intend to always align the Sustainability Strategy's objectives with the outcomes of the stakeholder engagement outcomes. We value our stakeholder expectations and we are striving continuously to address the existing gaps by implementing a comprehensive strategic roadmap to meet EQUATE's sustainability goals.



EQUATE's 2014 Stakeholder Groups

External Stakeholder Engagement

Our external stakeholders are vital partners in our success and we value their feedback, and expectations as we strive to improve our sustainability performance. This year we met with representatives of our suppliers, regional industry association, non-governmental organizations, ministry of health, academic institutions and customers. Several key issues were discussed to help us improve our engagement with stakeholders on sustainability-related issues.



EQUATE External Stakeholder Feedback

- EQUATE has a clear vision of sustainability initiatives
- Highly impressed with EQUATE's response time and current communication channels
- EQUATE should explore opportunities to provide support, share knowledge, business best practices and sector expertise toward planning and strategizing sustainable development in Kuwait
- Collaborate with other stakeholders to work together toward a common social cause on long-term social initiatives
- EQUATE should evaluate its social, environmental and community initiatives for better allocation of funds and resources

Internal Stakeholder Engagement

Engaging with internal stakeholders enables us to know the pulse of the organization and how our Mission, Vision, Values and strategy are being implemented across the organization. We engaged with four EQUATE Board members as part of our internal stakeholder engagement to understand their views and perspectives on EQUATE's sustainability progress. We also sought suggestions to further improve our sustainability performance as part of the stakeholder engagement process.

Going forward, EQUATE intends to promote sustainability awareness and capabilities among all our employees for increased participation in EQUATE's sustainability initiatives pertaining to their business units. EQUATE will always proactively look for opportunities to build successful, collaborative and innovative partnerships with stakeholders for the benefit of the Kuwaiti society and beyond.



EQUATE Internal Stakeholder Feedback

- EQUATE ensures to maintain ethical behavior in its operations.
- EQUATE has the people and means to place it on the top 25% quartile among its peers.
- Flow of information related to sustainability initiatives should be from top to bottom.
- In addition to legal requirements, EQUATE should be more focused on sustainability opportunities/materiality.
- Stakeholders were of the view that sustainability reports and performance must be circulated more across all stakeholders, including employees

Reporting on What Matters

G4-18 G4-19 G4-20 G4-21

In 2014, as part of our sustainability reporting exercise, EQUATE conducted a detailed materiality assessment resulting in the identification of key material issues and themes that served as the basis for this report. The assessment approach was aligned to the Global Reporting Initiative (GRI) G4 guidelines, GRI O&G sector specific, Gulf Petrochemicals and Chemicals Associations (GPCA), Sustainability Accounting Standards Board (SASB) and was advanced in comparison with the current leading regional and international best sector practices in sustainability.

The key steps of the materiality assessment are presented below:

1. Develop an exhaustive list of CSR issues related to the petrochemical sector

The first step was to develop an exhaustive list of sustainability issues related to the petrochemical sector. We identified 35 potentially relevant sustainability topics using global reporting guidelines, sector-specific guidelines and sector-related benchmarking activities. Following this, a materiality questionnaire was developed to enable both internal and external stakeholders to prioritize the topics based on their importance to EQUATE.

2. Engaging internal stakeholders

EQUATE Board members were identified and interviewed. The interviewees assessed the 35 sustainability topics based on their experience and perspective, and according to a preliminary developed criteria with regard to the level of importance of the issues to the organization's future success.

3. Engagement with selected external stakeholders and conducting external desktop research

Similar to the internal stakeholders approach, we engaged with selected external stakeholders to capture their opinion with regard to the 35 sustainability topics. These responses were supplemented by research performed on sustainability-related indices from global reporting guidelines, sector-specific guidelines and sector-related benchmarking activities.

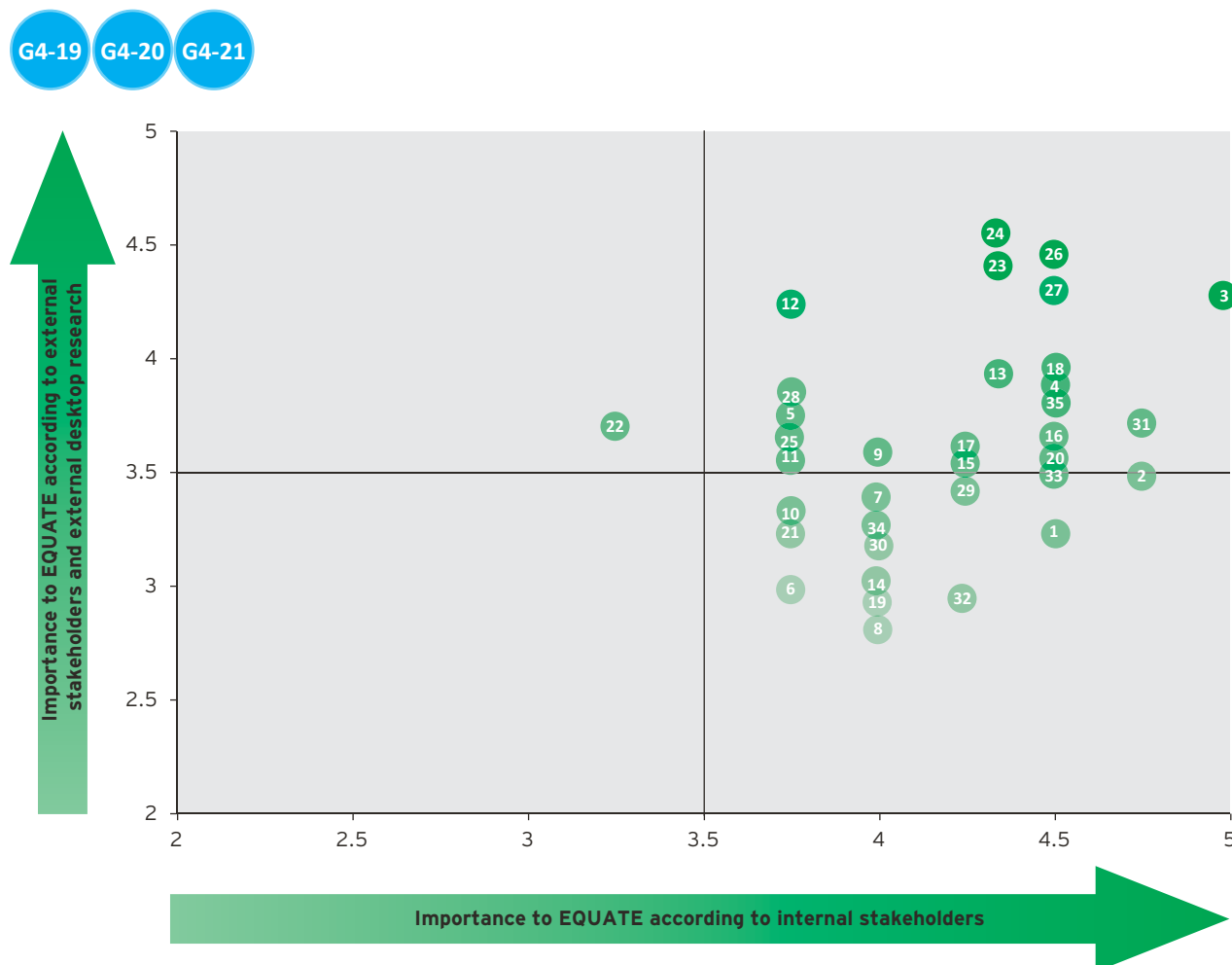
Each of the external sources was categorized and allocated a particular weightage based on their dependence (groups or individuals who are directly or indirectly dependent on the organization's activities, or on whom the organization is dependent in order to operate) and influence (groups or individuals who can have an impact on the organization's strategic or operational decision-making process).

4. Map issues and analyze results

Once all the interviews were conducted and external sources analyzed, we aggregated the results and mapped the issues on the graph with x-axis and y-axis. The results of this matrix are shown on the next page.



Materiality Matrix



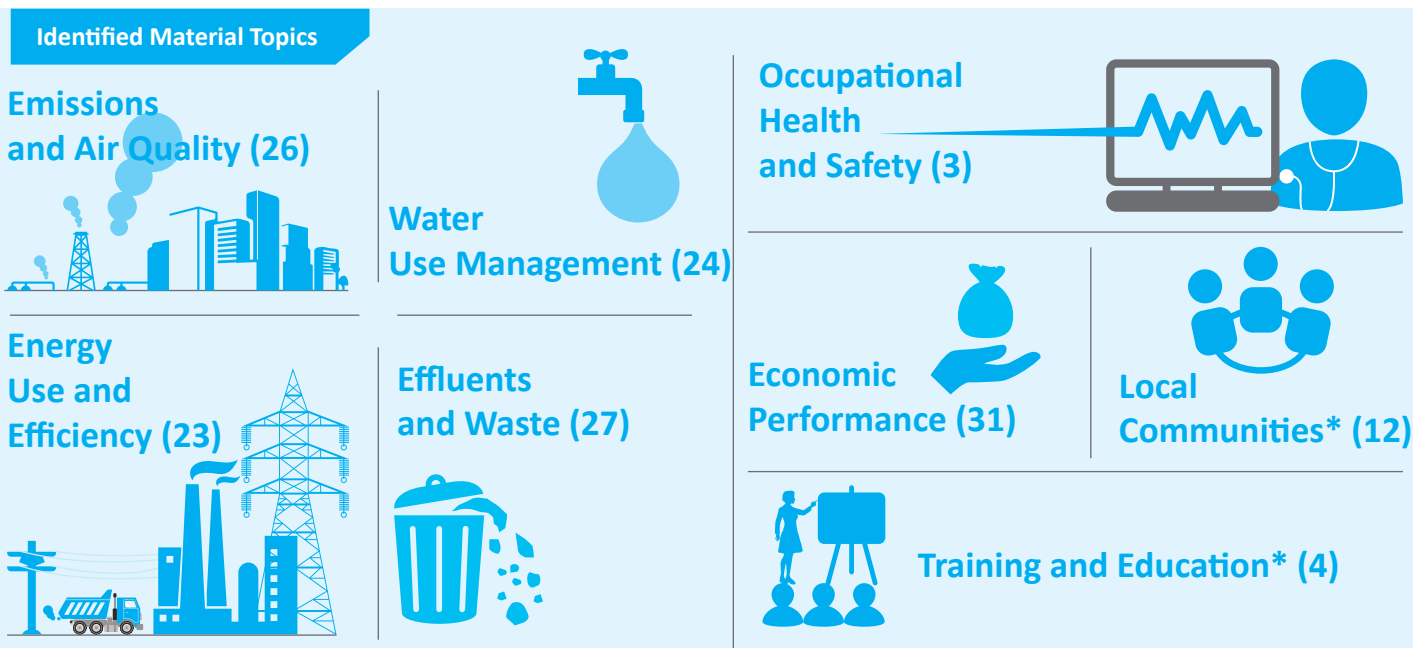
Sustainability Topics Considered during the Assessment Process

