

Sustainability Performance

A Pioneer in Sustainability

As a responsible corporate citizen, ICI Pakistan Limited have always remained at the forefront of creating a future that is more sustainable and equitable for the coming generations. The Company aims to integrate sustainability into every area of business – for the benefit of customers, shareholders, employees and the world around it.

This section contains a comprehensive report on the Company's sustainability strategy, KPIs, annual and long-term targets and performance.

According to a global study, Pakistan is the seventh most vulnerable country to climate change.

As a pioneer in adopting environment-friendly business practices, and in line with its values and brand promise of Cultivating Growth, ICI Pakistan Limited has always remained at the forefront of taking collective action and thinking innovatively to combat climate change.

This page is made from residual cotton of the textile industry. It does not require trees to be cut down nor does it involve toxic bleaching.

In addition, this report includes a bookmark made of Banyan seed paper; it is a 100% sustainable product and ends up germinating into a plant at the end of its life.

Help us grow 11,000 plants for a cleaner and greener Pakistan.

Table of Contents

Message from the Chief Executive	114
Sustainability Performance 2018-19 highlights	115
Creating Shared Value	116
Sustainability Strategy	118
Adopting the Sustainable Development Goals	120
Demonstrating Leadership in Sustainability	121
About the Report	123
Materiality Assessment	124
Stakeholder Engagement	126
 Economic Performance: Management Approach	 129
Integrity Management: KPIs and Overview 2018-19	129
Sourcing: KPIs and Overview 2018-19	130
Environmental Performance: Management Approach	131
Product Stewardship	133
Energy: KPIs and Overview 2018-19	134
Conversion From DC to AC System	135
Water: KPIs and Overview 2018-19	136
Emissions: KPIs and Overview 2018-19	137
Lighting Modernisation	138
Effluents and Waste: KPIs and Overview 2018-19	139
Resource Conservation	140
 Social Performance: Management Approach	 141
Occupational Health and Safety: KPIs and Overview 2018-19	143
Training and Education: KPIs and Overview 2018-19	145
Diversity and Equal Opportunity: KPIs and Overview 2018-19	147
Non-Discrimination: KPIs and Overview 2018-19	148
Local Communities: KPIs and Overview 2018-19	149
 GRI Content Index	 154
SDGs Index	164
External Assurance	166

Message from the Chief Executive

Dear Stakeholders,

As one of the most admired and respected companies in Pakistan, ICI Pakistan Limited has always been a thought leader and innovator in the area of sustainability. It is driven by the inner moral compass that goes beyond self-interest. The Company believes that a focus on sustainability ensures long-term success; it drives business growth, innovation, helps to attract talent and shows its responsibility towards the planet.

Over a decade ago, ICI Pakistan Limited pioneered the voluntary adoption of sustainability reporting. The Company's sustainability reporting is now aligned with the GRI Standards, whilst also showing a direct link between its sustainability efforts and the UN Sustainable Development Goals (UNSDGs). In recognition of the Company's transparency and insightful sustainability reporting, it was also awarded the 'Best Sustainability Report' by ICAP-ICMA last year.

As a growing and socially responsible business, I believe that ICI Pakistan Limited has a crucial role to play in promoting greater awareness and action about UNSDGs, such as climate change, economic inequality, innovation and responsible consumption. The Company has made tangible progress in its commitments to becoming a more sustainable organisation. As ICI Pakistan Limited celebrates the 75th anniversary of successful operations in Pakistan, this is an opportune time to pledge to act even more responsibly to make the planet sustainable for the future generations.

This year, in line with the core values and brand promise of Cultivating Growth, the Company continued to embark on major expansion projects and investments across its businesses. I am pleased to report that ICI Pakistan Limited has achieved the milestone of 24 million safe man-hours, which highlights the robustness of its HSE&S systems. Enhancements to the Environmental Performance Management (EPM) database and the launch of Learning Event mobile application showcase the Company's commitment to embracing digitalisation to further improve its safety record. Safety remains its license to operate and there will be no compromise on this principle. It is my personal ambition to make ICI Pakistan Limited the safest company to work in the country.

