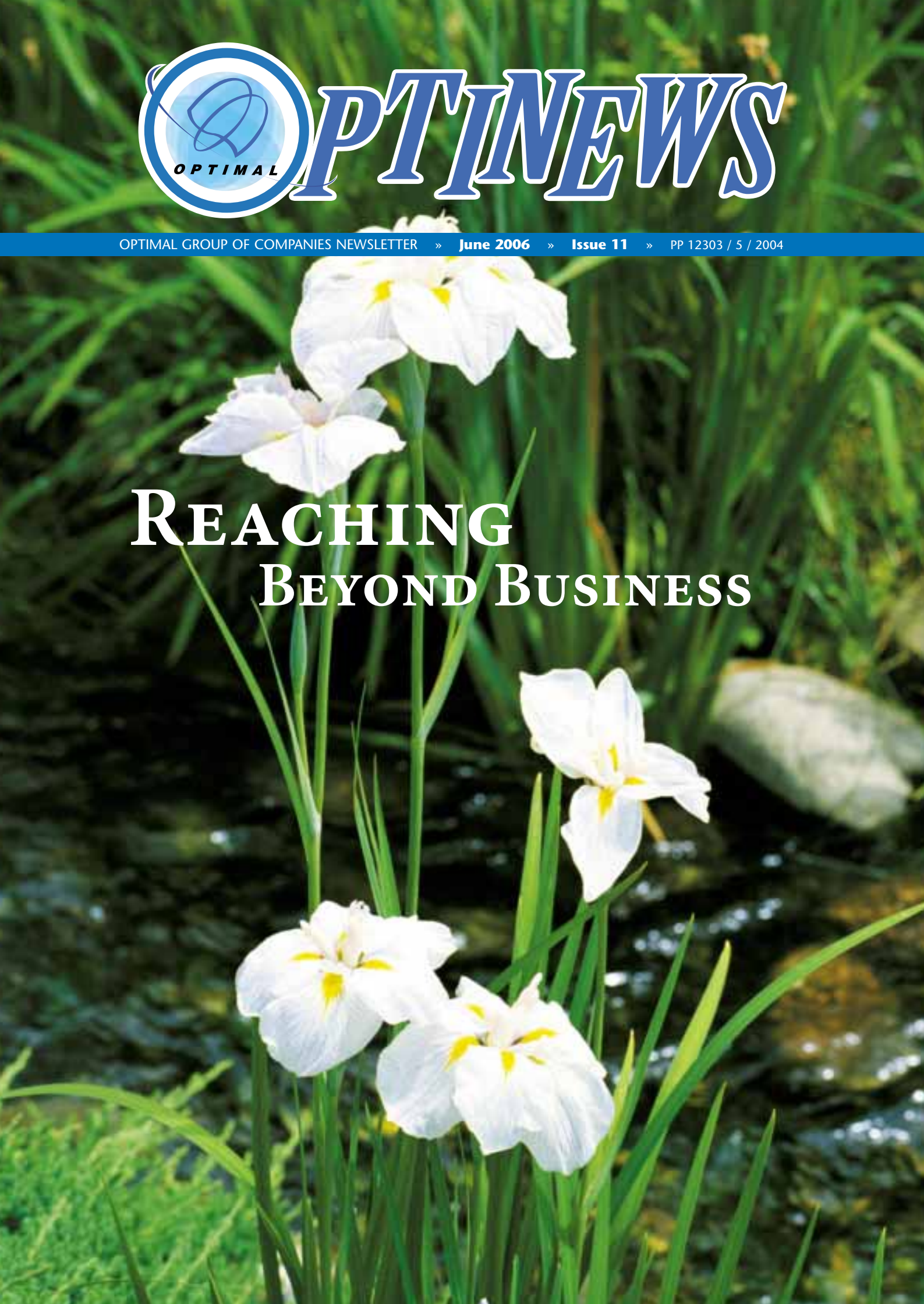




OPTI**NEWS**

OPTIMAL GROUP OF COMPANIES NEWSLETTER » June 2006 » Issue 11 » PP 12303 / 5 / 2004

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The first half of 2006 has been an exciting one for me, transitioning into a new role as CEO of OPTIMAL. I'm pleased to note that the leadership change has been smooth given the support and confidence of employees, the OPTIMAL Management Team as well as the Board of Directors. Together with Graham Daley, the Chief Operating Officer, I look forward to strengthening OPTIMAL's position in the marketplace and delivering on our vision to be a World-Class Manufacturer and Supplier of Chemicals for the Asia Pacific region. We have dedicated firm efforts to lay the

groundwork for this over the past few years through our MI Plan. Now, the focus is on executing the plan and setting our priorities firmly on the goal.

