



Health, Safety & Environment

Annual Report **2010 – 11**



SUI NORTHERN GAS PIPELINES LIMITED



FOREWORD BY MANAGING DIRECTOR

I take great pleasure in presenting the report on Health, Safety & Environment performance inside SNGPL for the year 2010 – 11. This sets out our Health, Safety & Environment priorities and gives an overview of what we have achieved so far. At the same time we want to encourage other organizations to report on their Health, Safety & Environment performance as well and offer them to use this report for guidance.

During 2010 – 11 we have made promising progress towards achieving the goals we have set ourselves to reduce the number of incidents. In particular, we have seen a fall in number of incidents leading to injuries or harm to the environment and fewer incidents reportable under OGRA regulations. SNGPL aims to serve as an outstanding role model for Health, Safety & environment. Our performance is significantly better than average for comparable organizations.

This is pertinent to mention that SNGPL is ISO14001:2004 and OHSAS 18001:2007 Certified Company. This report also demonstrates the progress made against targets, planned from the start of the year, to improve overall Health, Safety & Environment. Highlights include the development of Emergency Response Plan, HSE Week Celebrations, the launch of a new program of activity directed towards addressing sickness absence issue and the roll out of new Occupational Health Procedures. We firmly believe to be transparent as well as responsible towards our environment. We feel proud to be a registered member of “SMART” Program by Pakistan Environmental Protection Agency, to report our gaseous emissions. In this regard, SNGPL’s 11 sites have been registered under the “SMART” Membership by Pak – EPA.

We are still facing challenges, in particular around work related ill health & environmental issues. Therefore, this comprehensive report includes an outline of our further plans to successfully address those concerns.





Health, Safety & Environment Policy

Sui Northern Gas Pipelines Limited will ensure that

- *The health of its employees, its consumers and its contractors is protected.*
- *All its activities are carried out safely.*
- *Environmental performance meets legislative requirements.*
- *There is continuous improvement in HSE performance.*

To implement HSE Policy, Sui Northern Gas Pipelines Limited will

- *Comply with relevant laws and regulations.*
- *Ensure that required Health, Safety and Environment Organization, Standards and Procedures are developed and established.*
- *Ensure that all its activities are carried out in accordance with relevant international standards and Company's Health, Safety and Environment Standards and Procedures.*
- *Set demanding targets and measure progress to ensure continuous improvement in Health, Safety and Environmental performance.*
- *Require every employee to exercise personal responsibility in preventing harm to themselves, to others and to the environment.*
- *Provide appropriate Health, Safety and Environment training / information to all employees, contractors and consumers.*
- *Ensure provision of safe working environment in order to protect the employees from occupational illness and accidents.*
- *Promote awareness and give due recognition to performance in the area of Health, Safety and Environment.*

Nothing contained in this policy will be interpreted so as to enhance the otherwise legal obligation of the Company.


A. RASHID LONE
MANAGING DIRECTOR

December 10, 2009

HEALTH, SAFETY & ENVIRONMENT INFRASTRUCTURE





L to R (Seating): Hafiz Muhammad Tariq (Executive Engineer), Mr. Moazzam Hamdani (Executive Engineer), Mr. Farrukh Majeed (Chief Engineer), Mr. Najeeb Ul Hassan (General Manager), Mr. Faisal Rizwan Durrani (Executive Engineer), Miss Asma Maqbool (Engineer HSE), Mst. Shumaila Azam (Engineer HSE)

L to R (Standing): Mr. Hasnaat Ahmad (Executive Engineer), Mr. Saeed Khan (Engineer HSE), Mr. Saleemullah (Engineer HSE), Mr. Pervaiz Akhtar (Engineer HSE), Mr. Waheeb Iftikhar (Engineer HSE), Mr. Sana Ullah Tarrar (Engineer HSE), Mr. Atif Anjum (Engineer HSE), Mr. Rizwan Naseem (Engineer HSE), Hafiz Muhammad Imran Ahmad (Engineer HSE), Mr. Muhammad Hashim (Engineer HSE), Mr. Muzzamal Haseeb (Engineer HSE), Mr. Umair Ashraf (Engineer HSE), Mr. Muhammad Qasim (Engineer HSE), Mr. Noman Khan (Engineer HSE), Mr. Sohail Shehzad (Executive Engineer)

SNGPL HSE MANAGEMENT SYSTEM

To ensure that our Health, Safety and Environmental Policy is systematically applied and best industry practice is adopted within all operations, we have developed an Integrated HSE Management System (IMS). SNGPL HSE Management System is based on the continual improvement process of the Plan – Do – Check – Act (**PDCA**) cycle utilized by such global standards as ISO 14001 for Environment and OHSAS 18001 for Occupational Health & Safety Management. Maintaining outstanding HSE Performance is a core value of SNGPL.



PDCA Cycle

SUMMARY

The 2010 – 11 annual report on performance of SNGPL's HSE reveals an improved picture of previous years. Several commendable initiatives have been carried out to address key issues of Health, Safety & Environment concern in the organization. A significant reduction of HSE related incidents is achieved.

This achievement is shown by the encouraging act that at the end of the year the rate of incidents reportable as per standard requirements in SNGPL is 1.797*.

(*Estimated on the basis of peak no. of employees during the FY 2010-11).

Following report combines statistical data material on occurred accidents with explanatory information on management.


This includes information on the day-to-day management of Health, Safety & Environment Auditing, Accident Investigation, and improvements regarding the development of HSE Procedures. Overall the report aggregates the diverse activity related to Health, Safety & Environment taking place in SNGPL.

“Be Alert! Accidents Hurt”

APPROVED HEALTH, SAFETY & ENVIRONMENTAL PROCEDURES

1. *Documents Management*
2. *Records Management*
3. *Training and awareness*
4. *Internal Audits*
5. *Management Review Meeting*
6. *Structure, Roles and Responsibilities*
7. *Internal External Communication and consultation*
8. *Accident /Incident Reporting*
9. *Evaluation of compliance*
10. *Control of Non-conformance, Corrective and Preventive Actions*
11. *Monitoring and Measurement*
12. *Tracking and control of regulatory and other requirements*
13. *Identification of emergency situations, Emergency preparedness and response*
14. *Contractors control*
15. *Operational control*
16. *Agency approvals for EMS & OHSAS*
17. *Safety Talks Procedure*
18. *Vehicle / Heavy Mobile Equipment Operation*
19. *New Employee Safety Training*
20. *HSE Site Committee & House keeping Inspection*
21. *Tools Inspection*
22. *Gas Safety Management*

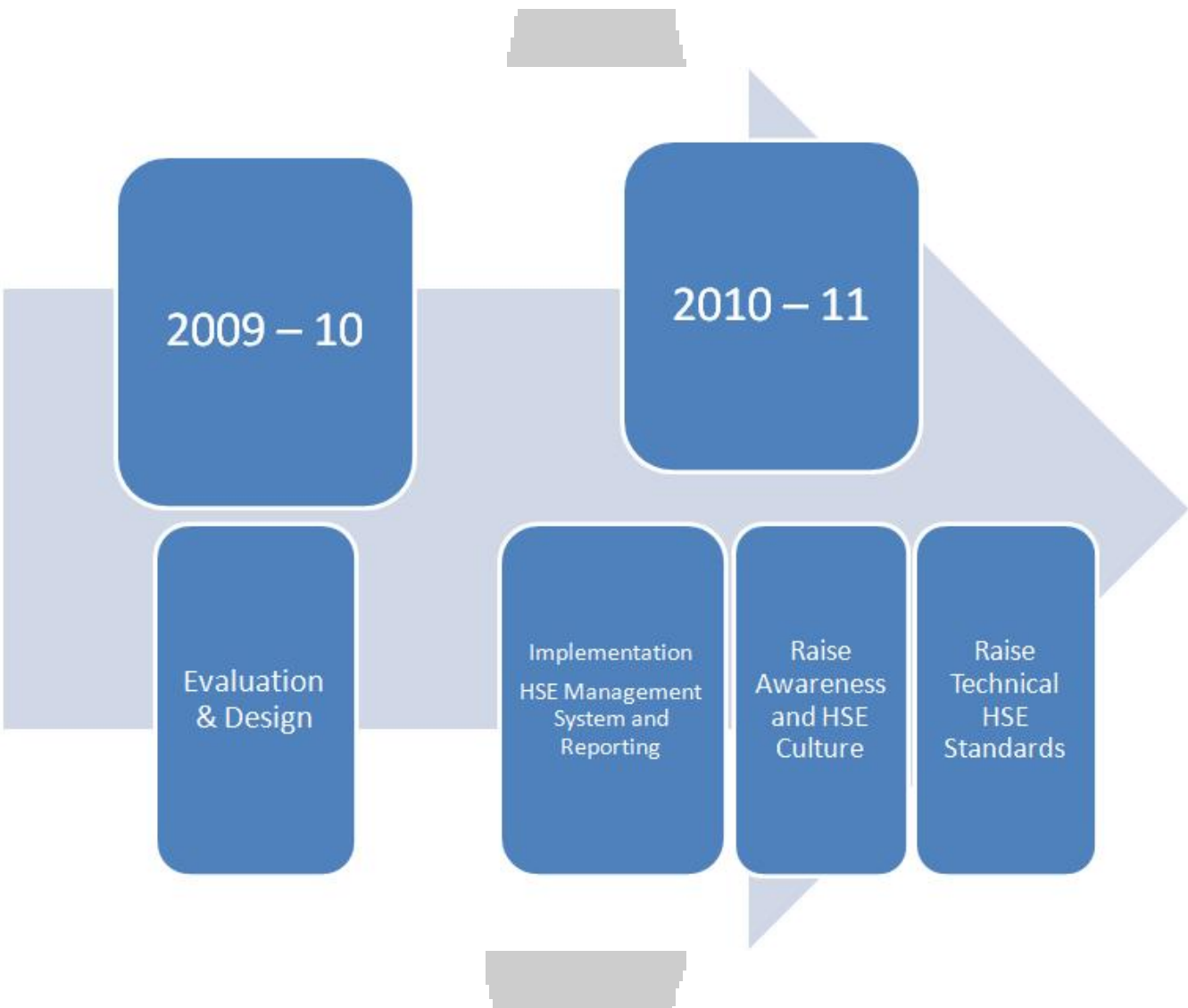
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23. *OH&S Risk Assessment, Objective and targets and management programs*
24. *Work permit system*
25. *Safety Checklist Procedure for Transmission, Distribution and Projects*
26. *General Safety Management*
27. *PPEs Management*
28. *Plant & Equipment Modification*
29. *Safe Operation of Lifting Equipment*
30. *Line Pipe Handling*
31. *Guidelines for Heat Stress*
32. *Health Screening Of Drivers*
33. *Occupational Health for Food Handling Sites and Food Handlers*
34. *Guidelines for Hearing Conservation*
35. *Guidelines For First Aid Box Usage*
36. *Guidelines For Emergency Treatment of Work Related Medical Emergencies*
37. *Guidelines For Occupational Health for Dispensaries and Sick bay*
38. *Hygiene Cards*
39. *Safe Handling of Radioactive source and Radiographic Activity*
40. *Cleaning Purification and disinfection of water tanks*
41. *General Sanitation*
42. *Routine Safety Audit*
43. *Ergonomics Guidelines*
44. *Safety Instruction for Delivery and Unloading of Polyethylene/Plastic Pipe*
45. *Guidelines for Defensive Driving in Rain/Fog/Snow*

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46. *Guidelines for Color coding of Pipes*
 47. *Potable Drinking Water at Workplace*
 48. *EMS Aspects & Impacts Identification, Setting of Objectives & Targets and Management Programs*
 49. *Environmental Monitoring Procedure*
 50. *Initial Environmental Examination / Environmental Impact Assessment*
 51. *Solid Waste Management*
 52. *Handling and Disposal of Used Oil*

“Don't treat an emergency as normal and don't treat normal actions as emergencies”

The Performance against Targets

Beginning of the year SNGPL sets new statistically reliable performance measures for several diagnostic incident categories. The aim is to see significant reduction in certain categories of incident by 2010 – 11. SNGPL is firmly on course to achieve this. Encouragingly, the actual numbers of incidents is again down on previous years.