The highly talented and motivated people at ICI Pakistan Limited share the commitment of leading sustainability and giving back to the community. In the Explore Challenge, the Company's first-ever Company-wide idea generation competition, several initiatives related to the conservation of energy and water, and developing innovative products that meet consumer needs and reduce its environmental impact, were shared with the management team. I feel privileged to lead such passionate people and appreciate their dedicated efforts to bring change from the grassroots level.



With the launch of Pehchan Volunteer Programme, volunteering has been institutionalised at ICI Pakistan Limited. As a 'Pehchan Volunteer', more than 400 people have committed over 1150 voluntary hours to give back to the local communities. Therefore, in the truest sense, the Company's people have practiced the brand promise of Cultivating Growth outside the office space as well.

As part of the Sustainability strategy, ICI Pakistan Limited has always considered communities to be the fundamental building blocks of society. Most notably, this year's initiatives have expanded the reach of the Hamqadam community clinic to Sheikhpura, ensured continuous supply of clean water to Khewra, and also supported women empowerment under the Impact Programme.

In this publication, I am pleased to share with you a closer look at how ICI Pakistan Limited is becoming an agent of change, empowering communities and paving the way for Pakistan's brighter future. The Company has been a proud member of the community for 75 years and looks forward to continuing to make a strong impact in the communities it serves.

I hope you find ICI Pakistan Limited's actions and vision for a better world inspiring. Together, there is so much more to learn from each other and do, to improve the sustainability of businesses and contribute to the UNSDGs.

Warmest regards

Asif Jooma,
Chief Executive

Sustainability Performance 2018-19 Highlights

Product Stewardship



launch of Terylene Clean, GRS-certified Polyester Staple Fibre product

250,000+



community members benefit directly and indirectly from the corporate social responsibility programmes each year

12 million litres



of water saved per year

24+ million



safe man-hours

Gallup Award



for "Great Workplace" in 2018 and 2019

No occupational illness



reported in 2018-19

17,500+



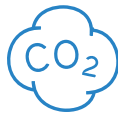
man-hours invested in employee training on health and safety

Occupational Health Manual



reviewed based on the global best practices

350 tonnes



of emissions eliminated due to green supply chain strategy of Soda Ash Business

90%



water consumption reduced at points where altered nozzle faucets have been installed

22%



reduction in waste recorded as compared to the previous year

Learning Event App



launched for easy logging, marking of learning events and prompt communication of any significant events

Creating Shared Value

In line with the core values and brand promise of Cultivating Growth, ICI Pakistan Limited believes in delivering sustained growth and creating enduring value for all key stakeholders. The Company's triple-bottom line concept of the sustainability framework is focussed on creating shared value, based on social, environmental and economic parameters.

Key Inputs



Social

- 1,400+ employees across multiple sites
- Pioneer in adopting principles of Sustainability (health, safety and environment)
- Employee and leadership development
- Partnerships with communities and universities
- PKR 30 million allocated to corporate social responsibility (CSR) programmes last year
- Strong culture of corporate governance and business ethics



Environmental

- Reduced environmental impact of operations
- Tree plantation drives
- Improvement in biodiversity



Economic

- Project investments
- Delivered strong and healthy return of equity
- 7,000+ vendors



Supply Chain



Manufacturing

Value Creation and Addition



The Company's sourcing and manufacturing processes are sustainable, safe and continuously optimised



ICI Pakistan Limited manufactures, markets and produces high-quality and innovative products

Key Outputs/Impact



Social

- 24+ million safe man-hours
- Around 14,000 hours dedicated to learning and development of employees
- Gallup Great Workplace Award 2018 and 2019
- Farmer and customer awareness sessions
- Impact Women's Development Programme
- 250,000+ direct and indirect beneficiaries of CSR programmes
- 18 CSR projects funded in 2018-19



Environmental

- Project Green (tree plantation drive in Khewra) covers 41.30 acres and has around 300,000 thriving plants
- 33% improvement in biodiversity compared to 2003
- 2,113+ birds of 82 species and 293+ species of plants are found at our site in Khewra, as per WWF Flora and Fauna Study 2018
- 350 tonnes reduction of carbon emissions from the green supply chain strategy of Soda Ash Business
- Donation of two generator sets to ensure continuous supply of 100,000 litres of clean water daily to the Khewra community