On top of our agenda for 2006 was the turnaround, which was the biggest we have ever undertaken. The completion of the turnaround in March is a major milestone for OPTIMAL as it will enable us to improve our plant reliability and competitiveness in the marketplace. As the market moves towards a trough over the next couple of years, OPTIMAL needs to operate consistently at optimum levels whilst keeping cost down. In the ensuing months, the Company's business plan will be rolled out to define our strategy in key areas to provide an impetus for our long-term growth and sustainability. The business plan will be cascaded through all levels within the organization to synchronize the collective effort of every individual towards a common objective. I'm confident that with the buy-in and commitment of everyone, we will be able to better position OPTIMAL for the next phase of commercial operations.

Moving forward, we have set aggressive targets in terms of plant asset utilization over the next couple of years. In order to weather the coming downturn, we need to ensure that our plant runs consistently and reliably. In previous years, the high market prices and demand for product was able to ease any shortfall we had due to production loss. As we expect more product volume to enter the market from here on, we need to position ourselves better from a cost and reliability perspective.

We will also need to continue our efforts to improve our HSE performance, which is an integral part of our manufacturing philosophy. The success of our business is underpinned by good HSE performance and the health and safety of our employees, as well as everyone who works on our site. We will never compromise HSE requirements for production, commercial or cost reasons. We have always recognized that the success of our operations is reliant on a combination of factors, from technically sound plants and equipment, to competent and dedicated people who share our HSE commitment. I'm confident we will ultimately achieve Vision Zero, with no accidents and injuries to people and no harm done to the environment.

Looking ahead, more emphasis will be made on key drivers for our business, which includes People Development, Business Growth, HSE and Sustainability. As indicated by our KPIs for the first five months of 2006, we are doing quite well in most areas. However, there is still opportunity for improvement. Most critical of all is our HSE Performance, where we need to practice total vigilance to avoid injuries and illnesses; and harm to the environment.

Finally, I would like to take this opportunity to thank all OPTIMAL employees, customers, business associates and shareholders for their support. The OPTIMAL leadership will continue to deliver, in every aspect of the business.

YM Dato' Tengku Mahamad Tengku Mahamut
Chief Executive Officer,
OPTIMAL Group of Companies

OPTIMAL VISION

A world class manufacturer and supplier of chemicals for the Asia-Pacific region

OPTIMAL MISSION

To be a successful and profitable chemical company; supporting shareholders' business strategies and creating value from Malaysian petroleum resources

OPTIMAL VALUES

- * Responsible Care®
- * Customer Focus
- * Business Excellence
- * People Excellence
- * Cohesiveness

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REACHING BEYOND BUSINESS

Environmental preservation and management has always been one of the main priorities of OPTIMAL. In this issue of OPTINEWS, we highlight the Group's successful ISO 14001:2004 certification, a globally recognized standard on Environmental Management System, and the OPTIMAL and MNS environmental conservation project in Kertih.

ISO 14001:2004 Accreditation
Pgs 4–5



ecoCare, an OPTIMAL-MNS Initiative
Pgs 6–7



OPTIMAL ACCORDED ISO 14001:2004 CERTIFICATION

“THIS ACHIEVEMENT AFFIRMS OPTIMAL’S CREDIBILITY AS A RESPONSIBLE FACILITY THAT ADOPTS SOUND OPERATING PRACTICES WITHOUT COMPROMISING ENVIRONMENTAL FACTORS.”



*We did it! Another milestone towards achieving world class performance.
– The Environmental Compliance Committee with the certificates.*

The ISO 14001:2004 certification corroborates OPTIMAL’s commitment in protecting the environment and continuously improving its environmental performance.

OPTIMAL has been accorded the ISO 14001:2004 by SIRIM QAS International following a Compliance Audit carried out on December 8, 2005. ISO 14001:2004 is an international standard for environmental management system that stresses on continuous cycle of planning, implementing, reviewing and improving the processes and action that an organization undertakes to meet its environmental obligations.

The ISO 14001:2004 certificates were presented to OPTIMAL by Tuan Haji Abdul Razak Salim, Executive Director of SIRIM QAS International at a recognition lunch held on January 18, 2006 in Kertih. Accepting the certificates on behalf of OPTIMAL was Joe Achierno, Senior General Manager, Manufacturing.

In his speech at the ceremony, Joe attributed the achievement to the



Joe Achierno, Senior General Manager of Manufacturing, receiving the certificates from Tuan Haji Abdul Razak Salim, Executive Director of SIRIM QAS International.

Joe Achiero giving a speech during the Recognition Luncheon.

Among those who attended the Luncheon.



cohesive teamwork and dedication of employees. "This achievement affirms OPTIMAL's credibility as a responsible facility that adopts sound operating practices without compromising environmental factors. This is the thrust of the Company's manufacturing philosophy that is demonstrated through its full commitment in preserving the environment and sustaining the quality of life of its employees, contractors as well as the community around it," he said.