Action Taken during the year 2009 – 10

- ✓ ISO 14001:2004 Certification for Environmental Management System have been achieved
- ✓ OHSAS 18001:1999 Certification for Occupational Health & Safety have been achieved

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- ✓ OHSAS 18001:2007 Up gradation after the revision of the Standard
 - ✓ Internal Audit by SNGPL's competent and Validated auditors for continual improvement as per defined frequency (bi-annual)
 - ✓ Successful completion of 1st Surveillance Audit by M/s URS (Certifying Body)
 - ✓ Successful completion of 2nd Surveillance Audit by M/s URS (Certifying Body)
 - ✓ Successful completion of 3rd Surveillance Audit by M/s URS (Certifying Body)
 - ✓ Successful completion of 4th Surveillance Audit by M/s URS (Certifying Body)
 - ✓ Successful completion of 5th Surveillance Audit by M/s URS (Certifying Body)
 - ✓ Successful completion of 6th Surveillance Audit by M/s URS (Certifying Body)
 - ✓ 52 number of HSE Procedures were developed and approved from the HSE Management Committee & implemented across the Company
 - ✓ 04 number of Training Modules were developed
 - ✓ 136 number of HSE Awareness Session for Executives & Staff on the developed training modules have been conducted
 - ✓ Environmental Risk Assessment of 23 Sites of SNGPL have been carried out
 - ✓ OH & S Risk Assessment of 23 Sites of SNGPL have been carried out
 - ✓ Online Incident Reporting System is in place
 - ✓ Material Safety Data Sheets (MSDS) have been developed for all the hazardous / non hazardous chemicals used across the company. The same MSDS have been uploaded on the Company's Web Portal

Next Step

We will continue in future with our endeavor to improve management processes and the guidance provided to staff. This is likely to have a substantial impact on staff, which will be reflected in appropriate changes to our Health, Safety & Management System.

LOOKING BACK – Review of Health, Safety & Environment

This report is based on the annually prepared Corporate HSE Plan. The plan, approved in its targets by the Management monitor the effectiveness of implementation, where appropriate, the Health, Safety & Environment Management System.

1. Performance against the HSE Corporate Plan

i. Targets

In 2007 – 08 Management agreed to performance measures that, like the targets set under the revitalizing Health, Safety & Environment agenda, looked to achieve sustained reduction in the number of incidents leading to injuries to health. After consulting external experts, four categories were selected on the basis of:

- The reliability of historical data and
- The relationship with key hazard areas

The specific objective is to reach meaningful reductions in these areas by 2009 – 10. The annual targets have been set to give us an idea of whether we are on course to meet these long term targets: -

- ✓ To minimize the incident / accident rate as compared to last year
- ✓ To implement the Company’s HSE Policy in true spirit
- ✓ To raise awareness of stakeholders about Occupational Health, Safety & Environment Protection

ii. Progress against priority areas

a. Improving HSE Management System in SNGPL

The SNGPL management recognizes the important role in outreach leadership in improving Health, Safety & Environment. SNGPL's successful strategy for Health, Safety & Environment has three core components:

Culture - work to achieve a positive and vigorous Health, Safety & Environment culture in SNGPL

Coherence - ensure that our process and procedures are simple, clear and effective

Compliance - make sure that when it comes to Health, Safety & Environment of our staff, we do what we should do

This strategy is being used to guide the corporate plans. This approach will ensure consistency in reporting and assist the completion of work streams lasting longer than a twelve month period.

Activities that took place throughout the year to improve HSE Management System include:

- ✓ Management Review Meetings on regular basis
- ✓ Recruitment and posting of HSE Coordinators on sites
- ✓ Development of new HSE Procedures
- ✓ Development of new training modules
- ✓ Online incident reporting system
- ✓ Corporate Social Responsibilities (CSR) activities
- ✓ Training of SNGPL employees on Internal Audit by M/s Qualitas (consultant)
- ✓ Preparation of SNGPL sites for 1st Surveillance Audit by M/s URS (certifying body)

- ✓ Successful completion of 1st Surveillance Audit by M/s URS (certifying body)
- ✓ Follow up visits regarding HSE Implementation across the Company by Senior Management

b. Targeting the Hazards

Ergonomic Hazard

A procedure was developed to address the hazards related to poor work design, inappropriate posture, handling of loads, poor ventilation / temperature/ lighting, repetitive tasks, lack of emergency exits, etc. The procedure is properly implemented after the formal approval by the HSE Management Committee.

Mechanical / Electrical Hazard

A general procedure for Occupational Health & Safety was developed to address the hazards related to body contact with sharp edges, shearing machine hazards, crushing, puncturing, unguarded machines, breaking, inadequate installation of machines, flying metal chips, circular saws, machine malfunction, absence of lock out / tag out, trapping, etc. According to the site activities, operations, & machinery different safe operating procedures have been developed on sites in addition to the IMS (Integrated Management System) Procedures.

Fall Hazard

A general procedure for Occupational Health & Safety was developed to address the hazards related to working surfaces / areas, uneven surface, slippery surface, working at height, missing stairs, ladders etc.

Environmental Aspects

An environmental procedure particularly developed & implemented after the formal approval by the HSE Management Committee regarding the identification of specific environmental aspects including but not limited to:

✓ Air emissions

Monitoring of air emission parameters defined and required Pakistan Environmental Protection Agency (PAK – EPA) as National Environmental Quality Standards (NEQS) like Oxides of Nitrogen (NO_x), Sulphur Dioxide (SO₂).

✓ Wastewater discharges

Monitoring of waste water effluent parameters defined and required Pakistan Environmental Protection Agency (PAK – EPA) as National Environmental Quality Standards (NEQS) like BOD, COD, TDS, Chlorides, Sulphide, Chromium, Ammonia and Temperature.

c. Targeting the Significant Risks

Environmental Aspect Hazard register has been developed for the SNGPL as per site activities. All the possible aspects were identified, their impacts were evaluated according to their existing & potential significance, and finally the recommended control measures have been defined.

An occupational Health & Safety hazard has been developed for the SNGPL as per site activities. All the possible risks were identified, their impacts were evaluated according to their existing & potential significance, and finally the recommended control measures have been defined.

iii. Corporate Social Responsibility (CSR)

a. SNGPL's CSR Policy

SNGPL being a national Company is committed to honor its policy on Corporate Social Responsibility (CSR). The company's CSR policy is based on global best practice envisaging management of the business processes by producing an overall positive impact on society and the environment.

SNGPL believes in

- ✓ Business that should be profitable and beneficial to the society
- ✓ Improving the quality of life of the communities especially those who are under privileged
- ✓ Ensuring harmonious relations with our stakeholders, by working partnership with the Community, the Government and NGO's through the principles of Sustainable Development

b. SNGPL's CSR Objectives

The laid objectives are to be achieved by adopting a methodology that drives the conduct of the Company's business leading to commercial success in ways and manner that honor ethical values, people and communities.

c. Principles of CSR Policy

We pledge to perform our corporate duty, based on following acknowledged principles with dedication, diligence and integrity.

i. Standard of Business Conduct

We are committed to ensure that all our corporate activities are conducted strictly in accordance with high levels of professional and legal standards as per code of business ethics.

ii. Health, Safety & Environment

We are committed to provide and strive to maintain clean, healthy & safe working environment by continually conducting public awareness campaigns to promote safe use of natural gas.

iii. Community

We are committed to being a responsible corporate citizen by pro-actively supporting the affected communities in the events of national and natural catastrophe.

iv. National Causes

We shall also support national causes pertaining to

- ✓ Education
- ✓ Environment
- ✓ Safeguarding National Heritage
- ✓ Cultural Activities

Focus Area

We will strive to

- a. Contribute due share in fulfillment of **Basic Human Needs** of the deprived and underprivileged by focusing on health care, sport, sanitation, environment etc.
- b. Provide assistance for the **Promotion of Education** in Pakistan.
- c. Build **Self Reliance** through programs aimed at skill enhancement and creating income generating opportunities for the underprivileged.
- d. Conserve **National Heritage**, indigenous culture and sports.
- e. Implementing sound **Environment, Health & Safety Management Systems** and take proactive approach to address environmental issues like tree plantations, awareness campaigns etc.
- f. Provide unbiased donations.
- g. Support and uphold the principles contained in the Universal Declaration of **Human Rights** and the International Labor Organization fundamental conventions on core **Labor Standards**.

- h. Provide medical and community aid to alleviate hardship and distress to underprivileged.

Corporate Governance

We will ensure that effective systems are in place to manage and monitor compliance with this policy and take remedial Actions whenever we fall short of our commitment. A CSR Committee having the following composition will review and approve strategic plans, assess progress and offer guidance about emerging CSR issues of importance.

- | | |
|-------------------------------------------------|----------------------|
| 1. Managing Director / Deputy Managing Director | (Chairman) |
| 2. Senior General Manager (CP&D) | (Coordinator) |
| 3. Senior General Manager (HR) | (Member) |
| 4. Chief Financial Office (CFO) | (Member) |
| 5. Senior General Manager (CA&CC) | (Member) |
| 6. General Manager (LS) | (Member) |
| 7. General Manager (HSE) | (Member / Secretary) |

CSR committee will periodically evaluate and approve the projects recommended by the regional CSR cells headed by each regional In Charge duly assisted by his team.

iv. Development of Health, Safety & Environment Management System

- a. Health, Safety & Environment Policy (REVISED)
- b. Development and review HSE Procedures & Guidelines
- c. Health & Safety Internal Audits
- d. Certification Surveillance Audits (By M/s URS Certifying Body)
- e. Monitoring of SNGPL Sites through regular Site visits



**HSE Team at Kacha Camp Project site during Loading / Unloading activity of 36
“ Dia Line Ppe**



**SNGPL Operational Team at the Rocky Terrin of Gurguri Field (Khyber
Pakhtoonkhwah) for laying Optncal Fiber Cable for M/s MOL**

OCCUPATIONAL HEALTH PERFORMANCE

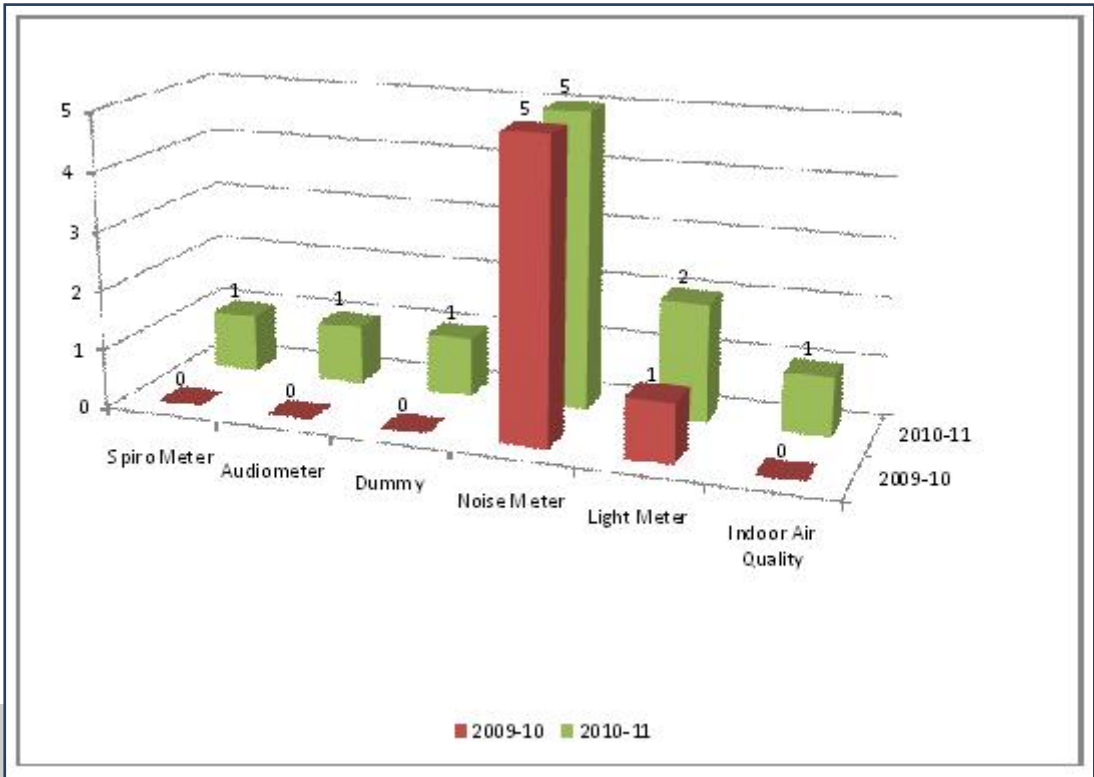
The identification of health hazards and the assessment of associated risks are an integral part of SNGPL HSE Integrated Management System (IMS). This approach is also applied in the field of occupational health, where high noise levels, heat stress and potential contact with hazardous chemicals may exist in the work place. By identifying the risks posed by such hazards, suitable controls are established in order to minimize any possible impact.