Economic

- PKR 3.04 billion contributed to the national exchequer in taxes and duties
- 90% payout ratio to shareholders
- 7,000 + vendor relationships
- PKR 2.54 billion consolidated profit after tax



Distributors



Customers



The Company maintains a strong focus on supporting and investing in communities



ICI Pakistan Limited's brand promise of Cultivating Growth creates sustainable value for all stakeholders

Sustainability Strategy

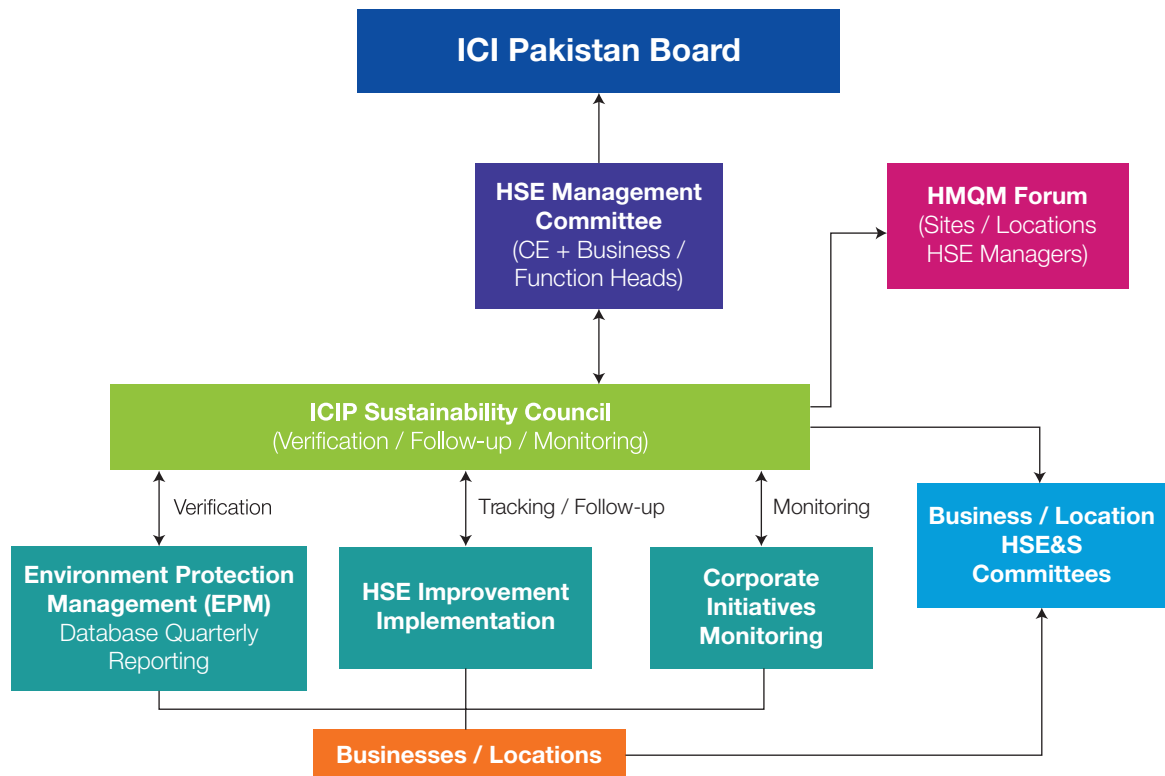
ICI Pakistan Limited is committed to reducing its environmental impact on the planet by delivering more sustainable products and solutions to customers.

Sustainability is integrated in all areas of the Company's operations – for the benefit of customers, shareholders, employees and, in fact, the world around it.



ICI Pakistan Limited's triple-bottom line concept of sustainability framework based on social, environmental and economic parameters

Structure and Operation of the Sustainability Process at ICI Pakistan Limited



Sustainability Council

The Sustainability Council is a multi-disciplinary team from all Businesses and functional areas of the Company. The Council was established to foster sustainable growth of ICI Pakistan Limited.