OPTIMAL's ISO 14001:2004 certification efforts began in 2002 as part of its commitment towards HSE excellence and in meeting the Environmental Impact Assessment (EIA) requirements.

"Achieving the certification is not the end of the journey. The main challenge now will be to maintain the certification by continuously demonstrating full compliance with the commitment of every person involved," Joe reiterated.

He concluded his speech by expressing his appreciation to contractors, business partners, shareholders as well as the Department of Environment for their support in making the ISO achievement a reality for OPTIMAL.

ABOUT ISO 14001:2004 INTERNATIONAL STANDARDS FOR ENVIRONMENTAL MANAGEMENT

ISO 14000 is a set of standards that are primarily related with environmental management. It focuses on the initiatives undertaken by an organization to minimize harmful effects on the environment resulting from its operations, and the organization's efforts in continuously improving its environmental performance.

WHAT DO THEY HAVE TO SAY...

OPTINEWS CAUGHT UP WITH SEVERAL MEMBERS OF THE ENVIRONMENTAL COMPLIANCE COMMITTEE TO GET THEIR VIEWS ON THE SUCCESSFUL ACHIEVEMENT OF THE ISO 14001:2004 CERTIFICATION.

"This is a significant HSE milestone towards supporting the Company's goals on Premier HSE Performance and meeting our commitment in our Environmental Assessment (EIA). This is a great effort by all. I would like to commend the Environmental Compliance Committee for ensuring that the OPTIMAL Environmental Program meets the ISO 14001 requirements and for driving its implementation, as well as all at site, from the operators to Heads of Department for ensuring that our activities are in compliance with the requirements. As an effort to maintain the certification, we will ensure that audits are done to monitor compliance and follow up on actions to close any non-compliance."

Andrew Ong, HSE Manager

"We deserve it! We have a well-defined implementation plan and excellent teamwork which were the key elements of this success. To maintain this certification, we must continue to follow the requirements in the OPTIMAL EMS. OPTIMAL employees could contribute by practicing spill-free behavior. Reducing the number of reportable LOCs is an indication of our strong commitment for continuous improvement. It also shows that OPTIMAL is an environmental friendly petrochemical plant."

Nur Aniza Zahari, HSE Delivery Specialist for EOG & Butanol

"The certification has further endorsed OPTIMAL's commitment in taking proactive steps towards the conservation and preservation of the environment. Apart from continuing to adhere to the requirements in the OPTIMAL EMS, further improvement in areas of opportunity such as the LOC initiative will also take place in our quest to maintain the certification. Employees could contribute by being more sensitive to various aspects of environmental management such as schedule waste management."

Zainal Abidin Zakaria, HSE Delivery Technician




ecoCare

An OPTIMAL-MNS Initiative

On November 20, 2005, OPTIMAL signed a Memorandum of Understanding (MoU) with the Malaysian Nature Society (MNS) to embark on a long-term initiative that will focus on conservation and environmental education.

Phase 1, consists of reforestation and rehabilitation of ecologically sensitive mangrove habitat and coastal vegetation along the Kertih River. This Phase will also include ecosystem management and activities promoting community participation in primarily three

villages within the vicinity of the rehabilitation site, namely Kampung Gelugor, Kampung Tengah and Kampung Telaga Papan.

ecoCare MINI NURSERY ESTABLISHED

As part of the Kertih River Mangrove Rehabilitation Project, OPTIMAL with the Malaysian Nature Society (MNS) under the ecoCare umbrella organized a workshop on the setting-up of a mangrove mini nursery and replanting of stringently selected mangrove seedlings.



The workshop was held on March 17, 2006 at Dewan Belia 4B in Kampung Tengah, Kertih, with participation of 35 volunteers consisting of the

local community and OPTIMAL employees.

The workshop's primary objective was to educate participants on the processes

“OPTIMAL AND MNS HOPE TO CREATE A GENERATION OF MALAYSIANS THAT WILL LEARN TO APPRECIATE AND PROTECT THEIR NATURAL HERITAGE.”



involved in mangrove replanting, which include:

- ✦ Identifying the various species of mangroves that exist along the Kertih River;
- ✦ Selecting suitable seedlings for replanting;
- ✦ Setting-up a mini nursery for the seedlings; and
- ✦ Planting the seedlings using the correct method.

Currently, two mini nurseries have been established under the ecoCare program. The second ecoCare mini nursery was set up on March 28, 2006, downstream of the first nursery. Both nurseries accommodate a total of approximately 850 surviving mangroves seedlings.

ecoCare VOLUNTEER PROGRAM

The ecoCare Volunteer Program was initiated to promote active participation of staff and the local community towards environmental related programs under the ecoCare umbrella. There are currently 60 registered volunteers consisting of OPTIMAL employees and local communities from Kampung

Gelugor, Kampung Tengah and Kampung Telaga.