Standards of food preparation / handlers have also been enhanced with new guidelines and procedures pertaining to hygienic conditions in the Head Office, Regional Offices and site offices across the Company.

Health awareness programs have been established at Head Office and Regional / Site Offices, during which employees have had the opportunity to discuss various aspects of their lifestyles which may be causing concern. A series of lectures through awareness sessions has also been given to staff to improve their health.

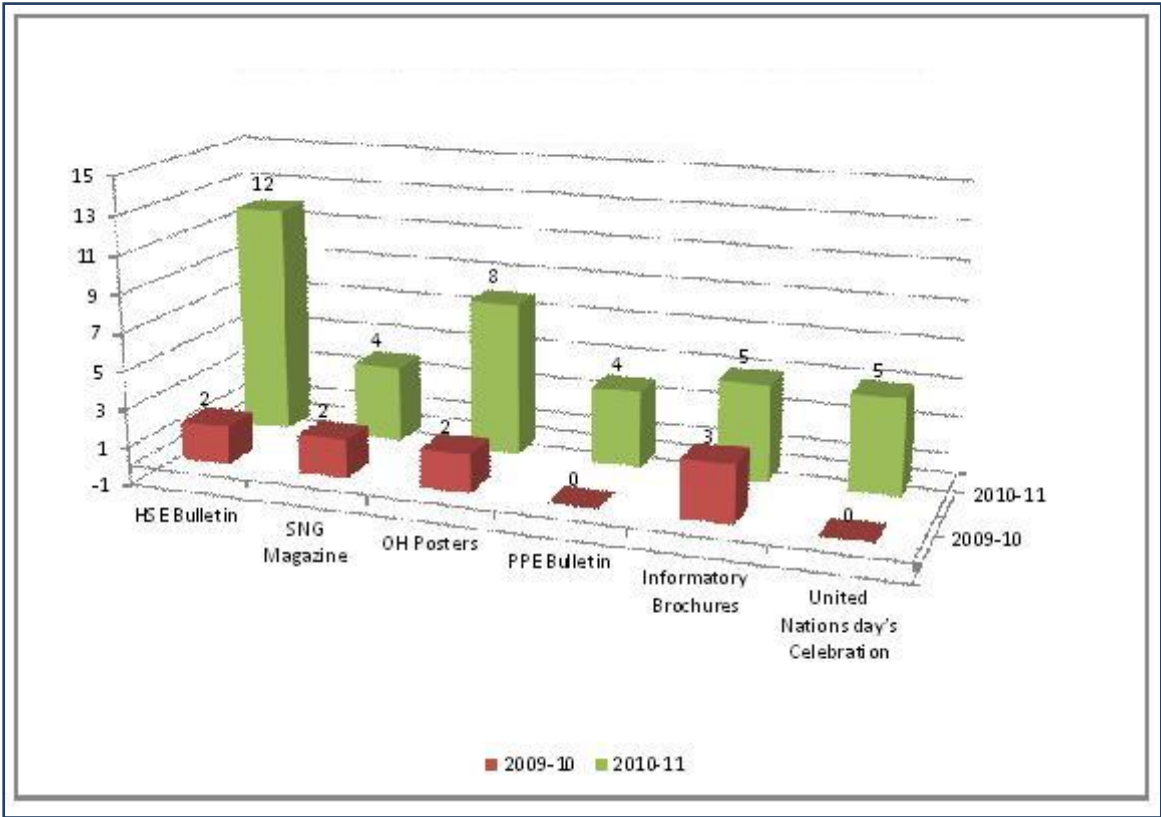
***“Safety is as simple as ABC
– Always Be Careful”***

BASIC EQUIPMENTS FOR OH IMPLEMENTATION



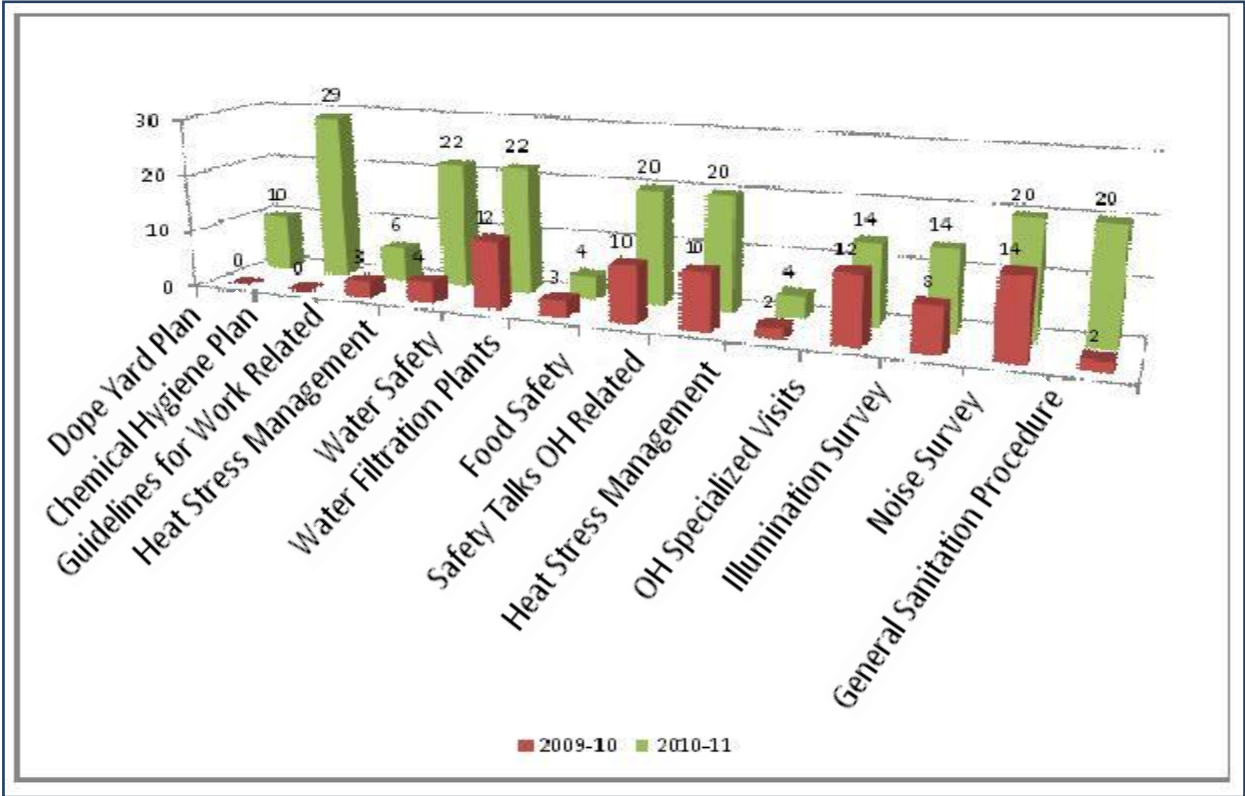
Sr. No.	Equipment / Purpose	2009-10	2010- 11
1	Spiro meter for lungs function testing of workers exposed to harmful dust, fumes & vapors.	0	1
2	Audiometer for testing of hearing status of workers exposed to high noise.	0	1
3	Resuscitation Dummy for first aid & CPR training.	0	1
4	Noise level meters for personal noise dose analysis.	5	5
5	Light meters for illumination status.	1	2
6	Indoor air quality meter (Under process)	0	1

OH INITIATIVE TO DISPERSE INFO TO ALL FOR EFFECTIVE IMPLEMENTATION



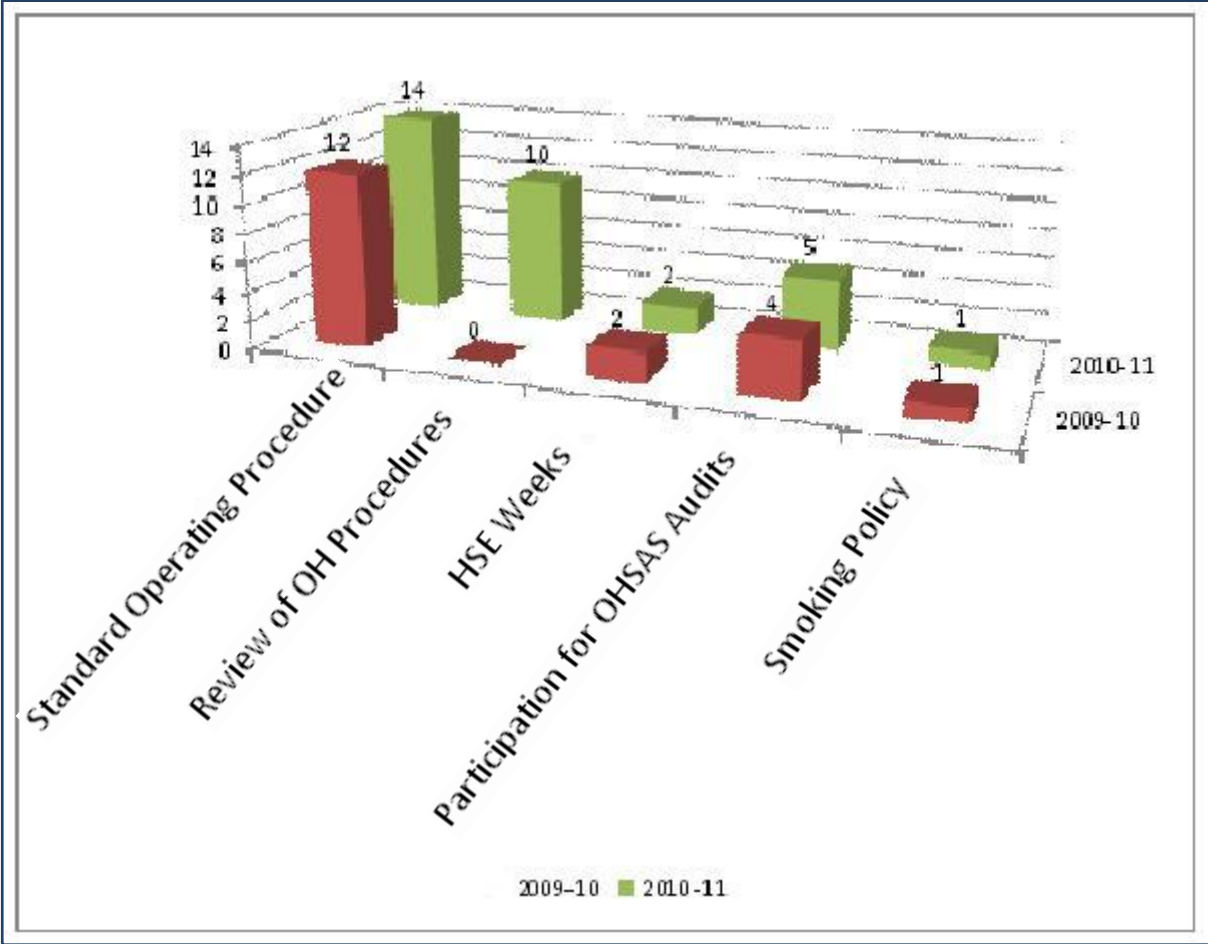
Sr. No.	Actions	2009-10	2010- 11
1	HSE Bulletin.	2	12
2	Contribution for SNG Magazine by OH.	2	4
3	OH Posters.	2	8
4	PPE Bulletin.	0	4
5	Informatory Brochures both in Urdu & English	3	5
6	United Nations day's Celebration.	0	5
7	Chemicals Hazard communication in Urdu to employees.	0	29
8	Identification of Unsafe Acts and Conditions and its communication.	28	28