- | | | | |
|----|--|----|--|
| 1 | Employment and labor/management relations | 19 | Customer privacy |
| 2 | Local recruitment | 20 | Customer satisfaction |
| 3 | Occupational health and safety | 21 | Fossil fuel substitutes |
| 4 | Training and education | 22 | Materials |
| 5 | Diversity, equal opportunity and non-discrimination | 23 | Energy use and energy efficiency in EQUATE |
| 6 | Stakeholder grievance mechanisms | 24 | Water use management in EQUATE operations |
| 7 | Investment | 25 | Biodiversity |
| 8 | Freedom of association and collective bargaining | 26 | Emissions and air quality |
| 9 | Abolition of child labor and forced/compulsory labor | 27 | Effluents and waste |
| 10 | Indigenous rights | 28 | Products, services and transport |
| 11 | Operational and supplier human rights assessment (policies and procedures) | 29 | Overall environmental protection expenditure |
| 12 | Local communities | 30 | Supplier environmental assessment |
| 13 | Anti-corruption and anti-competitive behavior | 31 | Economic performance |
| 14 | Public policy participation | 32 | Market presence (including local content) |
| 15 | Compliance | 33 | Indirect economic impacts in communities |
| 16 | Asset integrity and process safety | 34 | Procurement practices to support local suppliers |
| 17 | Customer health and safety | 35 | Resource efficiency |
| 18 | Marketing communications, product and service labeling | | |

G4-19 G4-20 G4-21

5. Overall results

The table below summarizes the key material topics identified as per the above described process. These topics have been then used as the defining basis for the content of the EQUATE 2014 Sustainability Report.



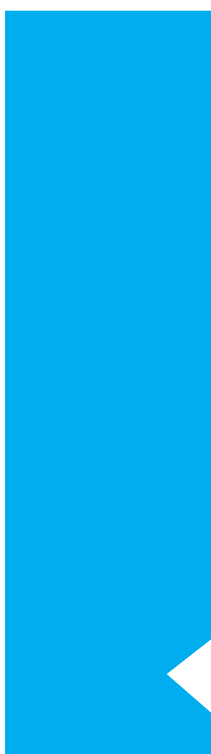
*Local communities, and training and education were not in the top six matters identified (in the top right corner of the materiality matrix), but are suggested inclusions based on our research and conversations with external stakeholders.

The table below presents our key material topics and the boundaries where their impact occurs both inside and outside of the organization. For determining the outside boundary, we have used our key stakeholder groups as a basis, considering what material topics may be relevant to them and how these may impact them.

Identified Material Topics	Boundary within EQUATE*	Boundary outside EQUATE
Water use management	EQUATE operations	Local community, regulators
Emissions and air quality	EQUATE operations	Local community, regulators
Energy use and efficiency	EQUATE operations	Local community, regulators
Effluents and waste	EQUATE operations	Local community, regulators
Occupational health and safety	EQUATE operations	Government, regulators
Economic Performance	EQUATE operations	Government, local community, suppliers
Local communities	EQUATE operations	Local communities, government
Training and education	EQUATE operations	Local community, academia institutions

*Although the impacts of all our identified material topics are across the entire organization, quantitative information has been collected from EQUATE's operations in Kuwait, specifically in the head office in Salmiya and the company's production activities in the Shuaiba Industrial Area.

At EQUATE, structured and targeted stakeholder engagement is continuously developed, especially with external stakeholders. The stakeholder engagement we have conducted this year was part of the materiality determination for our G4 report. Going forward, we will be working closely with all stakeholders to ensure our Mission, Vision, Values and sustainability objectives are always fully aligned. Additionally, we will continue to evaluate our performance in regular intervals to assess our performance vis-à-vis the stakeholder expectations.





How We Conduct Our Business

G4-56

At EQUATE, we carry out operations in accordance with our Mission, Vision and Values. Conducting business ethically and legally throughout the organization is strongly emphasized on our Values. Our people are encouraged to carry along these attributes wherever they conduct business. We do not compromise on our ethical standards under no circumstances as we believe upholding it will enable us to set a benchmark for others in Kuwait.

EQUATE's Code of Business Conduct (COBC) summarizes our Values, principles and policies. EQUATE's employees take into account these aspects while doing business around the world, and we expect our suppliers and contractors to hold similar values.

We believe that our organizational values govern our code and act as a foundation for our business. The COBC document outlines the set of operating procedures. Our employees attend periodical training sessions to ensure continued compliance with the code.

In this chapter:

- 01** | Privacy and Confidential Information
- 02** | Compliance
- 03** | Human Rights and Labor Practices



**ZERO**

complaints of noncompliance or customer privacy violation

**ZERO**

incidents of breach of competitive laws

EQUATE's management takes all decisions based on the following two key values:



Integrity

We believe our promise is the most vital product — our word is our bond. The relationships that are critical to our success depend entirely on maintaining the highest ethical and moral standards around the world. As a vital measure of integrity, we will ensure the health and safety of our communities, and protect the environment in all we do.



Respect for People

We believe in the inherent worth of people. We, the employees of EQUATE, are the engine of value creation; our imagination, determination and dedication are essential to growth. We will work to celebrate and reward the unique backgrounds, viewpoints, skills, and talents of the people at EQUATE. Respect for people is measured by how we treat each other by the contributions that come from our diversity, productivity of our relationships, and a job well done, no matter what the job is.



EQUATE is excellent in ensuring ethical behavior in its operations

EQUATE Board Member



EQUATE is a well-established, publicly recognized company and fully compliant in the region

EQUATE Board Member



Privacy and Confidential Information



Data privacy involves the protection of all personal data of an individual, such as information of their employment, medical, financial and educational background. We recommend our employees to comply with the requirements of customer data privacy under the laws and regulations of respective countries and the policies of the company. In 2014, there were no reports regarding noncompliance or complaint received regarding customer privacy violation and data loss. We comply with intellectual property rights and understand that we would be at the risk of potential legal liabilities for the illegal receipt of confidential information relevant to others.

We recommend our employees to obtain competitive information, through published articles, market analyses and reports about products, services and prices through legal means from available sources. We do not allow our employees to seek a competitor's confidential information or receive any confidential information without the owner's consent. We consider trade secrets, copyrights, trademarks and patent rights of others to be of great importance, and expect our employees to protect all confidential information. We understand that unlawful gaining of such information or material may violate the law and our COBC. In 2014, we had no incidents of breach of competitive laws or legal actions initiated by any of our competitors regarding this matter.

Anti-Corruption and Whistleblowing

Based on its absolute compliance with relevant legislations and its own COBC, EQUATE has never faced anti-corruption cases or any reports of misconduct or complaints to official authorities by whistleblowers.

Compliance



We value financial integrity as an important aspect of running a successful and sustainable business in Kuwait and beyond. We are compliant to the laws of financial accounting in Kuwait. The fact that there was no compliance related fines or penalties against the company during the reporting period demonstrate our strict adherence to reporting and financial compliance. In addition, we strictly comply to the global financial accounting standards, including International Financial Reporting Standards (IFRS) and Generally Accepted Accounting Principles (GAAP) to ensure that our reporting procedure is at par with any industrial leader.

Human Rights & Labor Practices



We value the welfare of our people and respect their dignity, rights and ambitions. We consider this as the base of our business and have a fair policy regarding this throughout the entire company. We recognize and respect all labor and employment laws, including freedom of association, privacy and equal employment opportunity, subject to the laws of the country, where the business operates. Suppliers and contractors dealing with EQUATE are also expected to hold similar values.

The health and safety of our workforce is of paramount importance to EQUATE. In fact, this has been identified as one of the key material aspects in the stakeholder engagement process owing largely to the nature of the industry. In the comprehensive risk management exercise, none of our operations was considered to be at the risk of people being exposed to hazardous materials or working conditions.

We also abide by the Kuwaiti labor laws and ensure that child labor or other prohibitive practices do not occur at our workplaces. In 2014, we have assessed our operations and suppliers for risk to employing child labor and no such instances of child labor has ever been reported or identified.



The 2014 Turnaround was a Mega Site Effort right from the CEO to all employees

EQUATE Leader





EXPECT THE UNEXPECTED: Detect the Weak Signals that Could Lead to More Serious Problems



Detailed planning and team formation for each functional unit started in 2011 for the 2014 Turnaround. In-depth risk management analyses were performed and comprehensive contingency plans were devised. 2014 Turnaround Awareness Manual, Integrated Communication Plan and Training modules were developed specifically for this event. Thorough planning and good engagement with the workforce contributed to the successful and timely completion of the 2014 Turnaround with zero incidents.

During the 2014 Turnaround, we had over 12,000 Manpower working in two shifts at EQUATE. Our team held daily meetings with the contractors and supervisors to ensure there was no violation of basic human needs and rights of the contractors.

During the 2014 Turnaround on several occasions, EQUATE Procurement Team provided food and drinks to on-site contractors to ensure that the contractors were well fed and hydrated. Going forward, we shall have an additional clause in our Procurement Policy to list the type and quality of food that the contracted company would be obliged to provide their contractors while working on EQUATE premises.



The successful completion of 2014 Turnaround in 30 days demonstrated that miracles can happen in reality

EQUATE Leader

While the privacy and interests of individuals are respected, the COBC Committee will appropriately investigate any behavior that may damage the reputation of EQUATE or impact ethical business conduct. All employees and other relevant stakeholders must fully cooperate with any such investigation.

Non-Retaliation Policy

Individuals who report violations need not be concerned about retaliation from others if and when they report what they suspect to be unethical or illegal activities. At the same time, making false accusations and giving defamatory statements, whether verbal or written, of such violation is also strictly prohibited. EQUATE will not tolerate any reprisal or retaliation against a person who, in good faith, reports a known or suspected violation of this Code. EQUATE will take disciplinary action, up to and including discharge from employment, against any employee involved in retaliation.

Misconduct Reporting Mechanism

EQUATE's employees, customers, suppliers and stakeholders can always report a concern or breach without fear of reprisal, harassment or retaliation. At the same time, they can also seek advice from EQUATE COBC Committee whenever they have a question regarding the recognition of actual or potential problems.

EQUATE has set in place following reporting methods to receive any query, suggestion or concern regarding its COBC or to report a violation or noncompliance to this code.