On April 28, 2006, a get-together was held to celebrate the success of the mangrove seedling collection program. Present at the event were YB Dato' Abu Bakar Ali, ADUN Kemasik and Penghulu Mukim Kerteh, En Rosdi Menong.

The highlight of the dinner was the ecoCare video presentation that captured memorable clips of volunteers and the various activities carried out since November 2005.

Phase 2 which will begin by end 2006, will focus on the implementation of environmental education programs and curriculum centered at the EEC (Environment Education Center). The Centre provides an integrated environmental education avenue that aims to promote awareness, understanding and care for nature amongst schoolchildren, teachers and the local community through displays and showcase of information relating to the Kertih River ecosystem and Kertih's unique coastal terrain and biodiversity. OPTIMAL employees will also



be involved in setting-up the School Nature Clubs (KPA) linked to the EEC in Terengganu. The two-year duration for Phase 2 will also see the implementation of training and educational activities such as mangrove ecology, nature walk, forest ecology studies, bird watching, camping and stream ecology studies. By creating an ongoing educational program targeted at young Malaysians, OPTIMAL and MNS hope to create a generation of Malaysians that will learn to appreciate and to protect their natural heritage.



KERTIH



OPTIMAL ANNUAL FESTIVE GATHERING

It was indeed a memorable event to recall. The Annual Festive Gathering was a conclusion of a year's work, celebrated in two separate occasions in

The celebration in Kertih was held on December 6, 2005 at Kelab Desa Rantau PETRONAS, Kertih. The gathering was enlivened with traditional dance performances and songs by guest artiste, Anis Suraya. Several Kertih staff also took to the stage to showcase their vocal prowess. Amongst them

were Malina Suhaiza (Training), Sapuan Sakim (Plant Management), Safarin Sabri (IT), Kamaszeli Besah (Security Unit), Rosdy Jusoh (Derivatives Department) and Fatina Yussof (Maintenance) who belted out tunes of their choice.

Not to be outdone, staff in KL held their gathering on December 9, 2005 at Shrooms, Suria KLCC. The event, themed Malaysian Traditions, was lined up with fun activities which included games like 'Name A Song & Singer' and 'Acts of Super Hero Characters', nominations for 'Best Gift',

KUALA LUMPUR

FESTIVE ERING

round up the year! The OPTIMAL
a conclusion of sorts for 2005,
two separate occasions in
respectively.

Mystery Draws as well as karaoke performances by Hazman Baharum (Finance), Sophy Mustaffa and Yong Su Mei (Commercial) and Roziya Ali (Finance). There was also a prize presentation for Best Dressed Man and Woman who kept up with the theme of the evening. The respective titles went to Khalil Muri who wore a smart Batik shirt, and Yong Su Mei who wore a glittering Indian costume.

Meanwhile, the 'Best Gift' was won by Abdul Aziz Ramuthullah (CEO's Office) whose gift to Fazida A Azid (Supply Chain) received the highest votes from staff audiences. This game saw each staff exchanging gifts at the beginning of the event, and those who received a unique and beautiful gift will 'boast' about it to get votes so that the sponsor of the gift will win a special prize.

The gathering amongst friends and colleagues was indeed memorable as they bade adieu to 2005 and welcome to 2006.





Overwhelming turnout – staff at the registration counter.



Yummy, good food!



Colorful cultural performance.

OPTIMAL 200 'Beach Bash'



1



2

It's that time of the year again where OPTIMAL celebrates its Family Day! More than 1,500 staff and their families turned up for the annual event, which was held from June 2 to 4, 2006 at Tiara Beach Resort, Port Dickson. Staff that checked in early participated in a 'Scavenger Hunt', where they had to answer a set of questions about the hotel.

The Annual Dinner, held outdoor by the pool, kicked off with a welcome speech by the OPTIMAL emcees. YM Dato' Tengku Mahamad was then invited to the stage to officiate the Annual Dinner and Family Day celebrations. YM Dato' Tengku delivered a heartwarming speech in which he stressed HSE as the company's top priority. He also thanked all OPTIMAL staff for their support.

The fun began when the food was ready to be served. A group of men in Sarawakian warrior outfits showed off their martial arts skill as they approached the function area in a 'sampan' from the far side of the pool. After the mesmerizing presentation, the 'warriors' served a scrumptious dinner.



4



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6



7

1: Hamzah Jamal registering for the event.

2: 'Warriors' strutting their stuff.

3: VIPs at the dinner.

4: Too many choices...

5: Beaming smiles from pretty ladies.

6: OPTIMAL Idols.

7: Good fun and camaraderie.

8: Erra Fazira with a young fan.

9: Birthday surprise for OPTIMAL's staff.

10: Erra Fazira entertaining the crowd.



8



9



10



Roll the ball, kids...



Enthusiastic participation from staff.



6 FAMILY DAY at Tiara Beach Resort

Throughout the night, various activities and entertainment were held, including OPTIMAL's very own idols.