SPECIALIZED PLANS



Sr. No.	Actions	2009 – 10	2010 – 11
1	Hearing Conservation Plan.	152	154
2	Dope Yard Plan.(Silicosis & Noise)	0	10
3	Chemical Hygiene Plan. MSDS both in Urdu & English	0	29
4	Guidelines for Work Related Medical Emergencies.	3	6
5	Heat Stress Management	4	22
6	Water safety. Sites quality testing, water tanks cleaning & Water filters change.	12	22
7	Water filtration plants.	3	4
8	Food safety	10	20
9	Heat Stress Management Guidelines implementation.	10	20
10	Safety talks relevant to OH.	2	4
11	OH specialized visits.	12	14
12	Illumination Survey.	8	14
13	Noise Survey.	14	20
14	General Sanitation Procedure development &implementation.	2	20

OH YEAR WISE OUT PUT



Sr. No.	Actions	2009 – 10	2010 – 11
1	Standards operating procedure on OH.	12	14
2	Review of OH procedure	0	10
3	Trainings (At shop floor, SNGTI).	680	694
4	No. of data files.	14	154
5	HSE –Weeks.	2	2
6	Participation for OHSAS 18001-2007&EMS 14001(certification & surveillance).	4	5
7	Smoking Policy	1	1

Trainings

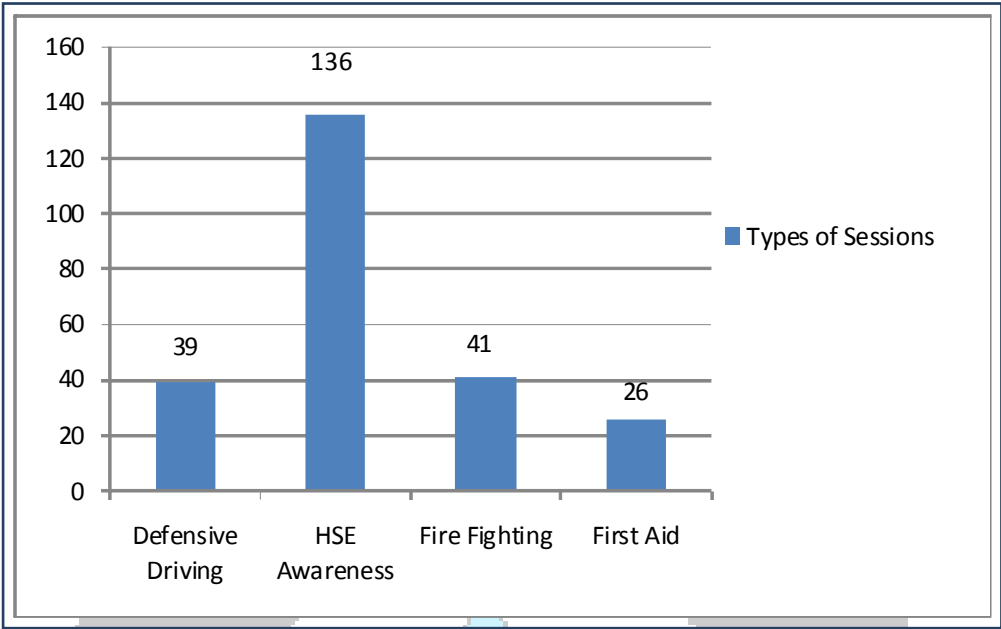
Training is an integral part of the Integrated Management System (IMS). Experienced and trained HSE Executives impart trainings customized for SNGPL’s executives and staff on four (04) different training modules have been developed:-

- 1. HSE Awareness for Executives / Staff
- 2. Defensive Driving
- 3. Fire Fighting
- 4. First Aid



On-Job Trainings regarding HSE Awareness across the Company is an essential part of Integrated Management System

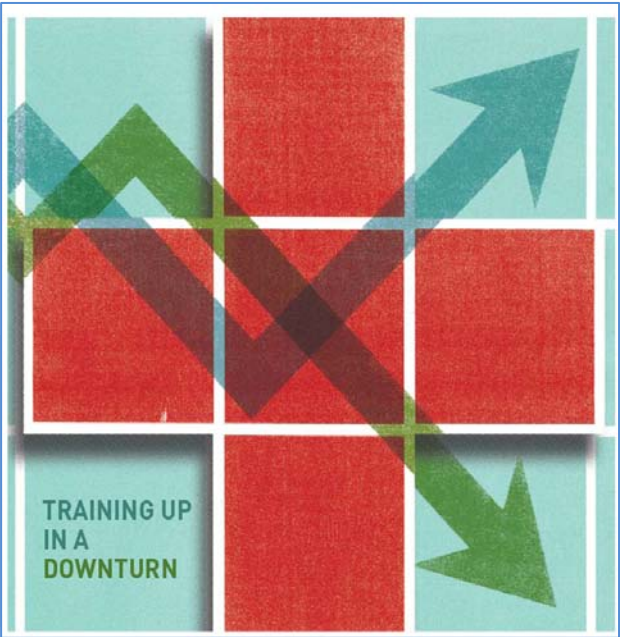
IN-HOUSE TRAINING STATISTICS – COMPANY WIDE



Module	No. of Session	No. of Employee Trained		
		Executive	SN	Casual
Defensive Driving	39	10	137	297
HSE Awareness	136	106	712	600
Fire Fighting	41	46	243	374
First Aid	26	14	135	149

Out-Source Trainings – Company Wide

The economic belt-tightening of the present recession might tempt some people to loosen their safety belts, but we urge workers to see a recession as an opportunity to do better. It would be misguided for HSE Focal Points and supervisors to cut back on health safety and environment when paring down operations during a recession. We understand that this is a good time to evaluate what’s needed for the long and short term. We now have a chance that

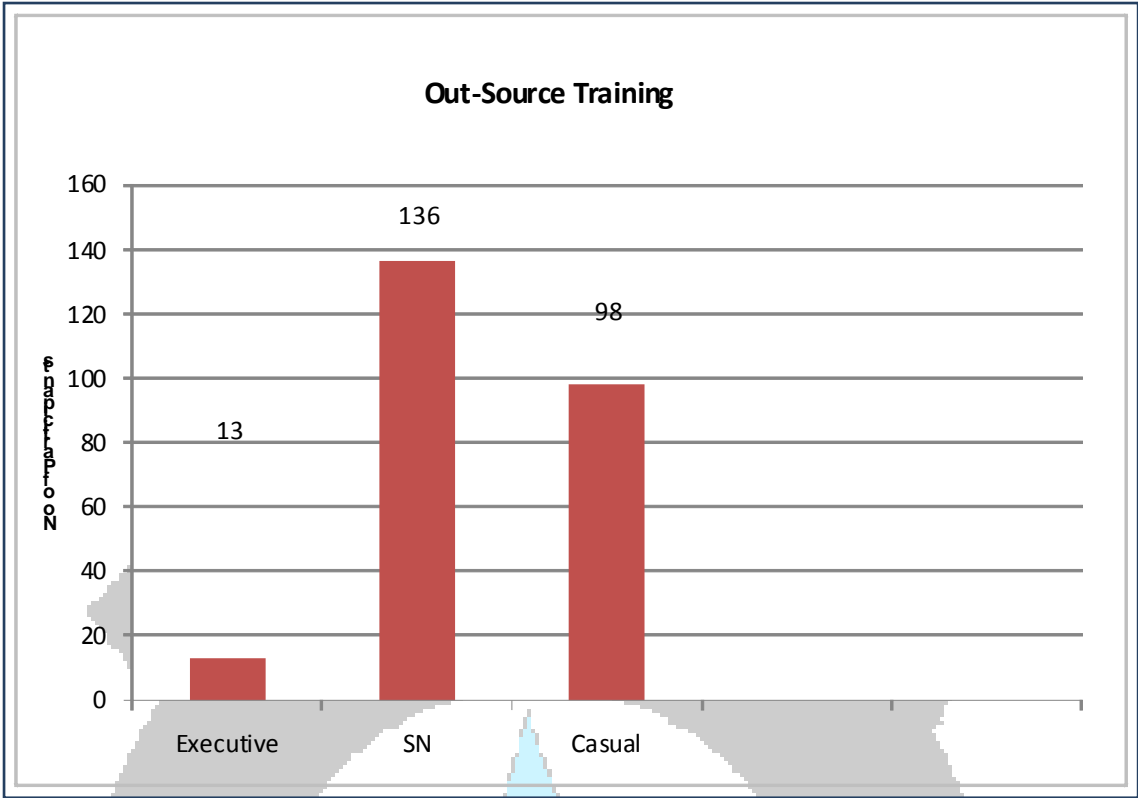


we didn’t have in the past to send people for new training or to strengthen the training they already had, Part of being successful is having good-quality training for employees.

Safer and healthier workers are more productive, less stressed, less subject to absenteeism and not as likely to make claims.

A robust commitment to health safety and environment remains a priority for the Sui Northern Gas Pipelines Limited; the recession offers no reason to ease off. HSE trainings programs can’t be put on the back burner as extras; therefore HSE Department has initiated the following Annual Training Program 2009-2010 for the employees to ensure the safe and healthy working environment at SNGPL.

“Remember – Safety is not a job; it is a way of life”



Out-Source Trainer	No. of Session	No. of Employee Trained			Total
		Executive	SN	Casual (If any)	
Civil Defence	12	13	136	98	247
Motorway Police	13	79	36	148	263
Rescue 1122	11	06	26	114	146
TOTAL	36	98	198	360	656

ENVIRONMENTAL MONITORING PERFORMANCE

SNGPL is committed to protect the environment, and has strived to reduce any adverse environmental impact of its operations.

Year 2009 – 10 was marked by a global economic turmoil and rising concerns about climate change. Addressing these concerns is a critical task and poses major challenges. We, in SNGPL, are committed to face



these challenges in a manner that reflects our commitment to balance economic growth, social development and environmental protection. There is no doubt that the need to reduce greenhouse gas emissions is one of the most pressing issues facing our Company and we are committed to playing a leading role in reducing these emissions. In fact, we have already taken the required steps in the right direction.

We are executing Clean Development Mechanism (CDM) Project to reduce the leakage of Natural Gas to the environment. It is pertinent to mention that natural gas is the second largest contributor to the global warming.