Methods to Report Misconduct

- Drop boxes distributed across the company. The Query/Suggestion/Concern Form is available to all employees.
- Telephone: (+965) 2576 - 5858, with an answering machine that would receive calls 24/7.
- Email address: cobc@equate.com for inquiries, suggestions and reports about violations



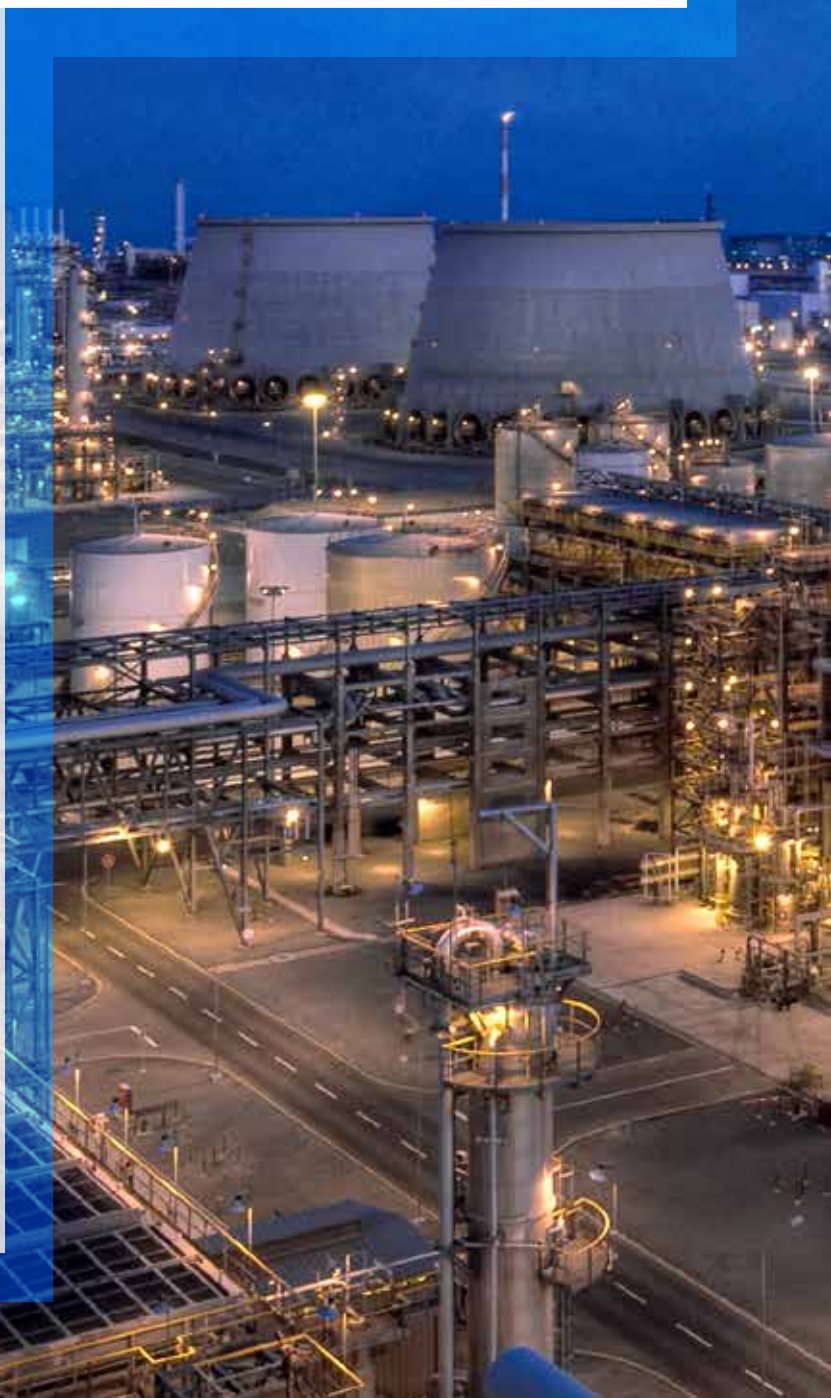
Quality in All Our Operations

Being a Highly Reliable Organization (HRO) is a priority for EQUATE to ensure overall sustainability. This concept is centred on avoiding unplanned events to ensure the highest environmental, health and safety records, robust business continuity and profits, and optimum resource utilization.

Our Mission of “Maximizing shareholder value by providing quality products and services to our customers” is at the core of everything we do, every day. We strive to deliver excellence through commitment, creativity and innovation.

In this chapter:

- 01** | Quality Management
- 02** | Health and Safety
- 03** | Our Procurement Practices
- 04** | Customer Satisfaction
- 05** | Product Responsibility





Certifications

1st

Company in Kuwait to Obtain
Responsible Care® (RC)
Accreditation & Certification

ISO 14001 certified

Environmental Management

ISO 9001 certified

Quality Management

ISO 27001 certified

Information Security

100%

New Suppliers
Screened Using
Labor Practices
Criteria

ZERO

Number of Work
Related Fatalities

25,000

Training Hours
Dedicated to
Environment,
Health & Safety

539

Periodic Medical
Exams (PME)
conducted

Quality Management

G4-14

G4-15

G4-EC7

EQUATE employs international systems of environmental and quality management, and follows RC 14001, ISO 14001 and ISO 9001 standards. It also conducts internal environmental audits on a regular basis and undergoes annual external environmental audits as part of its compliance with RC 14001 and ISO 140014 certifications.



ISO 14001 – What Does the Certification Mean for EQUATE?

The certification outlines a clear model that a company or organization can follow, in order to establish an effective environmental management system. The model refers to those environmental aspects that the organization identifies as those which it can control and influence. EQUATE constantly seeks to adhere to international standards in its environmental performance. Strict compliance to these voluntary norms helps the company benchmark their management systems with their counterparts across the world.

EQUATE also follows the Responsible Care®, a voluntary initiative designed for and used by the International Council of Chemical Associations (ICCA). In 2011, we became the first company in Kuwait to be RC recognized, earning the Responsible Care® (RC) 14001 certification. We use Responsible Care® to safely handle products from inception in the research laboratory to manufacturing, distribution and finally to their ultimate reuse, recycle or disposal. Responsible Care® promotes sustainable development for EQUATE and the society we operate in while maintaining mutual transparency with our stakeholders.



Kuwait Conference of Chemistry



EQUATE is highly committed to creating awareness and sharing best practices in the industry, and the region in the areas of research, innovation and environmental affairs. It sponsored the 3rd Kuwait Conference of Chemistry (KCC 2014), held under the patronage of His Highness the Amir of Kuwait Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah. More than 300 delegates from across the GCC and the State Minister for National Assembly Affairs & Minister of Oil Dr. Ali Al-Omair took part in the conference.

“Kuwait Conference of Chemistry (KCC 2014) presented reunion of scientific figures from around the world to discuss a number of vital matters relevant to research and development (R&D), environmental affairs, industrial applications, as well as the hydrocarbon industry, which includes oil, gas and petrochemicals, all of which are of relevance to EQUATE’s business”.

Mohammad Al Benali, VP for Technical Services.

Process innovation is at the core of EQUATE’s initiatives aimed at driving quality and business performance improvement in our operations, and our environmental and health and safety management. The quality management standard systems, ISO 27001 enables EQUATE to manage the security of assets, such as financial information, intellectual property, customer and employee details.



EQUATE Strengthens Partnership with KFAS



As part of its efforts to promote innovation, EQUATE took part in the Kuwait Foundation for the Advancement of Sciences (KFAS) Innovation Challenge Program, the first of its kind in Kuwait. The objective of the team-based program was to drive performance of businesses in Kuwait by spreading the culture of innovation. The program was conceptualized in association with the Haas School of Business, University of California, Berkeley, USA. EQUATE's innovativeness was recognized through very high scores in the Innovation Potential Index and the team was ranked as one of the top participating teams.



EQUATE and KPC Organize Kuwait's First Industrial Automation Security Conference



Industrial control systems (ICS) constitute the critical infrastructure and backbone of several industries, including oil, gas and petrochemical industries. Recognizing the threats and challenges these systems face, EQUATE and Kuwait Petroleum Corporation (KPC) organized the first Kuwait Industrial Automation & Control Systems Cyber Security Conference (KIACS Cyber Security Conference 2014). Representatives from more than 85 local, regional and international companies attended the conference. It addressed technical challenges industrial sectors faced, as well as ways to deal with threats facing the cyber security of industrial control systems, and develop best practices and solutions.



Health and Safety



During the 2014 materiality assessment, Occupational Health and Safety was identified as one of the material aspects by EQUATE's stakeholders. EQUATE believes that a safe and healthy work environment is a basic requirement for ensuring employee well-being. Best practices in occupational health and safety enhance our overall performance.

EQUATE Responsible Care® Goals and Targets — Health and Safety

Strive for Zero Recordable Injuries (RI) and limit Recordable Injury Rate (RIR) of 0.09 by 2015

Year	RIR
RIR 2013	0.11
RIR 2014	0.10
RIR 2015	0.09 (target)

Strive for Zero Process Safety Incidents

Safety First

EQUATE adopts a Management Implementation plan, advised by the Core Strategic Committee, to ensure the safety of our employees. We set annual safety-related departmental goals and objectives, and establish site-based Environment, Health and Safety (EH&S) committees and teams to ensure the goals are met. Branching out of this are departmental level focus teams as well as safety officers for various facilities. These committees and teams represent our entire workforce.

Team	Number of representatives	Meeting frequency	Level of operation
Site EH&S Committee	10 members	Monthly	Site level (headed by VP operations)
Department EH&S Focus Teams	10-15 members	Weekly	Departmental level
Safety Officers	20-25 members	Weekly	Multi-facilities

In 2014, we dedicated around 25,000 hours toward training our employees in Environment, Health & Safety (EH&S). With EQUATE's preventive care initiatives and the employees' EH&S training, we had no fatalities reported among our workforce in 2014. However, four injuries were recorded, with an incident rate of 0.05 in 2014. It was slightly less when compared with 2013, which saw an incident rate of 0.06.










2014 Turnaround EH&S Safety Talks



To ensure that all contractors and EQUATE employees perform their activities in a safe manner during 2014 TA, the EH&S Delivery Leaders conducted 20-minute talks at the beginning of each shift. Emphasis was laid on topics relating to safety and policy violations, EH&S observations and other relevant safety issues.



2014 Safety Statistics at EQUATE

	2012	2013	2014
 Exposure Hours*	5,124,912	6,302,363	15,920,295**
 Number of Lost Time Injuries (LTIs)	0	0	1
 Lost-Time Injury Frequency (LTIF)	0	0	0.02
 Number of Lost Days from LTIs	0	0	18
 Number of Recordable Injuries	4	2	4
 Total Recordable Incident Rate	0.12	0.06	0.05
 Number of Sickness Absence Days	6,812	5,877	6,486

*Exposure hours is the total number of hours of employment including overtime and training but excluding leave, sickness and other absences.