Staff were kept on the edge of their seats by the lucky draw announcements which were interspersed with various performances. The highlight of the Annual Dinner was the much-awaited performance from Erra Fazira, who held the audience's rapt attention.

The Family Day celebrations continued the next day with exciting telematches for both children and adults. Management staff were not spared from the games as they sportingly participated with their spouses in the 'Fruit Carving' activity. Everybody had fun in all the activities organized that day and displayed good competitive spirit throughout. Game booths set-up in the area also attracted many people as they tried at winning some prizes.

The day ended with a lucky draw session and prize presentation for winners of the games and events organized. The Family Day was again a great success and cemented its reputation as a highlight for staff every year!





1

1: Ushers of the event.



2

2: Arrival of LSA recipients.



3

3: Several LSA recipients from Utilities Dept.



4

4: From left: Schazeril Shamsuddin, Joe Achierno and Ahmad Rizal Abdul Rahim.



5

5-7: CEO, YM Dato' Tengku Mahamad presenting the LSA certificate to recipients.



6

8-10: Lucky Draw winners receiving their prizes.



7



8

AMAZINGLY, 274 OUT OF THE 278 PIONEERING EMPLOYEES WHO JOINED OPTIMAL FIVE YEARS AGO ARE STILL WITH THE COMPANY TODAY. THIS SPEAKS VOLUMES OF OPTIMAL AS THE EMPLOYER OF CHOICE.



9



10

INAUGURAL LONG

On January 20, 2006, the OPTIMAL Group of Companies paid a special tribute to 274 of its long-serving employees who have been with the Company since its inception five years ago. Held at M.S. Garden Hotel, Kuantan, the Long Service Awards Presentation 2005 is part of the Rewards and Recognition program rolled out last year which seeks to recognize long-serving employees who have contributed to the Company's success.

CEO YM Dato' Tengku Mahamad Tengku Mahamut was present at the event to hand over Long Service Award Certificates to some 200 recipients. Speaking at the event, YM Dato' Tengku Mahamad expressed his gratitude to the recipients for their contribution, loyalty and commitment towards the Company.

SERVICE AWARD CEREMONY

People are our most important asset. In recognizing this, OPTIMAL paid tribute to its long-serving employees who have been with the Company since its inception.

He also acknowledged their respective spouses, who were present at the ceremony, for the support and encouragement that they have shown.

In 2000, OPTIMAL began recruiting its first batch of 278 employees comprising mainly of production and maintenance engineers, as well as operators and technicians. These employees were mostly based in Kertih where the Company's temporary office was located. As the pioneers in OPTIMAL, they played a fundamental role in setting up and operationalizing the systems that OPTIMAL has in place today. Working together with secondees from Dow and PETRONAS, these employees played a vital role in building the foundation for OPTIMAL's long term sustainability.

Today, out of the 278 pioneering employees, 274 are still serving the Company. This speaks highly of OPTIMAL's work environment where employees are encouraged to develop



their capabilities, are recognized and competitively rewarded for their performance, and are encouraged to communicate openly to develop mutual trust and cohesive teamwork.

YM Dato' Tengku Mahamad noted that OPTIMAL employees need to demonstrate a distinct work culture which centers on productivity, operating discipline and safety in order to realize the Company's highest potential to achieve world class performance.

Also present at the event were the members of the OPTIMAL Management Team (OMT). Besides the presentation of the Long Service Award Certificates, the crowd was also entertained with traditional dance performances and special appearances by guest artistes, Hazami and Farawaheeda.



OPTIMAL MANAGE PRODUCTION WORK PROCESS REPRESENTATIVES VISIT DOW CENTRAL GERMANY (DCG)



May 15 to 19 2006: OPTIMAL sent a seven-member delegation comprising representatives from various work process teams, namely GMWP/GTM, MPQ, and OPWP, to visit the Dow Central Germany (DCG). The objective of the visit was to learn from the remarkable success of DCG on its change implementation process and sustained performance over the years.

DCG or Dow Olefinverbund GmbH, consists of five highly integrated petrochemical complexes located at five different sites, namely Bohlen, Schkopau, Leuna, Teutschenthal and Rostock. From year 1995 until 2000, DCG has undergone extensive modernization and reorganization which saw the closure of more than 60 plants, construction of 15 new plants and modernization of 9 plants at a total investment of EUR2.7 billion.

"It was a good experience to be able to meet personally with the individuals and teams in an empowered organization. I personally was overwhelmed with their enthusiasm in sharing their experience and knowledge about the OPWP work process and their successful journey of empowerment," said OPTIMAL OPWP Implementation Leader, Ahmad Zaki Daud.