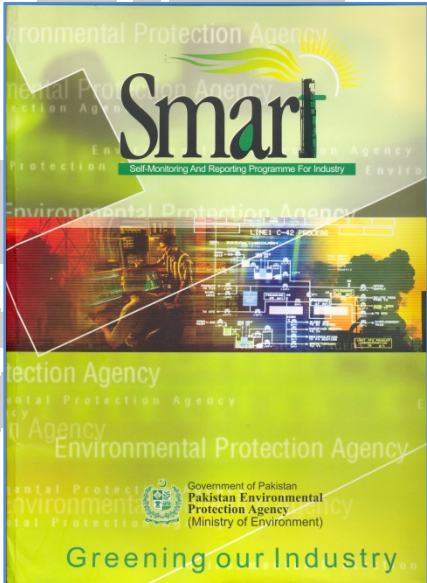
Intrinsically, there are environmental impacts associated with Natural Gas Transmission & Distribution Company. We are actively working to diminish our overall environmental impacts by promoting operational excellence and as well as investing on best available techniques to reduce these impacts. We monitor and measure impact of our operations, to better understand how our operations affect the environment. This ensures that the excellent environmental performance and continual improvement and aids in achieving our goal of “Protect the Environment”.

Step Towards Continual Improvement – “SMART” MEMBERSHIP

It is a matter of all the employees of SNGPL that our Company is now been registered under the “SMART /GIP” program (Self Monitoring & Reporting Tool) by Pakistan Environmental Protection Agency (PAK – EPA), Ministry of Environment, Government of Pakistan.



In recent years, the Government of Pakistan has taken some concrete steps to attain control over industrial pollution in the country. The most significant measure was the enactment of the **Pakistan Environmental Protection Act 1997 (Pak-EPA)**, which makes it incumbent upon industrial facilities to restrict their air emissions and effluents to the limits specified in the National Environmental Quality Standards (**NEQS**). The Act also sketches out the industrial framework for administering its laws; it institutes one federal and four provincial environmental protection agencies to formulate the NEQS and devise the system and procedures required to determine whether industries comply with them.





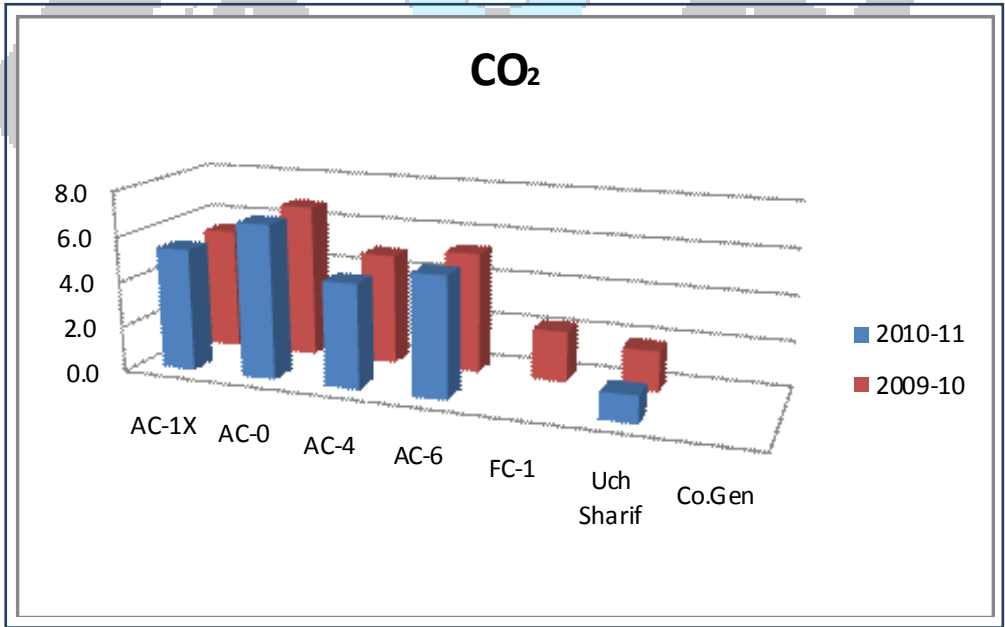
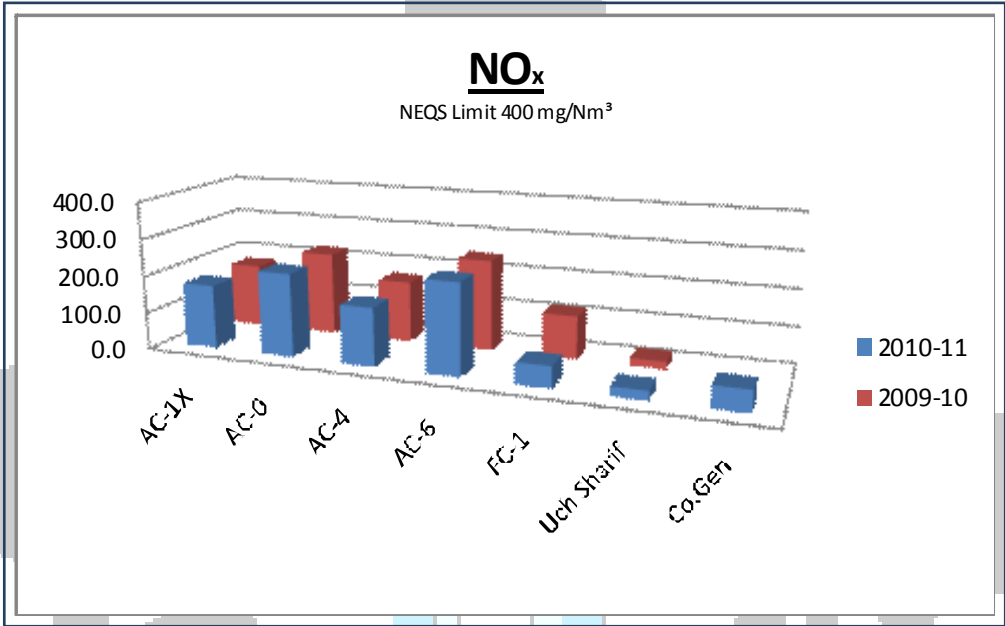
**Environmental Monitoring in progress at BC-1 Compressor Station
(Manawala)**

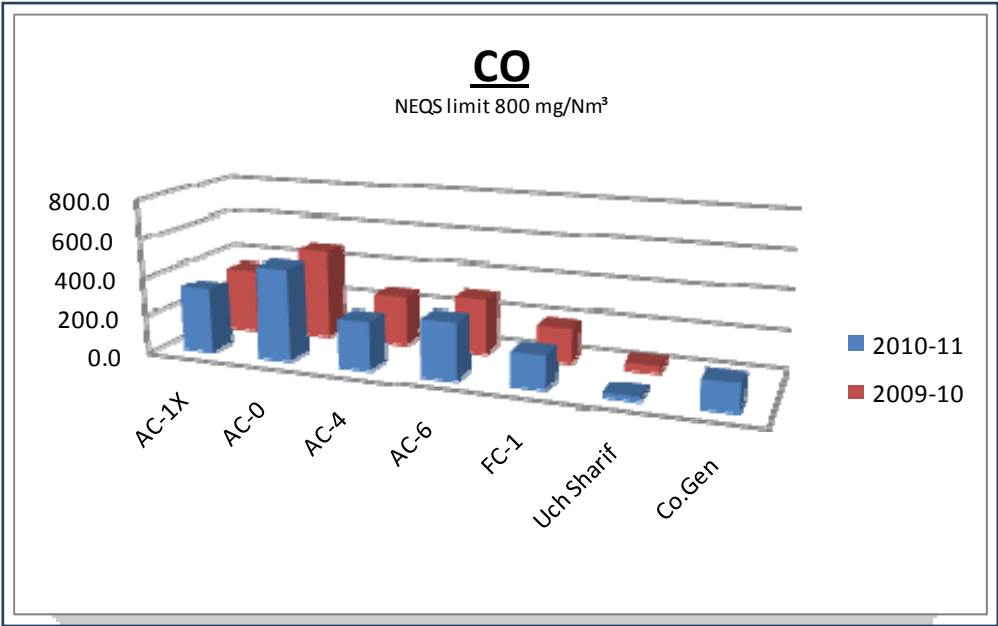


BC-1 Compressor Station (Manawala)

a. Gaseous Emissions

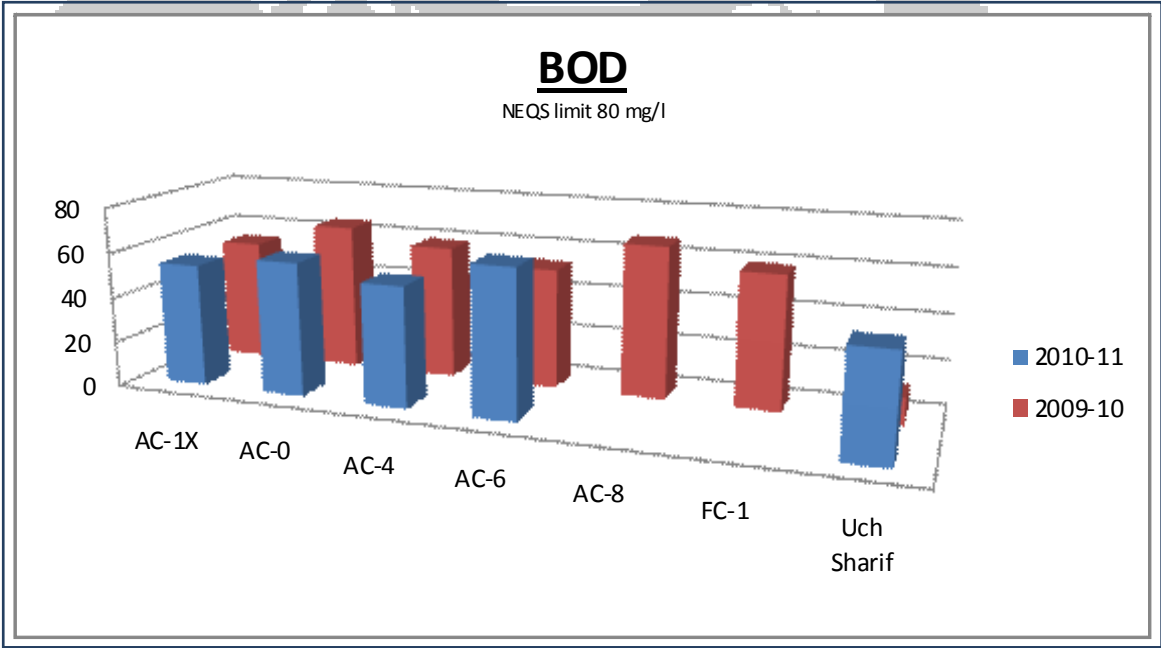
Parameter	NEQS Limits
Oxides of Nitrogen (NO _x)	400 mg / Nm ³
Carbon Dioxide (CO ₂)	N/A
Carbon Monoxide (CO)	800 mg / Nm ³