**exposure hours increased due to TA



Training in Advanced Industrial Firefighting and Hazmat



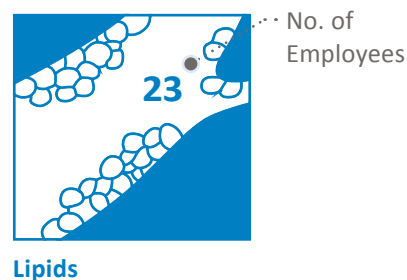
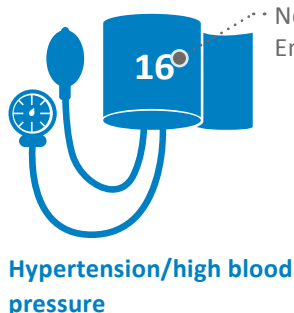
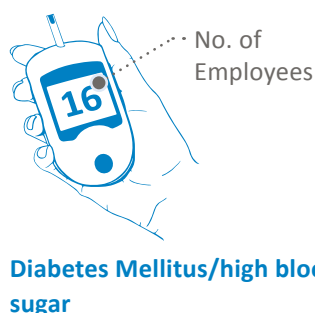
Securing lives and property requires proactive response, which calls for progress in measures adopted. EQUATE partnered with Kuwait Fire Safety Directorate (KFSD) to organize international training courses in advanced industrial firefighting and hazardous materials training for its employees as well as KFSD's staff. These courses helped participants build on their firefighting skills for the benefit of the population of Kuwait.

Ensuring Employee Health and Wellbeing

EQUATE considers the health of its workers as a top priority. All our employees are covered for health and safety topics under EQUATE's workmen compensation policy. During 2014, a total of 539 Periodic Medical Exams (PME) were conducted and over 1,500 specialized medical tests were done, as well as 200 flu vaccinations. EQUATE maintains employee data of not only occupational, but also non-occupational related impairment of health such as diabetes and hypertension. The company also performs periodic ergonomic assessments to improve employee health and well-being, and reduce workplace risks.

EQUATE published the internal E-Med Echo to address relevant medical topics of relevance to the employees and the society. In addition, EQUATE's blood drive and first aid training witnessed the participation of nearly 100 persons.

Employees with a High Risk of Serious Diseases



Our Procurement Practices

G4-12

G4-EC9

G4-PR1

G4-LA14

EQUATE plans to develop a culture to bring together basic corporate procurement and business elements. This is aimed to achieve continuous value creation, improve cost position, generate sustainable competitive advantage and support business growth for the company. EQUATE's Procurement Department is solely responsible for the company's

procurement policy. They look into the procurement of goods and services from third-party suppliers at the company.

We also demonstrated our commitment to promoting local suppliers by spending the bulk of our procurement outlay on local products. It is a common practice at EQUATE's Procurement Department to support local suppliers in order to generate sustainable value and enhance supply security. It is worth mentioning that some local suppliers in Kuwait started their business as a result of an idea/business proposition initiative generated by EQUATE.

Gulf Cryo-EQUATE CO₂ Recovery Project

Since 2014, EQUATE's carbon dioxide is transported via pipelines to Gulf Cryo for purification to remove unnecessary hydrocarbons and liquefaction. Gulf Cryo supplies the liquefied CO₂ throughout the GCC through a large fleet of 30 tankers. Gulf Cryo are currently working with Kuwait Environment Public Authority (KEPA) to get carbon credits.

This project is not only aimed at creating an added-value from the CO₂, but is also a part of EQUATE's sustainability driven efforts to protect and preserve Kuwait's environment.



We have a rigorous and robust supplier assessment policy in terms of their labor, environmental and human rights. All our suppliers go through vendor evaluation and registration process before we do business with them. We also assess the health and safety impact of all our products and services to comply with regulations, and minimize occupational and quality risks.

EQUATE's Supply Chain

Recovery of associated gases	LPG fractionation unit	Cracking and distillation	Chemical conversion	End product
Hydrocarbon source	Feedstock	Initial process operations	Production	Exporting
KOC	KNPC	EQUATE		
Natural gas/liquids	Ethane (gas)	Ethylene Unit	Polyethylene Unit	Packaging area
			Ethylene Glycol Unit	EQUATE port



Reduce Freight Cost to North East Asia Project



EQUATE Integrated Supply Chain (ISC) Department led the “Reduce Freight Cost to North East Asia” project. We were able to increase the utilization of our North East Asia liquid shipments which allowed EQUATE to reduce liquid freight considerably, resulting in sizable net savings every year for EQUATE.

The project made several logistics improvements, which enabled ISC liquids to access better freight cost brackets, increase the North East Asia liquid shipment utilization, optimize laycan, and proactively address ports with a scenario stowage planning.

The overall results increased the baseline Sigma Quality Level.

Customer Satisfaction

G4-PR5

At EQUATE, we are keen on consistently assessing customers’ satisfaction to enhance our products and services. We appoint a third-party to conduct a customer satisfaction survey once every two years. Surveys are conducted through emails or verbal deployment. We will conduct the forthcoming survey in the last quarter of 2015 and release the results in the first quarter of 2016. Apart from customer surveys, we also use other methods to measure customer satisfaction, including customer gatherings, EQUATE technical seminars and regular proactive customer visits.

We support our customers’ efforts to supply the local market demand as well as increasing their exports and presence in other countries. EQUATE has a solid base to launch exports of ‘made in Kuwait’ finished plastic products manufactured by its local customers.

Sheets (MSDS), product-specific safety training, storage and handling guidelines, regulatory information (where appropriate), and advice on clean-up procedures and accidental spills. We take pride that no incidents of non-compliance with health and safety regulations, and codes were recorded during the assessment of our products and services in 2014.

For products, all matters carried by EQUATE previously and currently are as per guidelines to minimize risks associated with products in accordance with global best practices.

Product Labeling and Responsible Marketing

We have an intrinsic product labeling system. Our MSDS provide consumers with a clear understanding of our products’ risk profile — its potential health effects, hazards and environmental impacts.

As a business, we understand that marketing is a very important aspect of generating revenue and confidence in our products. We comply with all regulations and codes concerned with marketing, promotion and information disclosure. Since our products are a mix of chemicals, and different countries have different norms, it is important to be transparent about our product constitution. In 2014, EQUATE had no incidents of non-compliance with regulations and voluntary codes concerning its product and service information, as well as labeling. We use external laboratories for the certification of our products to meet EU regulations, such as the EU Registration, Evaluation, Authorization and Restriction of Chemical Substances (REACH). We also do not sell products, which are banned in certain markets or are the subject of stakeholders’ questions or public debate.

Product Responsibility

G4-PR1

G4-PR2

G4-PR3

G4-PR4

G4-PR6

Optimising Product Impacts

We strive to ensure the health, safety and environmental protection over each stage of our products’ lifecycle, and implement a comprehensive ‘Product Stewardship Program’ in this respect. The program offers Material Safety Data



Our Environmental Stewardship

By focusing on the most material aspects raised in the stakeholder engagement, we hope to maintain our focus on business growth, while reducing our environmental impacts. We analyze the impact of our decisions on the environment, ensuring that our policies, procedures and initiatives are environment-friendly. Our policies and procedures also comply with key domestic environmental regulations and we have abided by all of them. Our environmental policy addresses the most material issues relating to the environmental footprint arising from our operations. We make other disclosures in the relevant aspect of the Global Reporting Initiative (GRI) G4 Content Index.

G4-
EN29

In this chapter:

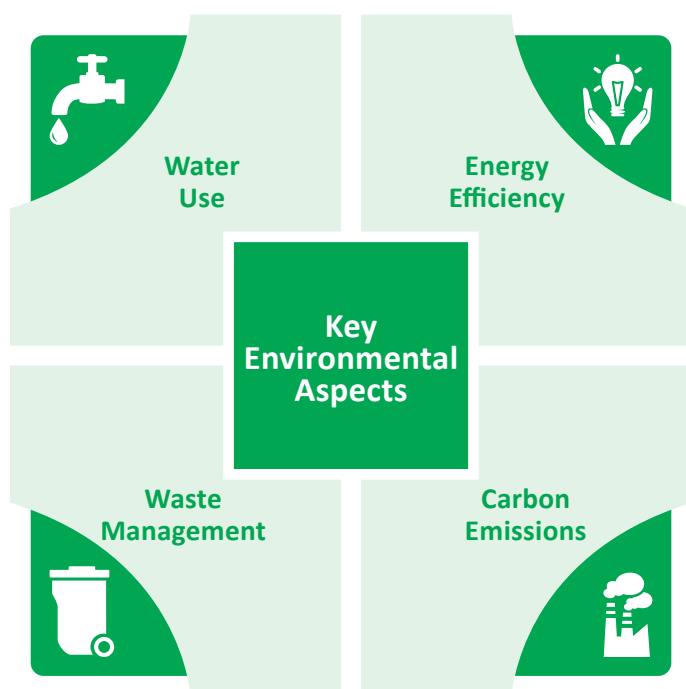
- 01** | Energy Management
- 02** | Our Carbon Footprint
- 03** | Water Consumption
- 04** | Our Waste and Spills Management

251 GJ

of Energy Saved

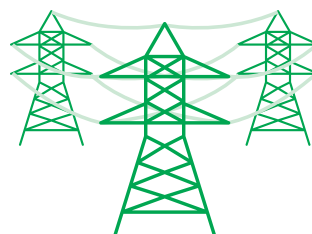
189,507t CO₂Reduction in
Direct Scope 1
Green House
Emissions**9%**Reduction in Water
Consumption**11%**Reduction in Water
Discharge

Four of the five important material issues identified pertained to our performance on key environmental indicators.



strive to improve the energy efficiency of our chemical plants. We track our energy consumption for our operations and assess our progress every year.

Indirect Energy Consumption (Electricity), in million MWh



2014

21.94

2013

21.98

Direct Energy Consumption (fuel gas), in million GJ



2014

231

2013

257

Stakeholder's Comments	EQUATE's Response
EQUATE should communicate more on what they do on waste water usage and energy management, and share that knowledge of these initiatives and practices for other organizations to leverage from.	EQUATE closely collaborates with the Ministry of Electricity & Water, Kuwait Environment Public Authority (KEPA) and Public Authority for Industry (PAI) to share and leverage its best practices relevant to electricity and water consumption. As the single operator of Greater EQUATE, EQUATE naturally applies these best practices on all relevant units and plants. In addition, EQUATE routinely hosts delegations from other organizations and accordingly shares with them its best practices, including those relevant to water and electricity.

In 2014, our operations and processes consumed 23,100,000 gigajoules (GJ) of fuel and 2,194,368 MKW (million kilowatts) of electricity. There was a 10% fall in direct energy consumption and a 2% fall in indirect energy consumption compared with 2013. We are making a steady progress in terms of reducing our energy consumption. We are striving to improve our energy footprint through more efficient use of energy resources and transition to renewable energy sources. Several initiatives were executed as part of our sustainability plan, which enabled us to achieve considerable energy savings, despite rise in production in the year. We saved 251GJ of fuel, mainly on account of three key initiatives undertaken this year to improve our energy efficiency in our operations.