Salient points and major action plans for each of the work processes are as outlined below:

CHANGE MANAGEMENT

DCG went through two complex changes at the same time: capital changes due to the demolition of old plants and construction of new plants and upgrades, as well as organizational culture change. Some of the key observations include:

- Transparency and information availability to all levels of employees.
- Effective use of Diagnosing Organization Effectiveness (DOE) tool for empowerment implementation.
- Extensive leveraging through coaches network.
- Standardization increases productivity and reduces confusion amongst departments.
- Complex and far-reaching challenges
 - language
 - organizational restructuring
 - social behaviour
 - 64 plants to 24 plants
 - IT/automation implementation, can be effectively addressed through a structured, resourced change management program



OVERALL SUMMARY OF KEY LEARNING FROM THE VISIT

1. Have an organized goal setting process – every team and individual was able to explain their goals and objectives. Rigorous monitoring of performance and awareness of benchmark and external competitors.
2. Quarterly reviews of individual goals are conducted with the coach for operators and Production Leader for day staff.
3. The coach focused on three areas i.e. goal setting, work process (tools, development, training) and empowerment (team work).
4. Strong sense of ownership from top to the shop floor.
5. Excellent knowledge and understanding of the work processes. Open and willing to share with others.
6. Empowered and highly team-oriented organization i.e. budgeting and cost control, planning, goal setting alignment and reviews.
7. Employees understand their roles clearly and explain their role expectations.
8. Leaders are supportive of the empowerment concept. They communicate from time to time and coach the teams to meet the expectations.
9. Good training programs that cover in-plant training (process specific), work processes and roles training. This is in addition to the comprehensive training provided by the Training Center.
10. A safety program that allows contractor participation under contractor integration program. Providing a feedback mechanism for contractor to address safety concerns and to improve safety performance.
11. Seamless integration between all the work processes.

GMWP/GTM

During the visit, the Maintenance team met with key personnel in the DCG Maintenance organization to share experience and knowledge of successful implementation of the work process. The following are the key plans for implementation in OPTIMAL based on the observations and discussions:

- Job matrix to be developed for the team.
- The need to establish a designing team during sustaining period.
- Develop labor, age & skill matrix.
- Managing an empowered team through structured review by MSR.
- Facility assessment to be reviewed.
- GMISS – gap review and implementation.
- Business warehouse – utilization for data analysis.
- Organization in supporting technical support.

EVENTS



KUALA LUMPUR 5TH GOLF DAY TOURNAMENT

| VENUE

Sungai Long Golf & Country Club

| DATE

27 May 2006

| RESULTS



	CUSTOMER CATEGORY	INTERNAL/PARTNERS CATEGORY
FIRST	YBhg Dato' Ng Lian Poh <i>(Samchem Sdn Bhd)</i>	James Thong <i>(Dow Chemical Malaysia Sdn Bhd)</i>
SECOND	YBhg Datuk Mohd Al-Amin Abdul Majid <i>(Ancom Kimia Sdn Bhd)</i>	Nor Azman Ghazali <i>(PETRONAS Maritime Services Sdn Bhd)</i>
THIRD	Alfred Chang <i>(DBS Bank Ltd)</i>	William Lau <i>(Dow Chemical Malaysia Sdn Bhd)</i>