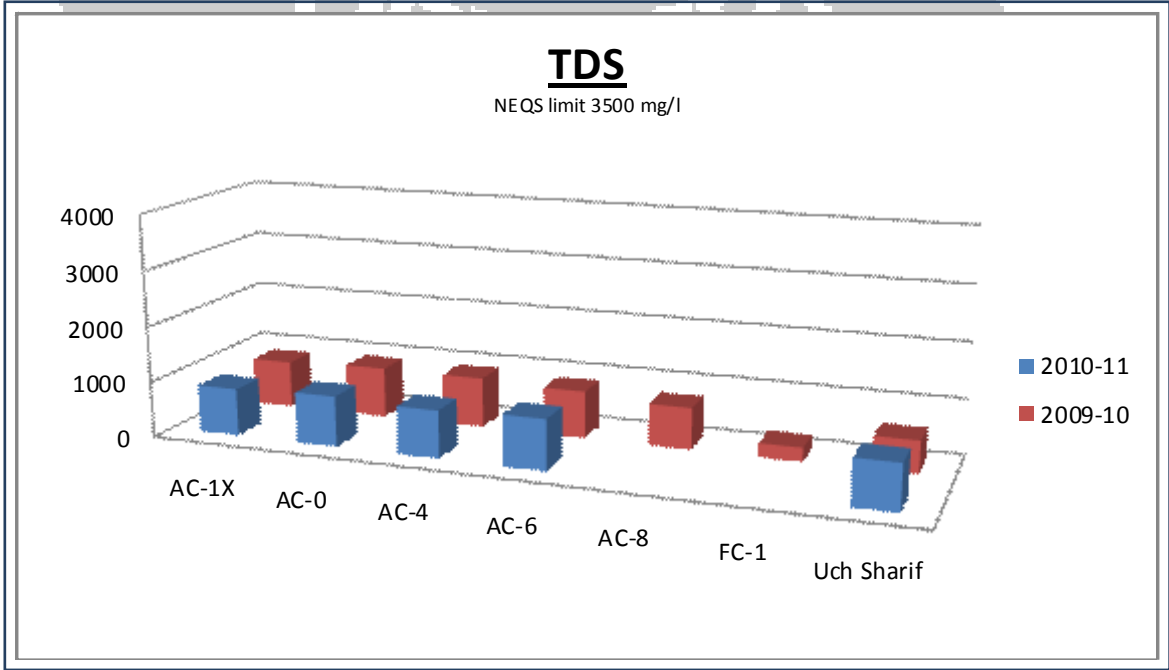
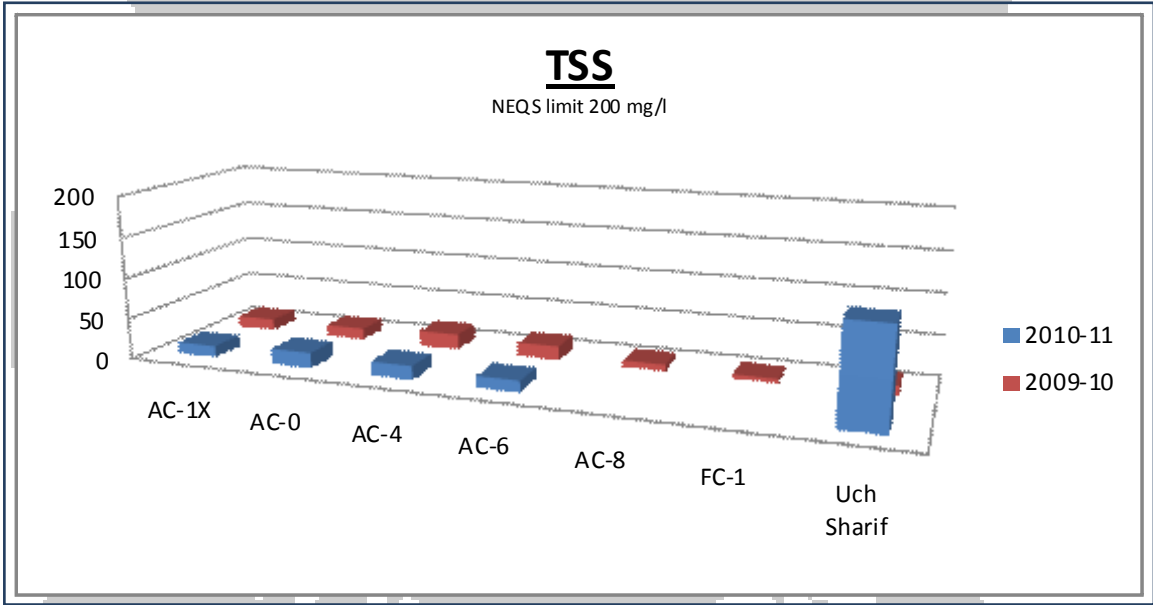
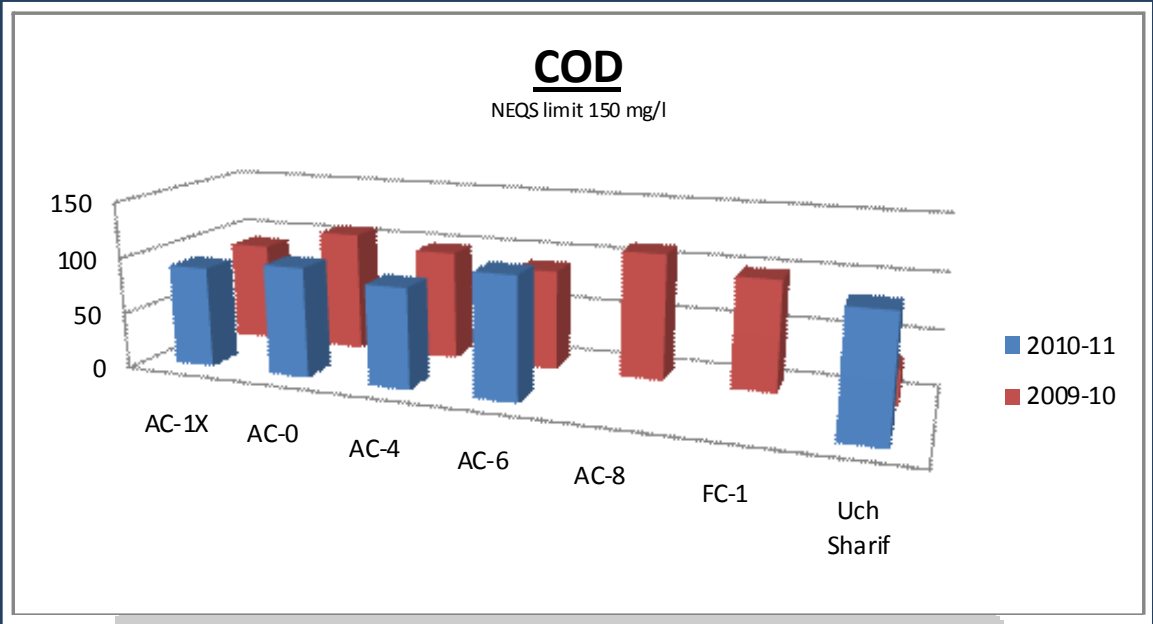




b. Liquid Effluents

Parameter	NEQS Limit
Biochemical Oxygen Demand (BOD)	80 mg / L
Chemical Oxygen Demand (COD)	150 mg / L
Total Dissolved Solids (TDS)	3500 mg / L
Total Suspended Solids (TSS)	200 mg / L





Company's HSE Policy and Environmental Management System (EMS) of SNGPL are based on the ISO 14001: 2004 standard. We excellently managed to maintain the ISO 14001 certification. For this 6 Surveillance Audits by the certifying body M/s URS have been successfully completed with only some minor observations and opportunity for improvements. This shows that ISO 14001:2004 system is well in place and adequately managed.

Due to the proper preventative maintenance and bearing the proactive approach the parameters monitored and recorded on different operational sites of SNGPL remained within the defined limits of NEQS of Pakistan Environmental Protection Agency. It is pertinent to mention that No Environmental Incident occurred within the scope of SNGPL till date.



“Don't get caught in the web of unsafe acts”



Ambient Air Quality Monitoring



Earth Day Celebration at Regional Office ISD

SAFETY PERFORMANCE

In recent years there has been a welcome reduction in injuries that have resulted in Lost Work Day Injury (LWDI).

Increasingly, SNGPL is moving towards a more proactive safety performance, with staff reporting on and investigating near miss and potential incidents (unsafe acts / conditions). Any such incidents are promptly investigated and remedial action is taken to eliminate the causes before injuries can occur. A web-based electronic system of reporting incidents was implemented. This system has provided transparency in the incident reporting as well as made the incident reports available online for all employees to view them and learn lessons.

SNGPL has started reviewing and restructuring its emergency preparedness based on the IMS approved procedure and guidelines. This will improve the effectiveness in responding to and controlling emergencies and improve / standardize the mutual aid system across the company.

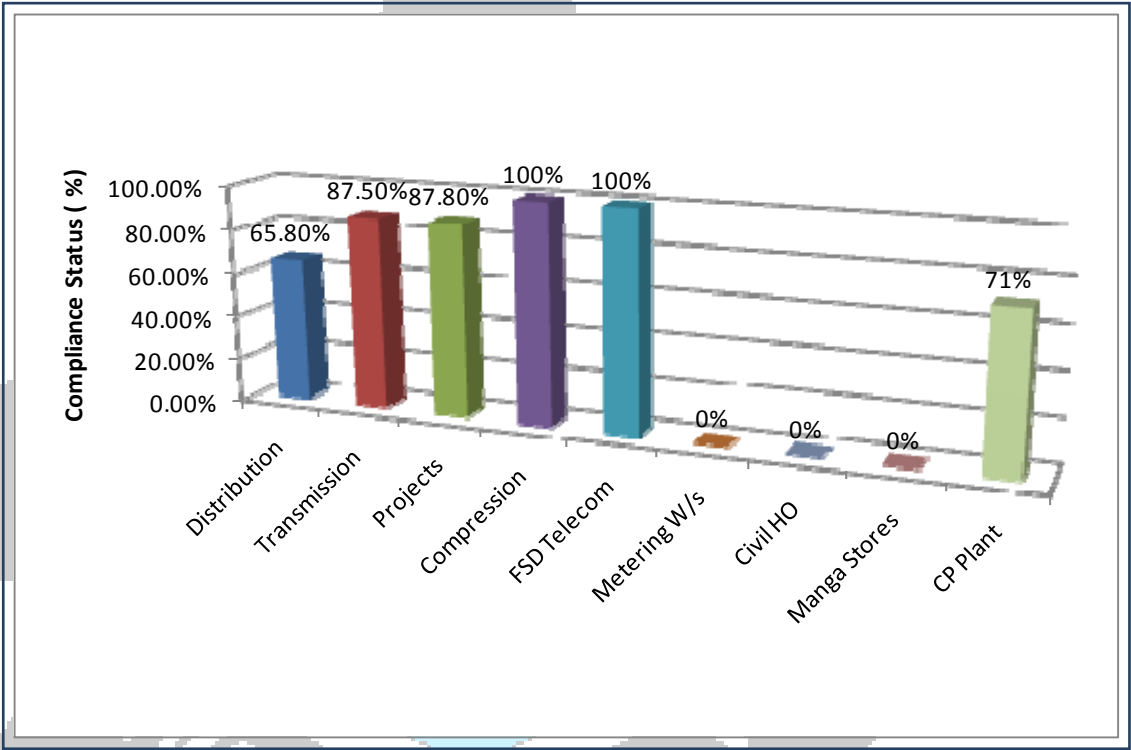
Recognizing that safety is an attitude and not just a work related issue; SNGPL published a booklet “Safety Talks” for daily tool box meeting and “First Aid Booklet” for the benefit of staff and employees. Through this effort SNGPL strives to motivate the employees to develop safety attitude and thus make safety a way of life in SNGPL.

The consolidation of a genuine SNGPL safety culture is seen as the key for improving safety and achieving the HSE targets 2010. Annual safety programs are carried out including regular Trainings, Celebration of HSE weeks across the Company, HSE Awareness Sessions for Employees (executives / staff), HSE Site Committee Meetings, Regular Housekeeping Inspections, Internal Audits, Surveillance Audits and Safety Inspections. Progress in consolidating SNGPL safety culture is measured by HSE Audits as well as by the number of near miss and incident reports.