The Council's objective is, therefore, to assist the Board in fulfilling its oversight responsibility to shareholders with regard to the Company's sustainability practices. The Council's scope includes development, implementation and monitoring of the Company's Health, Safety, Environment and Security (HSE&S) policies and practices.

Responsibilities of the Council

- Define sustainability KPIs, measurement matrices, and establish sustainability targets.
- Review partnerships and relationships, both current and proposed, with stakeholders, i.e., customers, regulators, communities, shareholders and suppliers.
- Formulate and execute communication strategies relating to the Company's sustainable growth.
- Introduce new and innovative technologies that will further the goal of sustainability within the Company, and implement actions to protect such technologies.

In accordance with requirements of the ICI Pakistan Limited HSE&S Management System, all Businesses and functional

locations are required to monitor and report parameters that directly affect the Company's Operational Eco-Efficiency (OEE) footprint. Besides this, all Businesses are also required to report their health and safety performance. The reporting is governed through a state-of-the-art application called the Environmental Performance Management (EPM) database.

The Corporate Health, Safety, Environment and Security (HSE&S) department functions as an independent authority within the organisation and is the custodian of the EPM database. The Corporate HSE team analyses data to extract trends for each sustainability KPI and benchmarks performance against the baseline. These trends are then presented to the Sustainability Council for review. After discussion, the Council agrees on a suitable mechanism for control of the KPIs based on global sustainability guidelines. The Council also briefs the Company's Executive Management Team (EMT) regarding the OEE footprint, potential technological requirements and the financial impact that these may have on the Company and its communities.

This reporting cycle culminates with realistic targets and plans being set for individual KPIs, covering the current year as well as the next five years. Quarterly meetings are held to ensure that all KPIs remain on track to achieve the set targets.

Adopting the Sustainable Development Goals

ICI Pakistan Limited's brand promise of Cultivating Growth is at the heart of all that it does and aligns well with the SDGs for a brighter and more exciting future.

While the Company supports all seventeen SDGs, it is prioritising its actions where it can create the most impact.



Demonstrating Leadership in Sustainability

Pakistan Leadership Conversation on SDGs

17 PARTNERSHIPS FOR THE GOALS



In line with its core values of Integrity & Responsibility, as well as Delivering Enduring Value, ICI Pakistan Limited began the practice of voluntary sustainability reporting in 2008. The Company regularly engages with the government, civil society and other businesses to promote the adoption of UN SDGs and sustainability principles in all aspects of operations.

In December 2018, ICI Pakistan Limited participated in a panel discussion on the “Use of Sustainability Reporting data for Voluntary National Review (VNR)” at the Pakistan Leadership Conversation (PLC). The event was organised by a leading company in collaboration with the Planning Commission Government of Pakistan, United Nations

Development Programme, Pakistan Stock Exchange and Corporate Social Responsibility Centre Pakistan. It provided the panelists and participants an opportunity to discuss the alignment of business strategies with the UN SDGs and the significance of reporting on the implementation of UN SDGs.

In October 2018, the Corporate HSE&S team of ICI Pakistan Limited had also attended a national consultation on Pakistan’s voluntary national review (VNR) preparation for the UN SDGs, held at the Pakistan Secretariat, Islamabad. The conference was aimed at identifying opportunities to collaborate with the private sector to complement efforts of the government to achieve SDG targets and implement the 2030 agenda in Pakistan. The event was part of Planning Division’s drive to work towards strengthening policies to mobilise multi-stakeholder support and partnerships for the implementation of UN SDGs across the country.



General Counsel, Company Secretary and Head of CCPA, Nausheen Ahmad, at the national consultation on Pakistan’s voluntary national review preparation for the UN SDGs



The HSE&S teams of Corporate and the Polyester Business represented ICI Pakistan Limited at the “World Day for Safety and Health at Work”

Celebrating the “World Day for Safety and Health at Work”

On April 25, 2019, the Centre for Improvement of Working Conditions & Environment (SAA CIWCE) and Labour & Human Resource Department Government of Punjab, in collaboration with GIZ (Germany), organised a “World Day for Safety and Health at Work” event in Lahore.