Energy Management



We are constantly working toward optimum utilization of energy, which is an important aspect, with EQUATE being part of an energy-intensive industry. Our operations include natural gas and liquid fuel fired boilers, a natural gas incinerator and a nitrogen vaporizer. We also continuously

How We Achieved Energy Savings:

Installing Steam Traps	Stopping Steam Turbine	Reducing Steam Turbine Speed
(45GJ saved)	(180GJ saved)	(26GJ saved)



KARO LE Project for Energy Saving



The project commenced in 2013 with the objective of reducing our carbon emissions from one of our plant processes. Our Aromatics plant produces Light End (LE) gas, which is normally used as a feed gas for Olefins II. The LE gas was becoming excess and we had to flare it. In order to eliminate the flaring of LE gas at the Aromatics plant, the KARO LE project was initiated at Utilities to utilize LE gas in OL2K boilers for steam production and back off the sour fuel gas consumption coming from KOC.

As part of this project, EQUATE has resolved all the control system related issues associated with LE gas firing and design deficiencies were also corrected in the process. This project saved **US\$1.46 million** by fuel gas invoice reduction and reduced the CO₂ emissions (Scope 1) by **25,528 tons in 2014**.

Our Carbon Footprint



The rising rate of greenhouse gas (GHG) emissions poses a threat to the ecosystem and the environment, leading to significant climate change and global warming. A growing number of businesses have a role in environmental imbalances, owing to their uncontrolled GHG emissions. As a responsible petrochemical organization, we make the best efforts to minimize CO₂ emissions during our operation, fulfilling our commitment toward reducing carbon footprint.

Scope 1 Emissions

2014: 1,252,263t CO₂

2013: 1,441,770t CO₂

Scope 1 emissions encompass emissions released straight into the atmosphere, from activities owned or directly controlled by EQUATE. This year, our Scope 1 emissions have considerably declined from 1,441,770t CO₂ in 2013 to 1,252,263t CO₂ in 2014.

Scope 2 Emissions

2014: 1,513,129t CO₂

2013: 1,749,503t CO₂

Scope 2 emissions cover emissions released into the atmosphere following purchase of electricity used by EQUATE directly. Effective management of energy resources through savings wherever possible and more reliance on renewable sources will help us minimize our footprint as a result of energy usage. Our Scope 2 emissions have also dropped by more than 13% during the last year, underlying our commitment to reduce the energy footprint in our operations.

Water Consumption

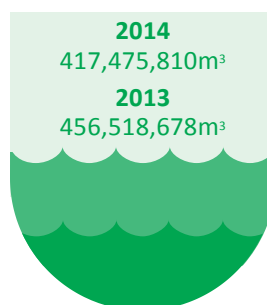


Freshwater remains a limited resource, although water constitutes two-thirds of the earth's surface. The Middle East is considered as one of the regions to experience water scarcity. As per UN estimates the Middle East and North Africa (MENA) region would mark a significant decline of per capita annual renewable water resources from 750 to 500 cubic meters by 2025.

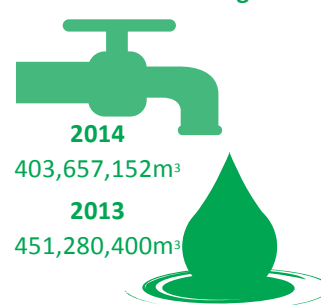
In this backdrop, businesses that are water-intensive in a water-scarce country like Kuwait have a key role to play in managing their water resources efficiently. EQUATE seeks to minimize the consumption of water and recycle discharged water after its use for our operational processes.

Our operations consumed 417,475,810 million tonnes of water during 2014. There has been a 9% fall in water consumption and an 18% drop in the discharge of water during the period.

Total Water Consumed



Total Water Discharged



Key water sources

Seawater

2014
98.79%

2013
98.85%



Distilled Water

2014
1.13%

2013
1.08%



Potable Water

2014
0.07%

2013
0.07%



Out of the total water sources, we have relied on seawater for 98.79% of our water supply. Of our water drawn, 1.13% was distilled while 0.07% came from potable water sources.

Smart Water Initiatives

Aiming to reduce our water footprint, we have introduced initiatives for better management of water. The wastewater recovery plant helps us recycle wastewater from EQUATE's plant processes and convert it to distilled water.

As part of effective water management, the wastewater produced from the petrochemical process during EQUATE's operations are recycled and reused. Keeping a check on water consumption, the two seawater cooling towers minimize water withdrawal from surface water sources.



1,452,333m³

Wastewater Recycled from
Wastewater Cooling Plant

Our Waste and Spills Management



Hazardous and non-hazardous wastes from our operations include used oil, spent caustics, caustic polymer and charcoal, slop oil, dimmer wastes, coke, process waste and contaminated personal protective equipment (PPE). However, EQUATE ensures that the waste and wastewater produced meet the guidelines issued by the Kuwait Environmental Protection Agency (KEPA).

We believe that waste and spills management is a very important environmental factor due to the nature of the raw materials we use and residues our plants produce. The hazardous solid waste generated during 2014 was 1,544 tons. We treat all the hazardous waste generated in our waste treatment plants and do not export such waste, strictly complying with the national regulations. We have had no instance during the last year of any action being initiated by the authorities on non-compliance on this front.

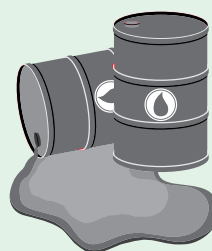
Spills Containment

An investigation was conducted on the event of six spills accounting for 21MT during 2013 and plans were devised. We also conducted a two-day workshop on loss of primary containment (LOPC), for all the manufacturing facilities to understand the causes and action plans were developed from the investigation.

We successfully reduced instances of spills and volume through systematic procedures and consistent compliance, with only one major spill marked in 2014. The amount spilled was contained in the secondary containment (Sump) and as per API RP 754 Tier 1&2 classification, the spill had no potential to harm people, community or cause damage to an equipment.

We plan to achieve zero LOPC category II and III incidents during our future operations. We also aim at implementing an LOPC reporting policy and carrying out a periodic maintenance program to ensure that all equipment is registered as part of the program.

Total Number of Spills and Volume



Total Spill Volume (in MT)

2014
15.5
2013
21.7

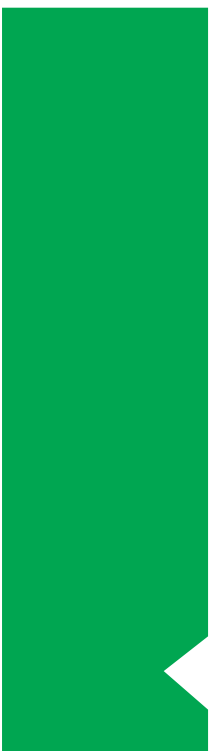
Number of Spills

2014
1
2013
6

EQUATE Responsible Care® Goals and Targets — LOPC

Strive for Zero Loss of Primary Containment (LOPC), Not to Exceed One Incident by 2015

Year	RIR
RIR 2013	2 incidents
RIR 2014	2 incidents
RIR 2015	1 incident (target)





Our People

At EQUATE, we rely on the talent, skill and dedication of our workforce to propel our growth — they are EQUATE’s “Partner in Success.” EQUATE has an enabling work environment, with employees of more than 25 nationalities in all business and functions. We seek to provide our employees with a rewarding and safe place to work, with several opportunities for professional growth and development.

In this chapter:

- 01** | Training and Education
- 02** | Employment and Benefits
- 03** | Diversity and Equal Opportunity



**40,713**

Total Training Hours
Completed

1,960

Total Trainings
Conducted

79.11%

Percentage of Kuwaiti Employees
as Members of the Labor Union

Training and Education



During the 2014 materiality assessment, EQUATE's stakeholders identified training and education as one of the material aspects. Employee development is crucial toward achieving EQUATE's vision to become a world-class producer of petrochemical products. As the industry evolves, it becomes essential to keep our employees in touch with the latest technologies and trends. We continue to invest in our employees, strengthening their technical and leadership skills, and recognizing them for delivering results. In 2014, we provided 1,960 trainings to our workforce, with every employee undergoing an average of 31 hours of training.

EQUATE's internal training sessions in technology and people management skills provide lifelong skills to facilitate continued employability. We have joined hands with the Ministry of Education to offer financial assistance for employees who are pursuing undergraduate degrees and other diplomas.

All of EQUATE's contractors are provided general training for EH&S. When necessary, the specialized contractors are provided technical competency training pertaining to the job requirement.

Our Training Structure Includes:

- Job level mandatory classroom-based training followed by online assessments. e.g., EH&S Life Critical training.
- Organizational level mandatory training for all employees. e.g., Business Attire, Code of Business conduct.
- Competency-based training covering cultural capabilities, technical competencies and leadership code. For some technical competencies, training, tailored to each functional unit, is covered through external programs.

Employee Training in 2014



At EQUATE, we carry out regular performance appraisals for all our employees. Our mid-year and year-end appraisals create an opportunity to provide feedback on their contribution and outline their career growth. This helps orient employees with their role in the company.



TAMAYOZ in Arabic means "Excellence in Every Aspect of the Way We Work"

The three-year TAMAYOZ Project is a fully integrated talent management system at EQUATE. The four year (2013–16) project will develop our employee's abilities and potential to enable EQUATE to deliver excellence. TAMAYOZ helps EQUATE achieve business goals by inspiring and empowering the individual to progress in their knowledge, skills and behavior. Some of the key elements under TAMAYOZ are:

- The Enterprise Learning System (ELS), which supports employee development
- The Competency Management System, which strategically provides each individual employee with the opportunity to reach full potential through rigorous assessment and individual development plans
- The career opportunity map, which provides transparent information about employees' career progression opportunities

Stakeholder's Comments	EQUATE's Response
Need of increased commitment toward retaining employees	EQUATE's comprehensive TAMAYOZ Project is aimed at developing our employee's abilities and potential. We hope to inspire our employees and empower them with knowledge and skills.

Recruitment at EQUATE

G4-LA1

EQUATE's recruitment process plays a vital role in identifying the right candidate for the right job through robust recruitment and selection process. EQUATE has established strategic partnerships with educational institutions, such as the Public Authority for Applied Education and Training (PAAET), Kuwait University, as well as the Manpower and Government Restructuring Program (MGRP) to attract new local talent. As part of the development strategy, EQUATE offers scholarships for PAAET students on specific



main subjects. In 2014, we recruited 37 new employees, while 68 personnel left the company, with a turnover rate of 5.18%.