MONITORING & MEASUREMENT

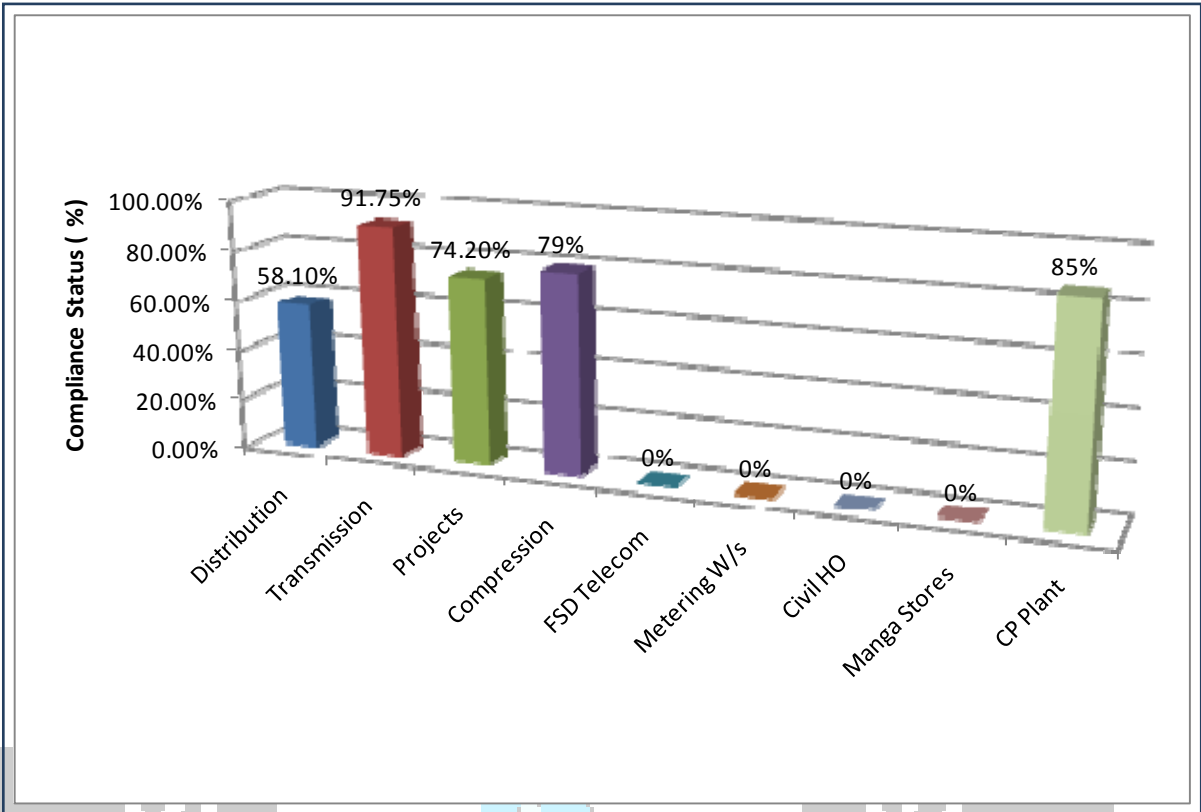
SNGPL monitors performance regularly based on indicators, reports, and audits. The monitoring is done according to set targets, best practices, compliance with legal requirements and ISO 14001:2004 & OHSAS 18001:2007 standards.

Internal Audit Conducted in Year 2010 1st Phase



To follow up on safety and environmental performance Internal Audits are being in place as per approved IMS Procedure. Audits and Management Reviews of the HSE Integrated Management System are done across the company biannually. The ultimate goal of SNGPL is to have an externally verified HSE Integrated Management System across the Company. To accomplish this goal SNGPL got ISO 14001:2004 and OHSAS 18001:2007 Certification from M/s URS (United Registrar Services, UK), a Certifying Body. They conduct surveillance audits to verify the compliance of SNGPL HSE Integrated Management System across the Company on bi-annual basis. Six (6) surveillance audits have been conducted by M/s URS (certifying body) so far.

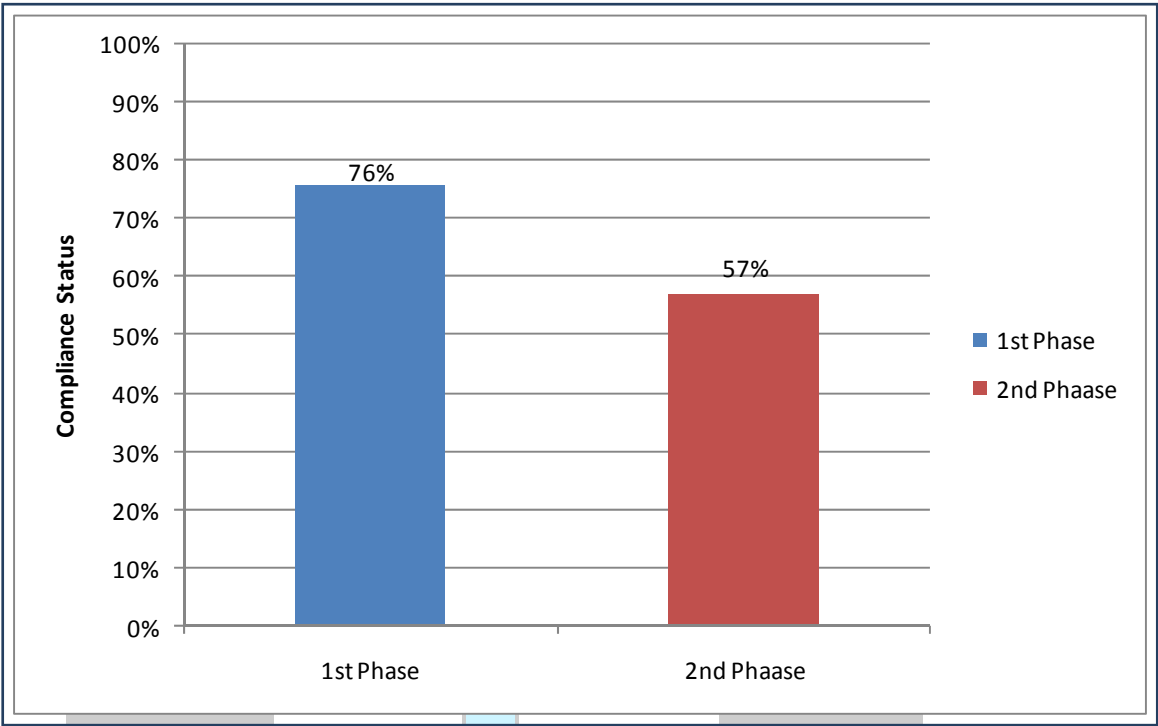
Internal Audit Conducted in Year 2010 2nd Phase



for continuous improvement of environmental, safety and occupational health standards and to meet the legal requirements. Audits are an important tool to ensure the effectiveness of the HSE Management System. Safety audits and management walk around are done by operative and non-operative line managers on a regular basis in order to ensure dialogue with employees (and contractors) and thus, identify HSE risks and unsafe behavior in an interactive way, establish measures to keep risks under control and to raise HSE awareness.

Management System audits (Internal Audits) are undertaken internally as first and second party audits as well as externally by third party (Surveillance Audits by Certifying Body) in order to ensure the effectiveness of the HSE Management System. Findings of the Management System audits are discussed with line management and actions are subject to a systematic follow-up.

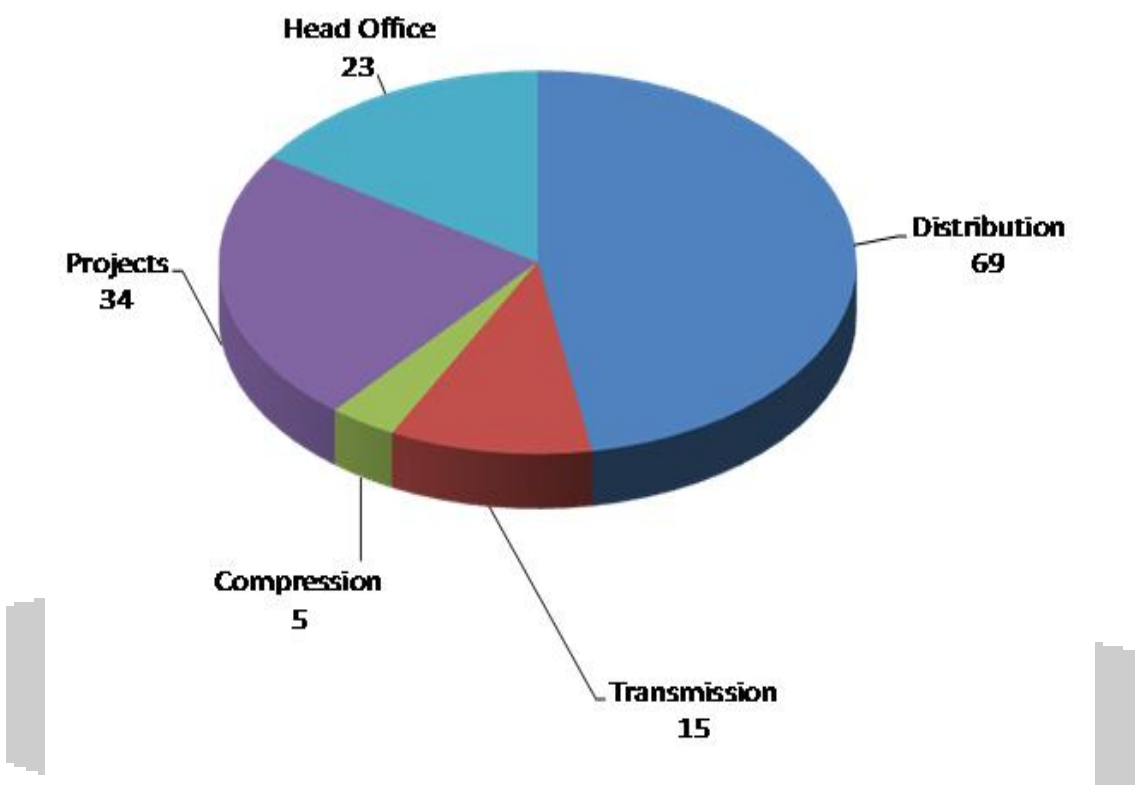
Overall Compliance status of Internal audit – 2010