GOLF @ OPTIMAL



KERTIH 2ND EAST COAST FRIENDLY GOLF TOURNAMENT

| VENUE

Tuanku Mizan Golf & Country Resort

| DATE

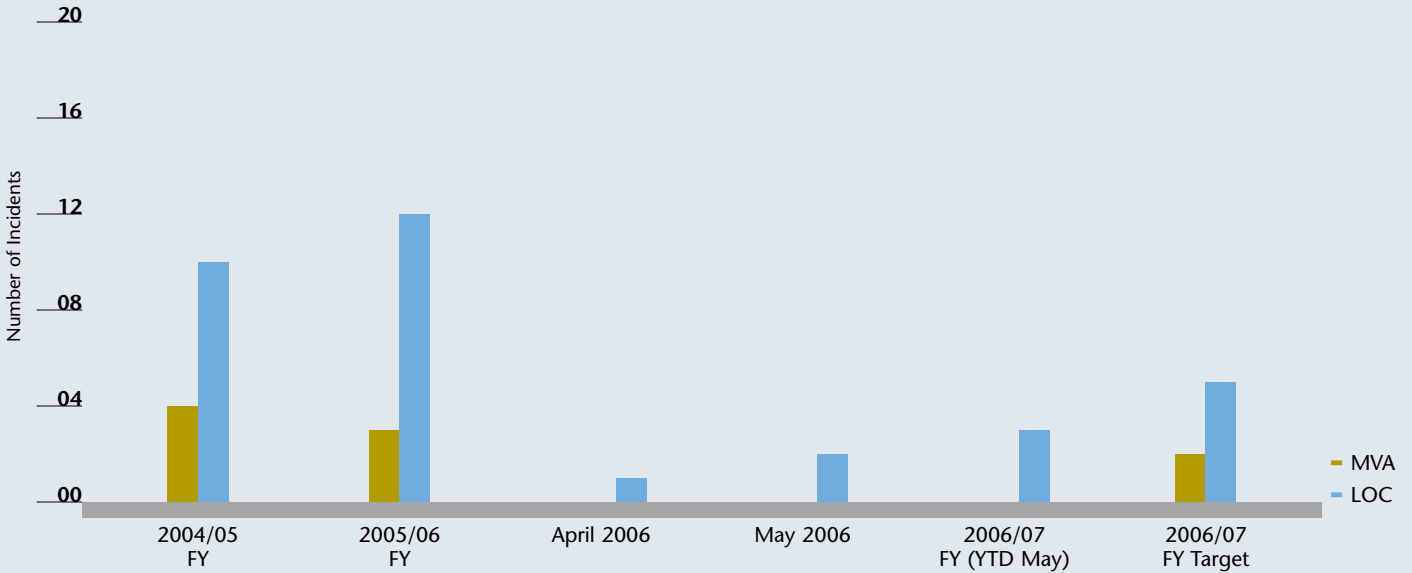
6 May 2006

| RESULTS

	AUTHORITIES CATEGORY	OPTIMAL & PETRONAS GUESTS CATEGORY
FIRST	Azran Amin Mazlan <i>(Pej. Setiausaha Kerajaan, Kerajaan Negeri Terengganu)</i>	Ismail Abd Rahman <i>(Maintenance Dept)</i>
SECOND	Insp Haki Hasbullah <i>(Balai Paka Terengganu)</i>	A Razak Ibrahim <i>(EOG Department)</i>
THIRD	Wan Abd Azizi <i>(Lembaga Perlesenan Kenderaan Terengganu)</i>	Yacob Hj A Rahim <i>(HRA Dept)</i>

HSE KPIs FOR MVA, LOC AND INJURY & ILLNESS

KEY PERFORMANCE INDICATOR FOR MVA & LOC



KEY PERFORMANCE INDICATOR FOR INJ & ILL



Notes:

LOC: The LOC Reduction initiative was launched in July 2005 and much work is needed to improve against our past results.

MVA: Steady improvements in our MVA results and we need to continue the good progress made.

INJURY & ILLNESS: For the first 7 months up until October 2005, we were on target to meet our injury and illness rate of 0.20 with only one reportable injury incident. Then came 6 incidents in the last five months making it a very disappointing year for OPTIMAL. 2006 FY did not get to a good start with one incident and much effort and commitment will be needed by all to get us back to ZERO incidents. This is possible as our best result was 0.07 in 2003.

'BACK-TO-SCHOOL'

CONTRIBUTION AND RECOGNITION FOR ADOPTED SCHOOL



District Education Officer, Tuan Haji Abdullah Ali, SKTT's Headmaster, teachers, parents, as well as OPTIMAL volunteers whose combined effort and contributions have led to the success of the school adoption program. OPTIMAL would like to continue this sincere effort and hope that this achievement will be a platform for more outstanding academic performance in the future."

The school adoption program is part of the larger initiative under the 'Program Bakti Pendidikan PETRONAS' to nurture the younger generation for a brighter future.

**Thank you,
OPTIMAL!**

On January 5, 2006, OPTIMAL contributed school bags, shoes and uniforms to 50 underprivileged students from its adopted school, Sekolah Kebangsaan Tebing Tembah, Paka (SKTT). The event, which was held at Residence Resort, Paka, also saw OPTIMAL rewarding 13 SKTT students who

achieved outstanding results in the recent UPSR exam. Five of the students had successfully scored 5As whilst the remaining eight scored 4As.

Present at the event were CEO YM Dato' Tengku Mahamad Tengku Mahamut and Tuan Haji Abdullah Ali, the District Education Officer of Dungun/Marang.

In his speech, YM Dato' Tengku Mahamad said, "We are truly proud of the students' achievements. There has been great progress in their academic performance especially in English as compared to three years ago when we first adopted the school. We are grateful for the support extended by the

The program was launched by PETRONAS and its joint venture partners operating within the PPIC in 2002 to promote human capital development. To date, OPTIMAL has been a firm supporter of this caring cause, which is in line with its corporate citizenry agenda.



The program saw OPTIMAL staff and the local community working together in preparing and distributing the 'qurban' meat.

QURBAN CONTRIBUTION FOR PAKA COMMUNITY

On January 10, 2006, the OPTIMAL BAKOP/JAIOP team and Public Affairs jointly organized a community program in Paka, Terengganu in conjunction with Hari Raya Aidiladha. OPTIMAL staff assisted in the preparation of approximately 100kg of 'qurban' meat, which was subsequently distributed to the community around Paka including those in Kampung Nyior and Kampung Tebing Tembah. The program was conducted at Masjid Pinang Merah, Paka with the cooperation of representatives from mosques and villages nearby.