Thinking Outside the Box for 2014 Turnaround

1. A dedicated team from Ministry of Interior, Public Authority of Industries and Ministry of Health were stationed in EQUATE premises to streamline the work process for contractor immigration, work permits and approvals.



2. Contractors were brought ahead of time for hands-on training sessions on life-critical equipment, such as Self-Contained Breathing Apparatus, Fire extinguishers and Air Cart.



3. To avoid loss of time during TA, special teams of EQUATE experts and trainers were deployed months in advance to train recruited contractors at their country of residence.



4. A dedicated TA icon was introduced in EQUATE Enterprise Permit Processing System (EPPS) to avoid confusion between normal and TA job permits, and assist with tracking of permits during TA.

Employment and Benefits

G4-11

G4-15

G4-EC3

G4-LA2

G4-LA3

We offer excellent compensation and benefits, which serves to attract and retain the right talent. We follow a policy of benchmarking pay scales with those of other companies. Our employees can choose from two saving schemes, where EQUATE contributes with double the amount that our employee makes. EQUATE abides by the laws and regulations of the Kuwait Ministry of Social Affairs and Labor, Public Institution for Society and Security (PIFSS) and Manpower and Government Restructuring Program (MGRP).

We invest in the well-being of our employees and provide affordable health care for them, apart from medical and life insurance benefits. Among other benefits EQUATE employees receive are parental leave, educational assistance, leave travel allowance, private saving schemes, incentive programs and competitive retirement options.

	Male	Female	Total
Employee Turnover			
Total Employee Turnover	61	7	68
Employee Turnover Rate	4.97%	8.33%	5.18%
New Employee Hires			
Total Number of New Employees	34	3	37
Rate of New Employee Hires	2.77%	3.57%	2.82%
Return to Work after Parental/Maternity Leave			
Number of Employees who Took Parental Leave	95	13	
% of Employees who Returned to Work after Parental Leave	100%	100%	
Employees Covered by Collective Bargaining Agreements			
Total Number of Kuwaiti Members of the Union	557		
Percentage of Total Kuwaiti Employees of the Union	79.11%		

Diversity and Equal Opportunity

G4-10

G4-EC5

G4-EC6

G4-LA12

G4-LA13

Our Code of Business Conduct (COBC) sets forth our principles on diversity and equal opportunities. We believe in fair distribution of opportunities for all our employees. We assign the best tasks for people who are the right fit in terms of competencies and qualifications. We foster a culture of respecting each other, and acknowledging our similarities and differences. We carry out our personnel programs and policies without discrimination across all areas, including recruitment, career progression, allocation of projects, transfer, termination, benefits and pay.

We follow gender equality practices in hiring candidates across levels of experience and ensure fairness in

promotions, leadership opportunities and compensation. In 2014, female employees accounted for 6.4% of our total employees. Our executive management team (EMT) for 2014 had one Kuwaiti female member and six male members – three from Kuwait, two from the USA and one from Thailand.

Total full-time employees	1312
Total Males	1228
Males under 30	904
Males 30-50	122
Males 50+	24
Total females	84
Females under 30	24
Females 30-50	56
Females 50+	4

Women Empowerment!

During a site visit to EQUATE as a student in Kuwait University (KU), Shaikhah Al-Hasawi was highly impressed with the organization and its facilities. On graduating from KU, Shaikhah was successful in seeking employment at EQUATE in 2005 as a Technical Advisor. Shaikhah is currently the Senior Production Engineer for both EQUATE 1 and EQUATE 2 Water Systems.

EQUATE TA takes place once in eight years. During the TA in 2006, Shaikhah witnessed the entire process from the side-lines as a trainee. With dreams of leading the TA process for Water systems in 2014, Shaikhah worked diligently at EQUATE. Shaikhah's dreams came true when she was selected as the Zone Leader for Water Systems during the 2014 TA! Shaikhah's passion for her work, her strong technical background and the support from her leader enabled her to excel and add value during the TA.

"I love EQUATE's work culture, fellow EQUATERs and the drive for team work within the organization"
Shaikhah Al-Hasawi, Senior Production Engineer, Water Systems

Other female success stories during the 2014 TA include Strategic Sourcing Specialist Shirin Kamshad, Production Engineer Loulwah Hamada, Strategic Sourcing Specialist Zeinab Bu Hamad, Sourcing Specialist Reem Al-Kandari, Environmental Engineer Asrar Mohammad, Project Estimation Engineer Zaina Al-Salem, Project Estimation Engineer Noura Al-Thuferi and others.







Our Community

Sustainability drives EQUATE and we look for opportunities beyond profitability. We integrate the needs of the community into our operations and products. In line with our tagline “Partners in Success,” we form partnerships with not-for-profit and non-governmental organizations to support projects that safeguard the environment and uplift local communities through education and community outreach initiatives. EQUATE’s Corporate Social Responsibility (CSR) and Green Teams review and conduct assessments of every community initiative sponsorship requests before making a decision. Over 60% of our operations engage with local communities, and participate in local developmental programs. Private sector industries forms an integral part of Kuwait’s microeconomics.

In this chapter:

- 01 | Empowering Local Youth and Entrepreneurs**
- 02 | Preserving the Environment**
- 03 | Community Outreach Programs**





Over **500**



Individuals Attended the Beach Clean-up Initiative

Over **1,000**



Individuals Participated in the Painting Smiles Initiative



EQUATE's New Establishment in Kuwait KidZania

Empowering Local Youth and Entrepreneurs

G4-15

G4-EC7

G4-SO1

G4-EC8

EQUATE firmly believes that education is essential for the economic and social development of both organization and society. We partner with local academic institutions and offer financial support for various educational programs. EQUATE provides practical industrial training and conducts workshops for the engineering students. We allocate 1% of our annual profit to Kuwait Foundation for the Advancement of Sciences (KFAS) to support technological, scientific and intellectual developments, nationally and globally. The KFAS initiatives include improving public understanding of science; strengthening innovation and research capacity and enhancing the enabling cultural environment; supporting the gifted and talented; translating knowledge into innovation; and encouraging private technology capabilities.

EQUATE is aware of its critical role in fostering entrepreneurship in Kuwait. Innovative entrepreneurs who have appropriate training and credit facilities are crucial to curb the social, economic and environmental challenges of a country. In 2014, we funded the Kuwait Industries Union's Industrial Entrepreneurs project, where aspiring Kuwaiti entrepreneurs participated.

Promoting Skill Development of Local Community — Industrial Entrepreneurs Project

EQUATE has sponsored the Kuwait Industries Union's Industrial Entrepreneurs project. Over 300 individuals with innovative, value-added industrial ideas falling within small-to-medium enterprises took part in this initiative. Several experts from industrial, economic, academic and technical sectors came together to evaluate the projects, select the best ideas and individuals. The project assisted these individuals to launch their own businesses to be managed based on systematic and professional guidelines, in addition to forming partnerships with relevant organizations.



Preserving the Environment

G4-EC7

G4-SO1

The environment is a major priority for EQUATE and we extend our environmental responsibility beyond our operational boundaries. We believe that achieving overall sustainability in Kuwait is possible by protecting and preserving the natural environment. Initiatives of EQUATE CSR Program are achieved through strategic partnerships with relevant public and private organizations. In 2014, we supported initiatives led by the Gulf Petrochemicals & Chemicals Association (GPCA) Beach Clean-up and Kuwait Dive Team.

Beach Clean-up

As a founding member of the GPCA, EQUATE actively participates in the industrial association's activities. Since 2011, GPCA has been organizing annual beach clean-up activities across the gulf region through their member companies. The 2014 clean-up resulted in a record collection of 11 tons of waste from 5,512 participants from GPCA member companies, schools and local communities in nine Gulf cities. In Kuwait, EQUATE has partnered with the Kuwait Environment Public Authority (KEPA). We had an attendance of over 500 individuals representing EQUATE, KEPA and students from Kuwaiti schools.



Kuwait Aquatic Life and Environment Protection

EQUATE has sponsored Kuwait Dive Team's aquatic life and environment protection project. The dive team installed bowing marines at the islands of Kubbar, Qaroah and Um Al-Maradem. The bowing marines installed protect and preserve the local coral reefs, and other marine life.





Highly satisfied with EQUATE's commitment to sustainability.

External stakeholder — NGO

Community Outreach Programs

G4-
EC7

G4-
SO1

Addressing community relevant issues and interacting directly with communities are crucial sustainability elements for EQUATE. Our community initiatives are conducted in partnership with relevant organizations in Kuwait for the benefit of all members of the society, nationals and expats alike.

Painting
Smiles:
We Care

EQUATE and Kuwait Blind Association (KBA) have worked together to inaugurate a public exhibition of artworks created by over 1,000 participants, including 950 visually impaired KBA members, our employees' children and school students. This initiative celebrated not only the expression of fine arts, but also promoted the public awareness of the visually impaired individuals of our society. The principle of integration was the main driver behind this initiative, which EQUATE cares and recognizes to be the basis of sustainability. All the proceeds from the sale of artworks were awarded to KBA. Since the campaign, KBA has experienced an increased interest in its activities from other members of the society, such as nongovernmental organizations (NGOs) and government bodies.



EQUATE
Patronizes
Kuwait's Fifth
Annual
Convention
of Disabled
Persons

Of the global population, 15% are disabled. Kuwait's first nonprofit company, Training Gate International (TGI) has organized its fifth annual convention on the occasion of "The International Day of Persons with Disabilities." Individuals from around the world have participated in the convention. EQUATE sponsored this event as a show of support to these individuals and their cause in Kuwait and beyond.



We are pleased with our partnership with EQUATE.

External stakeholder — NGO

EQUATE and
KidZania
Partner to
Educate
Future
Engineers

EQUATE participated in KidZania, a global edutainment center, where children can take part in over 100 role-play activities. EQUATE is the first petrochemical company to participate with an establishment at KidZania worldwide. It provides children with real-life experience of petrochemical engineers, with the capacity to assess the environment, health and safety requirements. The integration of education with entertainment aims to develop the petrochemical engineers and other qualified individuals of tomorrow.



Extremely pleased with the extent of involvement and enthusiasm shown by EQUATE employees at all levels of management.

External stakeholder — NGO

Health and Safety Campaigns

EQUATE maintains record safety levels and applies globally accredited, and recognized practices to ensure a safe and secure working environment in its operations. Over 50% of the residences in Kuwait do not have fire extinguishers or smoke detectors. With a view to prevent potential hazards at home and other places, Kuwait Fire Safety Directorate (KFSD) and EQUATE have jointly launched the Safety at Every Home Campaign (Safe). Awareness activities were conducted in colleges, universities and malls, where KFSD members conducted fire safety knowledge sharing sessions. Fire extinguishers, smoke detectors and relevant literature were distributed during this campaign.

EQUATE sponsored the 12th Firemen Day 2014, where EQUATE employees interacted with the public and other stakeholders to highlight EQUATE's Environment, Health and Safety (EH&S) efforts.