ICI Pakistan Limited was represented by the HSE&S teams of Corporate and the Polyester Business, along with more than 350 other participants from the industry, regulatory authorities and institutions. The event provided the Company an opportunity to share its insights about embedding health and safety-related processes in the organisational culture, and the challenges and solutions that need to be considered for its effective implementation.

ICI Pakistan Limited nominated as SDG leader for SDG-12



Under the “SDG Leadership Programme” of Centre of Excellence in Responsible Business (CERB - Pakistan Business Council), ICI Pakistan Limited has been nominated as an SDG Leader for SDG 12: Responsible Production and Consumption. The SDG

Leadership Programme aims to invest in building business networks and a learning environment to encourage businesses to adopt sustainable business practices.

As an SDG Leader, ICI Pakistan Limited will be collaborating with the CERB over a two-year period to share its experience of implementing sustainability principles, raise awareness about SDGs and encourage decision-makers to better understand the business case for adopting responsible business practices.

About the Report

This is the eleventh annual Sustainability Report of ICI Pakistan Limited and has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option.

This report also contains a reference to the UN SDGs. ICI Pakistan Limited began the practice of voluntary sustainability reporting in 2008, and this continues to be an important part of the Company's commitment to sustainable practices and transparency.

Report Boundary

The report covers the four core Businesses and corporate functions of ICI Pakistan Limited, including manufacturing sites, corporate offices and regional/Business offices. The data in this report does not cover subsidiaries or associated companies of ICI Pakistan Limited.

Employee data includes management and non-management staff. Community investment is handled by the ICI Pakistan Foundation, which is a separate legal entity registered as a Trust. All monetary amounts in this report are given in Pakistani rupees, unless otherwise indicated.

Reporting Period

The reporting period corresponds with the Company's financial year 2018-19 (from July 1, 2018 to June 30, 2019). The cycle of reporting is annual.

Report Content

This report provides information on topics that have been assessed to be material to the Company, based on significance of impact on the economy, environment and society, and are significant for stakeholder interests and decision-making. The content of this report has been developed keeping in consideration the GRI 101 Foundation (2016) Reporting Principles, which include principles that govern both the content and quality.

Developed in accordance with the Company's Sustainability strategy (outlined in this document), this report also presents Key Performance Indicators (KPIs) relating to the material topics that have been set internally by the Company's sustainability reporting governing body, the Sustainability Council. The KPIs shared in this report were set during 2016-17 and presented for the first time in that year's report, alongside presenting achievements on the previous five years' targets.

The five-year target will serve to guide the Company in its sustainability efforts going forward. However, given the Company's growth and expansion, as well as the changing economic and political landscape, these targets may be subject to review and revision going forward. There has been no change in material topics and topic boundary from the previous year.

Data Collection

The data to compile this report has been obtained from our financial management reporting systems, the Corporate HR Information Management System, and the Company's Environmental Performance Management (EPM) database,

which is a tool for the collection and reporting of Health, Safety, Environment & Security (HSE&S) parameters.

ICI Pakistan Limited's reporting cycle takes place on a quarterly basis and related information is gathered and input by the respective Businesses and functions for review by the Corporate Health, Safety, Environment and Security (HSE&S) department. The Corporate HSE Manager is responsible for the overall data of ICI Pakistan Limited. The data pertaining to integrity management, employment practices, sourcing and community investment is compiled and monitored by the Sustainability Council members responsible for each area. Where limitations in collecting data exist, appropriate explanations have been added to the report..

Assurance

Independent review of this report was conducted by CSRCP Pakistan, in accordance with GRI Standards requirements and principles of inclusivity, materiality and responsiveness. A statement from the independent external reviewer is included at the end of this sustainability report, and outlines the scope of the assurance, activities carried out and opinion.

Contact Us

To share any feedback or comments related to the Sustainability Report, please email at: sustainability.council@ici.com.pk

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A soft copy of this report and additional information on the Company, including the business units and products, is available on the website at www.ici.com.pk

Materiality Assessment

ICI Pakistan Limited focusses its sustainability efforts on those areas which are deemed to be of the greatest value to the Company's continued growth, performance and success, and could potentially have a significant impact on the economy, environment, communities and other vital stakeholder groups. This section shares information on these critical or material topics and aims to explain how they have been chosen and why they are critical to the Company's operations.