CARBOWAX™

POLYETHYLENE GLYCOLS

CARBOWAX™ and **CARBOWAX SENTRY™** Polyethylene Glycols (PEGs) are popular and credible products used in the chemical, pharmaceutical and personal care industries.

CARBOWAX™ PEGs are a family of water-soluble linear polymers formed by the additional reaction of ethylene oxide. They may be in the form of liquids or solids at room temperature, depending on their average molecular weights, which ranges from 200 to 8000. Increased molecular weight results in decreased solubility in water and solvents, decreased hygroscopicity and vapor pressure, and increased melting/freezing range and viscosity. This wide range of chemical and physical properties provides flexibility in meeting the requirements of many different applications, mainly for commercial use. Typical applications of CARBOWAX™ PEGs are briefly described below:

| AGRICULTURE

CARBOWAX™ PEGs are good solubilizers for organically derived insecticides; therefore, they are excellent vehicles for plant hormones and herbicides. Their humectant properties make them useful as antidusting agents in agricultural formulations.

| COSMETICS/PERSONAL CARE

CARBOWAX™ PEGs are used in creams, lotions, sticks, cakes, powders, jellies and aerosols among else. Their versatility comes from a unique combination of properties i.e. being water-soluble, odorless, neutral, lubricating, non-volatile and non-irritating.

| FOOD PROCESSING AND PACKAGING

CARBOWAX SENTRY™ PEGs are produced to meet the requirements of the Food Chemicals Codex (FCC) monograph and are FDA-compliant for use in a variety of food-related applications.

| HOUSEHOLD PRODUCTS

Being water-soluble and inert with low volatility and low toxicity, CARBOWAX™ PEGs are used in a wide range of household products including cleaners, polishes, soaps and detergents. They exhibit good solvent properties for – and are compatible with – many ingredients normally used in household products.

| PAINTS AND COATINGS

CARBOWAX™ PEGs are used as intermediates in the preparation of alkyd and polyester resins to enhance water dispersibility. They are also used as modifiers and binders in latex paints and shellacs, and in formulations for water-removable coatings.

| PAPER AND PAPER PRODUCTS

Liquid PEGs are used in paper to soften, add flexibility and desirable slip characteristics as well as to prevent swelling and curling caused by changes in humidity. Solid PEGs are effective lubricants in coating compositions. PEGs are also used as color stabilizers, plasticizers, anti-sticking agents and dimensional stabilizers.

| PHARMACEUTICALS

CARBOWAX SENTRY™ PEGs have unique medicament solvent properties, low toxicity, blandness and good water solubility. Polyethylene glycols make excellent water-soluble ointment bases – they spread easily and evenly over the skin even if the skin is moist. Their good water solubility makes it easy to incorporate aqueous ingredients in the formulation, and they do not become rancid or support microbial growth. They also provide multiple benefits in the tableting process. They function as plasticizers for tablet coatings and carriers in the production and filling of gelatin capsules. Other pharmaceutical applications include spray-on medications,



suppositories, sustained release devices and liquid oral-dose medications.

| PRINTING AND INKS

CARBOWAX™ PEGs unique combination of properties makes them useful in many types of ink formulations. They can act as humectants, solvents and lubricants; are excellent dye carriers; and offer controlled hygroscopicity in setting of inks.

| TEXTILES

CARBOWAX™ PEGs and their derivatives are widely used in the textile industry as lubricants, softeners, antistatic agents and conditioning agents. PEG esters are used as processing and finishing aids for textiles, and as lubricants for carding, spinning, weaving and knitting fibers and yarns. Hydrophobic fibers such as nylon and polyester can be given a desirable combination of slip and drag, along with antistatic properties, by using PEGs. As finishing treatments for fabrics, PEGs give softness and a pleasant feel.

| WOOD TREATING

CARBOWAX™ PEGs are used for the dimensional stabilization of wood and wood products, preventing shrinkage, drying and cracking, and helping to maintain softness of wood. Proper preliminary soaking in a PEG solution can permit kiln drying of green wood at higher temperatures without warping or cracking. This soaking can also facilitate subsequent cutting and wood-working operations and provide permanent dimensional stabilization.



O P T I M A L

A **LEGACY** of **COMMITMENT** to the Community

The **OPTIMAL Group of Companies** places great emphasis on responsible health, safety and environmental practices that will sustain the quality of life of the society in which we operate. To this end, OPTIMAL adopts the chemical industry's Responsible Care® initiative to realize a nation's vision whilst charting a legacy of commitment.

OPTIMAL Responsible Care® Codes of Management Practices

- *DISTRIBUTION*
- *COMMUNITY AWARENESS AND EMERGENCY RESPONSE*
- *POLLUTION PREVENTION*
- *PROCESS SAFETY*
- *EMPLOYEE HEALTH AND SAFETY*
- *PRODUCT STEWARDSHIP*
- *SECURITY*