Maintaining our efforts to promote a lifestyle of fitness and well-being, EQUATE has sponsored the Rijeemy Walkathon organized by Rijeemy Center.



Spirit of Giving

During the holy month of Ramadan, EQUATE has coordinated with Zakat House to host Iftar meals for several members of the Kuwaiti society. In addition, EQUATE hosted Suhoor meals during the entire holy month for our contractors from various countries and our "Partners in Success" member companies.

EQUATE participated in the "Weight of Love" campaign launched by the Kuwait Red Cross Society (KRCS) where employees, their families and friends came together to gift toys to children in need, emphasizing the spirit of giving.



Stakeholder's Comments

EQUATE should focus on evaluating the social impacts of their community initiatives for better allocation of funds

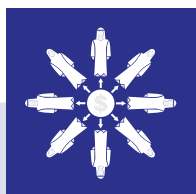
Look for long-term strategic community initiative partnerships, one that extends beyond CSR

EQUATE's Response

We plan to evaluate the social impacts of our community investments. The evaluation of the social return of community investments would not only help us with better allocation of funds, but also enable us to participate in social causes with a wider community reach

Going forward, EQUATE will continue implementing opportunities to invest in long-term community transformational programs





Our Impact on the Economies where We Operate

The petrochemicals and chemicals industry is the second largest manufacturing sector in the Gulf region, delivering products worth over over US\$100b annually. The growth of the industry has provided remarkable contributions to the economic diversification of the region.

The Kuwait petrochemical sector is expected to contribute over 50% of the country's non-oil income. Presence of abundant reserves and a broad range of feedstock provide a competitive edge to the country's petrochemical industry. In line with its commitment to support the achievement of Kuwait Vision 2035 strategy, EQUATE promotes non-oil growth. Our ethylene-based products account for over 60% of Kuwait's export value from non-oil sources.

In this chapter:

- 01** | Direct Economic Value Generation
- 02** | Kuwaitization
- 03** | Supporting Local Suppliers



**87.5%**

of the Total
Goods and
Services
Procured for
Our Operations were from Local
Kuwaiti Suppliers

Over 50%

of Our Employees are Kuwaitis



Regional Sustainability Award for
Localization Strategy of the Year

Direct Economic Value Generation

G4-
EC1G4-
EC8

Annually, EQUATE contributes with over US\$1b to various business sectors in Kuwait, such as logistics, telecommunications and others. In addition, EQUATE employs over 1,300 individuals, as well as several contract labors, who not only contribute to the company's success, but also to the economic cycle of Kuwait.

Moreover, EQUATE's partnership with the local plastic manufacturers has resulted in increasing its sales in Kuwait by over 400% during 1998 to 2014. With the presence of over 30 plastic manufacturers in Kuwait, there has been a tangible growth in local consumption of plastic products in multiple value-added applications. EQUATE has also established a solid base to launch the export of made-in-Kuwait finished plastic products from local plastic manufacturers.

Kuwaitization

G4-
EC6G4-
EC7

EQUATE is highly committed to recruit Kuwaiti nationals and enhance skills of the local youth. Our local recruitment process is designed in a manner to hire the most suitable candidates for every position. It is unbiased and streamlined to attract and retain the best available talent. Over 50% of our employees and 57% of EQUATE Executive Management Team are employed locally from Kuwait. EQUATE's efforts in encouraging local employment were recognized when we won a regional sustainability award for Localization Strategy of the Year in 2014, presented by the prestigious Oil & Gas Middle East and Refining & Petrochemical Middle East magazines.

EQUATE recognizes the challenges Kuwaiti Government faces to increase the participation of Kuwaiti nationals in the local workforce, and we have various initiatives in place for this purpose that fosters collaboration among local institutions. Our three main academic collaborations are with the Public Authority of Applied Education and Training (PAAET), Kuwait University and the Kuwait Institute for Scientific Research (KISR).

In 2010, EQUATE and the PAAET signed a memorandum of understanding (MoU), which includes collaboration in relevant academic and industrial activities. As per the MoU, EQUATE handles the field training of the college's chemistry students and develop faculty's laboratories, and organize joint events, such as workshops.

In 2014, for the 14th consecutive year, EQUATE sponsored Kuwait Institute of Scientific Research (KISR) Summer Training Courses. Over 200 high school and university students had participated in educational programs in the fields of biological sciences, chemistry, genetics and water resources.

Local Youth Empowerment

In 2008, EQUATE has signed an MoU with Kuwait University's College of Engineering & Petroleum. The MoU covers the faculty's activities and plans in academics and industrial fields. EQUATE has sponsored the college's career fair, conferences and seminars. In addition, we have provided the college with chemical and electrical engineering labs, which are considered to be the first of their type at Kuwaiti universities. EQUATE has provided internships, petrochemical industry data and technological support to the engineering students.



EQUATE's top management is highly interested in sustainability and looks for opportunities to invest.

External stakeholder - Academia



Turnaround 2014 Statistics:

Over
12,000
Manpower at
Peak

Over
20,000
Line Items
Procured

Over
300
Services
Arranged

2014 TA
Completed in
30 days
A New Global
Benchmark Set
by EQUATE



Supporting Local Suppliers

G4-
EC9

EQUATE's procurement strategy is aligned with its corporate strategy, where each departmental category is assigned to specific key roles, such as strategic sourcing, payable audit team and investment recovery. We understand that our local suppliers support us to create sustainable value and enhance supply security.

EQUATE motivates local agents to provide technical support and services. We choose local suppliers who add to our value. If they deliver the same value as potential external suppliers, we prefer forging partnerships with local suppliers. This is important as it adds to our economic security and supports our efforts as contributors to the local economy. In 2014, 87.5% of the total goods and services procured for the company were from the local suppliers in Kuwait. We are working toward building the capacities of local companies who provide us with raw materials to achieve maximum procurement locally in the coming years.

GRI G4

Content

Index



GENERAL STANDARD DISCLOSURES (in accordance - Core)

General Standard Disclosures	Description of the Indicator	Page No	Fully / Partially/ Not Reported	External Assurance
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STRATEGY AND ANALYSIS

G4-1	Statement from the most senior decision-maker about the relevance of sustainability to the organization	4-5	Fully	No
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ORGANIZATIONAL PROFILE

G4-3	Name of the organization.	8	Fully	No
G4-4	Primary brands, products, and services	8	Fully	No
G4-5	Location of the organization's headquarters	9	Fully	No
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	9	Fully	No
G4-7	Nature of ownership and legal form.	8	Fully	No
G4-8	Markets served.	9	Fully	No
G4-9	Scale of the organization.	9, 15	Fully	No
G4-10	Breakdown of workforce.	15-16, 50	Fully	No
G4-11	Percentage of total employees covered by collective bargaining agreements.	49	Fully	No
G4-12	Describe the organization's supply chain.	38	Fully	No
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	6	Fully	No
G4-14	Addressing precautionary approach or principle.	34	Fully	No
G4-15	External charters, principles, or other initiatives endorsed.	34, 49, 54	Fully	No
G4-16	Memberships of associations and advocacy organizations.	13	Fully	No

General Standard Disclosures	Description of the Indicator	Page No	Fully / Partially/ Not Reported	External Assurance
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-17	Entities included in organization's financial statements.	8	Partially (EQUATE does not publish financial documents for external use)	No
G4-18	Process for defining the report content and the aspect	6, 24	Fully	No
G4-19	Material aspects identified.	24-26	Fully	No
G4-20	For each material Aspect, report the Aspect Boundary within the organization.	24-26	Fully	No
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	24-26	Fully	No
G4-22	The effect of any restatements of information provided in previous reports.	6	Fully	No
G4-23	Significant changes from previous reporting period in the Scope and Aspect Boundaries.	6	Fully	No
STAKEHOLDER ENGAGEMENT				
G4-24	List of stakeholder groups engaged by the organization	22-23	Fully	No
G4-25	Basis for identification and selection of stakeholders	22-23	Fully	No
G4-26	Approaches to stakeholder engagement	22-23	Fully	No
G4-27	Response to key topics and concerns raised	22-23	Fully	No
REPORT PROFILE				
G4-28	Reporting period	6	Fully	No
G4-29	Date of most recent previous report	6	Fully	No
G4-30	Reporting cycle	6	Fully	No
G4-31	Contact point for questions	6	Fully	No
G4-32	"'In accordance' option, the GRI content index and external assurance."	6	Fully	No
G4-33	Policy and current practice regarding external assurance	6	Fully	No
GOVERNANCE				
G4-34	Governance structure of the organization.	10	Fully	No
ETHICS AND INTEGRITY				
G4-56	Values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	12, 28-31	Fully	No

SPECIFIC STANDARD DISCLOSURES

Standard disclosure	Description of the Indicator	Page No	Fully / Partially/ Not Reported	External Assurance
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CATEGORY: ECONOMIC

MATERIAL ASPECT: ECONOMIC PERFORMANCE

G4-DMA		49, 60		
G4-EC1	Direct economic value generated and distributed	60	Partially (Confidential)	No
G4-EC3	Coverage of the organization's defined benefit plan obligations	49	Fully	No

MATERIAL ASPECT: MARKET PRESENCE

G4-DMA		50		
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	50	Partially	No
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	15, 50, 60	Fully	No

MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS

G4-DMA		52, 54		
G4-EC7	Development and impact of infrastructure investments and services supported	35, 37, 52-56, 60	Partially	No
G4-EC8	Significant indirect economic impacts, including the extent of impacts	54, 60	Fully	No

MATERIAL ASPECT: PROCUREMENT PRACTICES

G4-DMA		38, 61		
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	15, 38, 61	Fully	No

CATEGORY: ENVIRONMENTAL

MATERIAL ASPECT: ENERGY

G4-DMA		42		
G4-EN3	Energy consumption within the organization	14, 42,	Fully	No
G4-EN4	Energy consumption outside of the organization	42	Fully	No
G4-EN6	Reduction of energy consumption	42	Fully	No
G4-EN7	Reductions in energy requirements of products and services	42	Fully	No

MATERIAL ASPECT: WATER

G4-DMA		43		
G4-EN8	Total water withdrawal by source	14, 43,	Fully	No
G4-EN9	Water sources significantly affected by withdrawal of water	43	Fully	No
G4-EN10	Percentage and total volume of water recycled and reused	14, 43	Fully	No