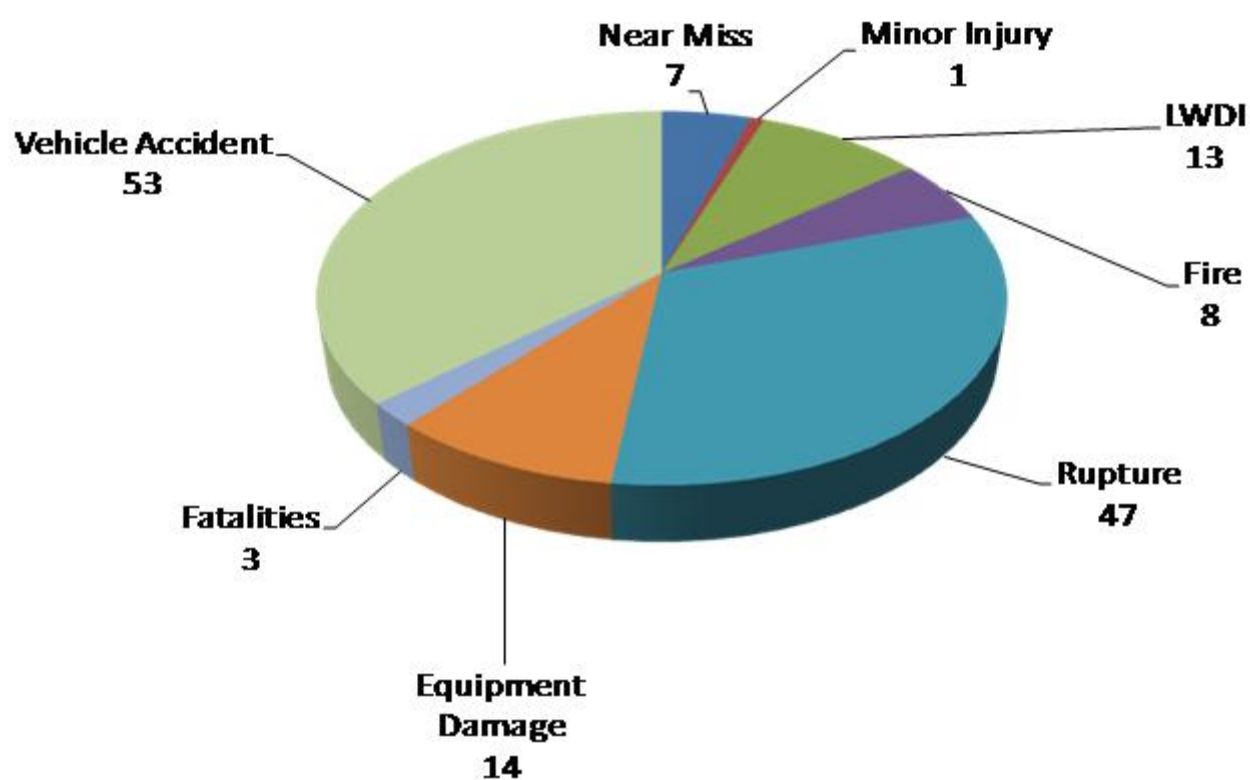
Observations / finding of the Management Audits (Internal Audits) and Third Party Audits (Surveillance Audits) are A Continuous follow-up in order to address the observation / findings in the Management System Audits (Internal Audits).

“Accident prevention - Your No. 1 intention”

Incident / Accident Reporting



Department Wise Incident / Accident Statistics – Company Wide	
Distribution	69
Projects	34
Head Office	23
Transmission	15
Compression	5
Total	146

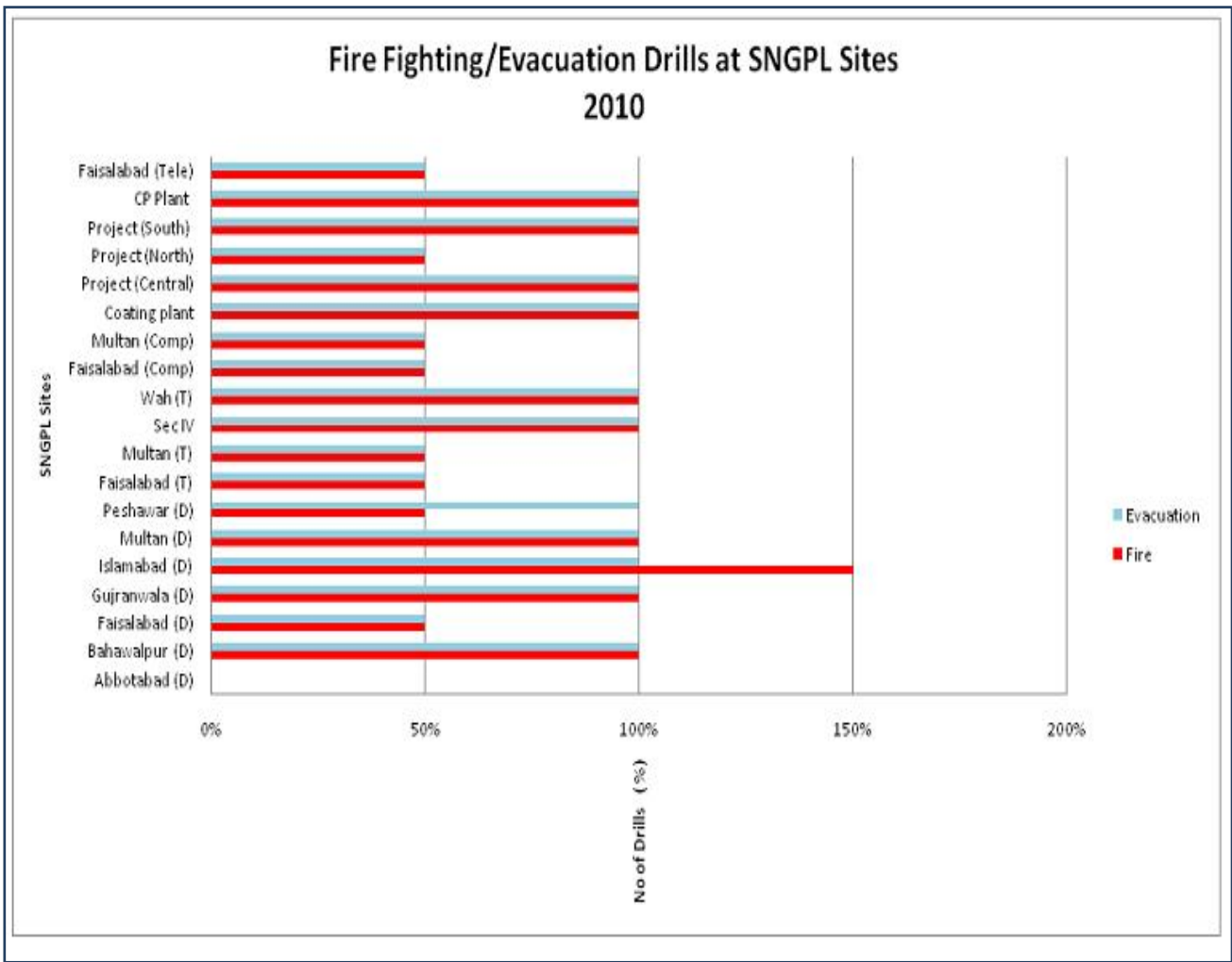


Incident / Accident Type Statistics – Company Wide	
Vehicle Accident	53
Rupture	47
Equipment Damage	14
LWDI	13
Fire	8
Near Miss	7
Fatality	3
Minor Injury	1
Total	146

Emergency Evacuation / Fire Fighting Drill

Emergency evacuation / fire fighting drills are to be conducted bi-annually as per defined frequency in the IMS Procedure (Emergency Preparedness).

Below is the statistical analysis of these drills across the company:-



Frequent / Regular Fire Drills improves the Emergency Preparedness

ACHIEVEMENTS

✚ 2nd National Excellence Award – 2006

By M/s Help International Welfare Trust (HIWT)

✚ 3rd HSE National Excellence Award – 2007

By M/s Help International Welfare Trust (HIWT)

✚ 3rd CSR National Excellence Award – 2008

By M/s Help International Welfare Trust (HIWT)

✚ 4th CSR National Excellence Award – 2009

By M/s Help International Welfare Trust (HIWT)

✚ 7th Annual Excellence Award – 2010

By M/s National Forum for Environment & Health
(NFEH)

✚ 5th CSR National Excellence Award - 2010

By M/s Help International Welfare Trust (HIWT)

✚ 2nd National Conference on “Fuel & Environment”

By University of Peshawar

- ✓ “SMART” Registration by Pakistan Environmental Protection Agency (PAK – EPA) under SMART / GIP Program for Environmental Reporting
- ✓ Participation in HSE Conference for Oil, Gas and Energy Industry arranged by Delta Consultants, on 14th July, 2010.
- ✓ Membership of National Safety Council.
- ✓ SNGPL shortlisted among 60 Companies / Organization for ACCA-WWF Award 2010 in Dec 2010.

3rd CSR NATIONAL EXCELLENCE AWARD 2008

CERTIFICATE

In appreciation and recognition of the services
and overall performance of

SUI NORTHERN GAS PIPELINES LIMITED

The said Certificate is here by given to the
above institution on November 22nd, 2008 at Karachi

Organized by



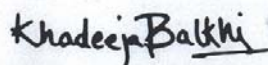
HELP
International Welfare
Trust

Co Organizer





S. Arif Ali
Founder & President
Help International Welfare Trust



Khadeeja Balkhi
President
CSR Association of Pakistan



7th Annual Environment
Excellence Awards **2010**

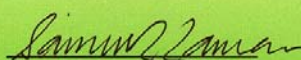
CERTIFICATE OF APPRECIATION

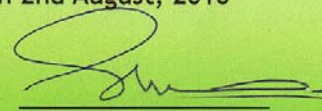
After careful consideration of track record, services and performance of

SUI NORTHERN GAS PIPELINES LTD.

this certificate is being awarded on 2nd August, 2010




Dr. SAMI-UZ-ZAMAN
Head of Jury


SH. KAISER WAHEED
Chairman
National Forum for Environment & Health

4th CSR National Excellence Award- 2009

Organized by



HELP
International Welfare
Trust

Co Organizer



CERTIFICATE

In appreciation and recognition of the services
and overall performance of

M/s Sui Northern Gas Pipelines Limited

*The said Certificate is here by given to the
above institution on Thursday 21st January, 2010 at Karachi*

S. Arif Ali
Founder & President
Help International Welfare Trust

Khadeeja Balkhi
President
CSR Association of Pakistan

5th CSR National Excellence Award 2010

CERTIFICATE

*In appreciation and recognition of the services and overall
performance of*

M/s Sui Northern Gas Pipelines Limited

*The said certificate is hereby given to the
above institution on January 13, 2011 at Karachi*

Syed Shakil Hashmi
President
CSR Association of Pakistan

Ghazala Rashid
General Secretary
CSR Association of Pakistan

Zubair Anwar-Bawany
Chairman
CSR Association of Pakistan

Organized by



National Safety Council

2010-2011



International Safety Council

Sui Northern Gas Pipelines Ltd.

Is a Proud Member since August 13, 2010



Janet Froetscher
President & CEO
National Safety Council



Roger H. Marks
President
International Safety Council

Mission The National Safety Council saves lives by preventing injuries and deaths at work, in homes and communities, and on the roads, through leadership, research, education and advocacy.

Vision Making our world safer.





Smoking Policy

Sui Northern Gas Pipelines Limited is committed in providing a safe, healthy and productive environment for all its employees. Sui Northern Gas Pipelines Limited recognizes that smoking is a health hazards for both smokers and non-smokers. Sui Northern Gas Pipelines will Endeavor to control the exposure of employees in the workplace to the harmful effects of tobacco products with the ultimate objective to protect non-smokers and in doing so enhance the air quality of the work environment for employees.

Sui Northern Gas Pipelines Limited Smoking policy shall apply to:

- *All employees, clients, visitors and contractors of the SNGPL and no exception to the policy will be made.*
- *All buildings, premises or enclosed spaces occupied, owned, leased or controlled by the SNGPL.*
- *All workplaces, which include all Company buildings, Lobbies, Elevators, Cafeterias, Washrooms, Vehicles, or any other common areas frequented by employees.*

Sui Northern Gas Pipelines Limited believes that all employees have the right to a safe and healthy workplace. In accordance with this belief, Sui Northern Gas Pipelines Limited has regulated smoking in the workplace with the objective:

- *To educate smokers about the harmful effect of smoking and give advice, guidance and Support if employees decide to give up smoking.*
- *To change the working environment to minimize the harmful effects of passive smoking on the non-smoker.*
- *To provide employees with healthy and efficient working environment and to avoid conflict in the workplace.*
- *To provide education and information to all staff with information on the effects of smoking on health.*
- *To provide a designated smoking area with clear markings and adequate ventilation for Smokers.*

Nothing contained in this policy will be interpreted so as to enhance the otherwise legal obligation of the Company.


A. RASHID LONE
MANAGING DIRECTOR

January 28, 2010