Material topics for sustainability performance have been identified based on several factors, including alignment

with the Company's strategy, objectives, vision, values and brand promise (Cultivating Growth); the past practice of the Company; and internal analysis, debate and discussion on issues raised by the multi-functional Sustainability Council. Material topics are also chosen based on stakeholders' concerns and feedback, general relevance and likely impact in the broader social, economic and environmental context, such as the markets in which the Company operates, energy availability, environmental issues and climate change.

List of Material Topics and their Boundaries

Area	Material Topic	Boundary
Economic	Economic Performance	ICI Pakistan Limited
	Indirect Economic Impacts	Local community
	Market Presence	ICI Pakistan Limited
Environmental	Energy	ICI Pakistan Limited, Customers
	Water	ICI Pakistan Limited, Local community, Customers
	Emissions	ICI Pakistan Limited, Suppliers, Local community
	Effluents & Waste	ICI Pakistan Limited, Suppliers, Local community
Social	Employment and labour relations	ICI Pakistan Limited
	Training and Education	ICI Pakistan Limited
	Occupational Health and Safety	ICI Pakistan Limited
	Diversity and Equal opportunity	ICI Pakistan Limited
	Non-Discrimination	ICI Pakistan Limited
	Local Communities	ICI Pakistan Limited, Local community

Relevance of Material Topics to ICI Pakistan Limited

ECONOMIC

Economic Performance: Deemed to be material as disclosures under this topic relate directly to the Company's value creation agenda as embodied by its vision, values, and brand promise of Cultivating Growth. ICI Pakistan Limited is committed to providing enduring growth and value for the stakeholders, and this growth and value can be quantified and assessed accurately through the complete, audited financial statements of the Company, which are attached with this report. In addition, economic performance carries implications for all other material topics reported upon.

Indirect Economic Impacts: Disclosures under this topic illustrate the Company's economic impacts on a wider socio-economic front than if it were simply to take the customers and suppliers into consideration. ICI Pakistan Limited's intent to support growth and development is not limited to the Company. Additionally, the Company considers itself as a responsible corporate citizen and, therefore, it is important to monitor and measure its ongoing indirect economic impact in the wider context.

Market Presence: The Company's presence in the market has a significant impact in terms of the provided employment opportunities, numbers and level of professionals employed, regional employment prospects, and compensation and benefits provided. Information in this regard is, therefore, highly relevant to the Company's operations and its value creation agenda.

ENVIRONMENTAL

Energy: Due to energy shortages in the country, this topic is deemed material as energy costs directly impact the cost of doing business and manufacturing products. More efficient energy usage is, therefore, not only vital in terms of the environment, but also because it can provide the Company a competitive edge in terms of the cost factor.

Water: This is deemed a material topic based on not only the water usage requirements of the Company's operations, but also the current state of water availability in the country. According to a recent report by the International Monetary Fund (IMF), Pakistan ranks third in the world among countries facing acute water shortage. The United Nations Development Programme (UNDP) and the Pakistan Council of Research in Water Resources (PCRWR) have also warned that the country will reach absolute water scarcity by 2025.

Emissions: Emissions control relates directly to climate change and the impact of gaseous emissions on the ozone layer. As a manufacturing concern, this is of vital importance. Disclosures in this regard also provide an overview of the Company's compliance to national and governmental regulations, such as National Environmental Quality Standards (NEQS).

Effluents and waste: As a manufacturing concern, this is an important topic as it has an impact not only on the Company's operations, but also on local communities where waste is

generated and disposed of. The management and minimisation of waste materials is also important with respect to biodiversity of the relevant areas.

SOCIAL

Employment and labour relations: The employment topic is critical to ICI Pakistan Limited and is driven by its core value of Passion for People. ICI Pakistan Limited aspires to be an employer of choice and recognises that development of employees in terms of training and education, growth opportunities, compensation and benefits are of utmost importance. The Company maintains a strong focus on providing skills and value to employees, while its policies and employment practices ensure an environment that encourages diversity, engagement, personal growth and professional development. To attract, retain and bring out the best in its people, ICI Pakistan Limited invests in leadership and development training and offers rewarding careers where employees are able to continuously learn and grow.