Standard disclosure	Description of the Indicator	Page No	Fully / Partially/ Not Reported	External Assurance
MATERIAL ASPECT: EMISSIONS				
G4-DMA		43		
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	14, 43,	Fully	No
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	14, 43,	Fully	No
G4-EN19	Reduction of greenhouse gas (GHG) emissions	43	Fully	No
MATERIAL ASPECT: EFFLUENTS AND WASTE				
G4-DMA		43, 44		
G4-EN22	Total water discharge by quality and destination	14, 43	Fully	No
G4-EN23	Total weight of waste by type and disposal method	14, 44	Partially	No
G4-EN24	Total number and volume of significant spills	14, 44	Fully	No
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention	14, 44	Fully	No
MATERIAL ASPECT: COMPLIANCE				
G4-DMA		40		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	40	Fully	No
CATEGORY: SOCIAL				
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK				
MATERIAL ASPECT: EMPLOYMENT				
G4-DMA		48-49		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	15, 48-49	Fully	No
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	49	Fully	No
G4-LA3	Return to work and retention rates after parental leave, by gender	49	Fully	No
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY				
G4-DMA		36		
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	36,	Fully	No
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	15, 36	Fully	No
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	36	Fully	No
G4-LA8	Health and safety topics covered in formal agreements with trade unions	36	Partially	No

Standard disclosure	Description of the Indicator	Page No	Fully / Partially/ Not Reported	External Assurance
MATERIAL ASPECT: TRAINING AND EDUCATION				
G4-DMA		48		
G4-LA9	Average hours of training per year per employee by gender, and by employee category	16, 48	Fully	No
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	48	Fully	No
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	16, 48	Fully	No
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
G4-DMA		50		
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	50	Fully	No
MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN				
G4-DMA		50		
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	50	Partially	No
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES				
G4-DMA		38		
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	38	Fully	No
SUB-CATEGORY: HUMAN RIGHTS				
MATERIAL ASPECT: CHILD LABOR				
G4-DMA		30		
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	30	Fully	No
SUB-CATEGORY: SOCIETY				
MATERIAL ASPECT: LOCAL COMMUNITIES				
G4-DMA		52-56		
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	52-56	Fully	No
MATERIAL ASPECT: PUBLIC POLICY				
G4-SO6	Total value of political contributions by country and recipient/beneficiary		EQUATE has not and does not provide any politically intended contributions in any part of the world, both directly and indirectly	No

Standard disclosure	Description of the Indicator	Page No	Fully / Partially/ Not Reported	External Assurance
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR				
G4-DMA		30		
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	17, 30	Fully	No
MATERIAL ASPECT: COMPLIANCE				
G4-DMA		30		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	17, 30	Fully	No
SUB-CATEGORY: PRODUCT RESPONSIBILITY				
MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY				
G4-DMA		38-39		
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	38-39	Fully	No
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	17, 39	Fully	No
MATERIAL ASPECT: PRODUCT AND SERVICE LABELING				
G4-DMA		39		
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	39	Fully	No
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	17, 39	Fully	No
G4-PR5	Results of surveys measuring customer satisfaction	39	Fully	No
MATERIAL ASPECT: MARKETING COMMUNICATIONS				
G4-DMA		39		
G4-PR6	Sale of banned or disputed products	39	Fully	No
MATERIAL ASPECT: CUSTOMER PRIVACY				
G4-DMA		30		
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	30	Fully	No
CATEGORY: OIL AND GAS				
G4-DMA		44		
G4-OG13	Number of process safety events, by business activity	44	Fully	No

Glossary of Abbreviations

API	American Petroleum Institute
ASSE	American Society of Safety Engineers
b	Billion
BPC	Boubyan Petrochemical Company
BZ	Benzene
CEO	Chief Executive Officer
CO₂	Carbon dioxide
COBC	Code of Business Conduct
CSR	Corporate Social Responsibility
Dow	The Dow Chemical Company
EBIT	Earnings before interest & tax
EG	Ethylene glycol
EH&S	Environmental Health and Safety
EMT	EQUATE Management Team
EPPS	Enterprise Permit Processing System
GAAP	Generally Accepted Accounting Principles
GHG	Greenhouse gas
GJ	Gigajoule
GPCA	Gulf Petrochemicals & Chemicals Association
GRI	Global Reporting Initiative
HA	Heavy aromatics
hrs	hours
HRO	Highly Reliable Organization

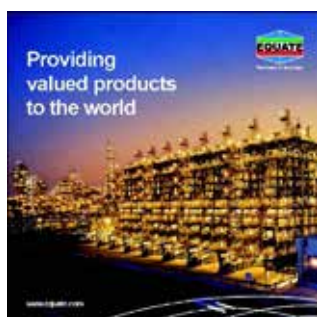
HSE	Health, Safety and Environment
ICCA	International Council of Chemical Associations
ICS	Industrial control systems
IFRS	International Financial Reporting Standards
ISC	Integrated Supply Chain
ISO	International Organization for Standardization
JV	Joint venture
KARO	Kuwait Aromatics Company
KBA	Kuwait Blind Association
KCC	Kuwait Conference of Chemistry
KCCI	Kuwait Chamber of Commerce & Industry
KEPA	Kuwait Environment Public Authority
KFAS	Kuwait Foundation for the Advancement of Sciences
KFSD	Kuwait Fire Safety Directorate
KIACS	Kuwait Industrial Automation and Control Systems
KISR	Kuwait Institute of Scientific Research
KIU	Kuwait Industries Union
KNPC	Kuwait National Petroleum Company
KOC	Kuwait Oil Company
KPC	Kuwait Petroleum Corporation
KPIs	Key performance indicators
KPPC	Kuwait Paraxylene Production Company

KRCS	Kuwait Red Cross Society
KU	Kuwait University
LE	Light End gas
LPG	Liquid Petroleum Gas
LOPC	Loss of primary containment
LTI	Lost Time Injury
LTIF	Lost Time Injury Frequency
m	meter
MENA	Middle East and North Africa
MGRP	Manpower and Government Restructuring Program
MKW	Million kilowatts
MoU	Memorandum of Understanding
MSDS	Material Safety Data Sheets
MT	Metric tons
MTA	Metric tons annually
MWh	Megawatt hour
NGO	Non-governmental organization
NUKS	National Union of Kuwait Students
PAAET	Public Authority for Applied Education and Training
PAI	Public Authority for Industry
PE	Polyethylene

PIC	Petrochemical Industries Company
PIFSS	Public Institution for Society and Security
PME	Periodic Medical Exams
PP	Polypropylene
PPE	Personal protective equipment
PSI	Process Safety Incident
PX	Paraxylene
QPIC	Qurain Petrochemical Industries Company
RC	Responsible Care
R&D	Research and development
REACH	Registration, Evaluation, Authorization and Restriction of Chemical Substances
RI	Recordable Injuries
RIR	Recordable Injury Rate
SASB	Sustainability Accounting Standards Board
SM	Styrene monomer
t	tonne
TA	Turnaround
TGI	Training Gate International
TKOC	The Kuwait Olefins Company
TKSC	The Kuwait Styrene Company
VP	Vice President

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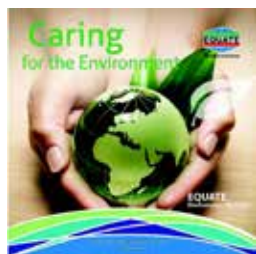
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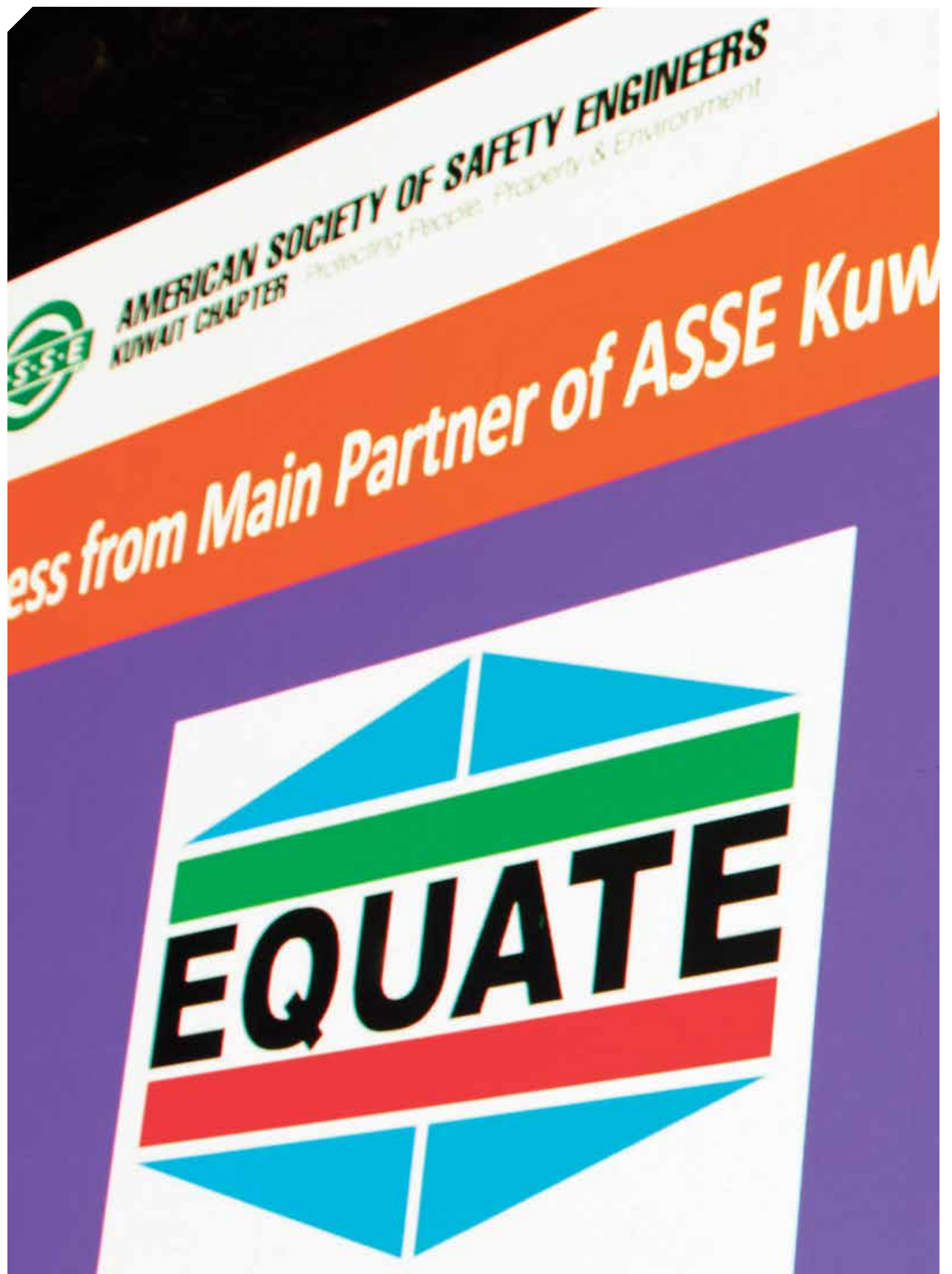
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