Training and Education: Closely linked to the material topic of employment, training and education remains an ongoing focus for ICI Pakistan Limited, in pursuit of the Company's ambition to be an employer of choice, recruiting and retaining the brightest talent. Training, education and development of its people is, therefore, a topic of critical importance to the Company. It is an area where ICI Pakistan Limited works on a continual, ongoing basis, with formal training, development and growth opportunities, effective, timely, performance appraisal and feedback systems, and by creating an open culture that encourages feedback and discussion.

Occupational Health and Safety: This topic carries tremendous significance in relation to ICI Pakistan Limited as health and safety are a primary concern and an overarching responsibility of the Company under its values (Passion for People; Integrity and Responsibility) and the HSE&S policy. The topic affects not only direct employees of the Company, but also contractors, suppliers and members of the communities.

Diversity and Equal Opportunity: As an equal opportunity provider, ICI Pakistan Limited takes great pride in its commitment to fostering diversity and inclusion, and valuing the contributions of its diverse workforce. The Company's commitment to diversity and inclusion is driven by its core values (Passion for People; Integrity and Responsibility), the brand promise of Cultivating Growth and Code of Conduct.

Non-discrimination: ICI Pakistan Limited is committed to ensuring fair, free of bias and equal treatment of employees. This belief is driven by its core values (Passion for People; Integrity and Responsibility), the brand promise of Cultivating Growth and Code of Conduct.

Local communities: Disclosures on this topic, which take into account initiatives for the development of communities, are important because they provide an overview and impact of these initiatives. As a result, various stakeholders can assess the value added by such initiatives.

Stakeholder Engagement

ICI Pakistan Limited's approach to engaging with key stakeholders is underpinned by the Company's core values of Customer Centricity and Passion for People, in line with its vision to be the partner of choice and brand promise of Cultivating Growth.

Being a pioneer in responsible stewardship, the Company continuously engages with key stakeholders to build strong relationships, better understand the material issues that affect them and align its sustainability strategy with their needs to create shared value.

Major initiatives carried out during the year for stakeholder groups include:



Shareholders/Investors

AGMs and EoGMs were carried out as required to inform and obtain consent of the shareholders. The Board members and senior management of the Company were also available at these occasions to answer queries and address any concerns of the shareholders, investors and analysts. An Investor Relations Policy is also in place to govern the timely, accurate and comprehensive release of information for shareholders and investors.



Employees

To cascade the corporate strategy and share updates about key business initiatives, Chief Executive communication sessions are held bi-annually at ICI Pakistan Limited. Each Business Head also organises town hall and skip-level meetings to ensure strategic alignment across the Company and create a culture of engagement. For the second consecutive year, ICI Pakistan Limited has received the prestigious Gallup Great Workplace Award and this recognition was celebrated with all employees through engagement sessions. ICI Pakistan Limited's first-ever intrapreneurship programme, the Explore Challenge, also received an overwhelming response from the employees.



Customers

Customer-centricity is one of the Company's key values and all Businesses are committed to the success of their respective customers. The Businesses continued to focus on multiple customer engagement initiatives, including regular customer meetings, customer visits to the manufacturing facility, technical assistance and the Distributors/Customers Conference to further strengthen their strong business relationships.



Local community

In 2018-19, new projects were launched in addition to the ongoing, longstanding initiatives that benefit local communities, particularly in the areas of healthcare provision, education/ vocational training and women empowerment. Throughout the year, employees continued to take part in various activities organised under the Pehchan volunteer programme. Some of these activities included tree plantation in Sheikhpura and Khewra, blood donation and generation of funds for low-income schools.

The Company's core groups of stakeholders are identified by the Business and functional teams, based on the nature and scope of their operations. These are endorsed by the EMT and the Sustainability Council as significant groups to engage with, and engagement objectives and strategies are formulated and carried out accordingly.

Customer engagement is monitored at the level of each Business by surveys and feedback collected through various channels. Community engagement is maintained and monitored by the CSR teams in each Business, and through effective coordination with labour unions at the Plants and manufacturing sites. Employee engagement is driven across

the Company at a corporate level. The Chief Executive (CE) communication sessions are conducted Company-wide as a platform for employees to cascade the business strategy, performance and key updates. The Company's annual employee engagement survey, as well as performance appraisal and management systems, serve as vital channels for feedback and monitoring of progress against the set engagement targets. In each area of stakeholder engagement, concerns and suggestions are registered and actions outlined accordingly.



Government and other regulatory bodies

During the year, the Company worked with government and regulatory bodies to provide inputs, both directly and through relevant platforms and forums, on draft legislations and regulations, where required. Additionally, ICI Pakistan Limited makes it a practice to share information on industry-related matters which could potentially impact the business and economic landscape of the country.



Media

During the year, wherever possible, ICI Pakistan Limited entertained media requests to interview the Chief Executive with regard to the Company's operations, plans, future outlook and economic prospects. A clearly streamlined process is also in place to share timely and prompt updates on the Company website regarding any disclosure of material information, such as financial results, acquisitions, expansions, or new partnerships and product launches. The channels of communication open to the media and the general public include email, as well as social media platforms. The Company significantly leveraged its social media presence in 2018-19 to better inform the media and the general public about its operations and key initiatives.



Civil Society/NGOs

In response to ongoing socio-economic gaps, the ICI Pakistan Foundation continued to fund and partner with reputed NGOs and other non-profit organisations to support community development initiatives in the areas of health, education, environment and women empowerment.



Academic Institutions

ICI Pakistan Limited's employees also participated in multiple guest speaker sessions and recruitment drives in different universities across Pakistan. These events provided the employees an opportunity to share their professional experiences and mentor the students.

Key Stakeholder Groups

Stakeholder group	Engagement frequency	Mode of consultation	Topics identified by stakeholders	ICI Pakistan Limited's response
Shareholders/ Investors	Regular	Corporate Finance, Company Secretary, Corporate Communications and Public Affairs Department, analyst briefings, meetings	Ongoing economic viability, growth prospects, petrochemical market situation, new projects and expansions	Commitment to ongoing growth and value creation; continuing transparency of financial and other information; timely public disclosures; clarifications, if any required
Employees	Regular	CE Sessions, internal events, annual engagement survey, discussions, internal communications	Training and education; career development;	Career roadmap launched; increased transparency of HR processes; focus on capacity-building trainings
Customers	Regular	Technical Support Services, surveys, field visits, advisory services	Cost, quality and product availability	Customer capacity-building, expanding/increasing product offerings, efficiencies in supply chain, HSE-related support to customers for optimisation of systems, efficiencies and energy conservation.
Suppliers	Regular	Code of conduct compliance, surveys, visits	Favourable terms and conditions	The suppliers are given ample opportunity for discussion & negotiation. ICI Pakistan Limited strives to provide fair and market compatible rates
Local Community	Regular	Via manufacturing site employees, CSR teams	Manufacturing sites' impact; employment prospects; community development	Understanding and ensuring all legal and regulatory requirements are complied with.
Government and other regulatory bodies	Regular/Case Basis	Relevant Business or functional representatives, meetings with officials, submissions of data for review and compliance	Compliance with regulations and laws	Understanding and ensuring all legal and regulatory requirements are complied with. Engaging with the Government to address matters impacting the business.
Media	Occasional	Press Releases, one-on-one media engagement	Information on the operations of the Company, growth prospects and sustainability practices, economic contribution	Press and media releases on relevant subjects, Chief Executive's statements/ interviews, responsiveness to media queries
Academic Institutions	Occasional	Guest speaker sessions, recruitment drives, internship programme, participation in career fairs	Career development, opportunities and placements, leadership and workplace insights	The Company's employees participated in multiple guest speaker sessions that enable sharing of experiences and advice imparted by professionals to the student body. The Company also holds regular recruitment drives at various universities.
Civil Society/ NGOs	Regular	Meetings, one-on-one engagement	Funding for programmes; logistical and technical support.	ICI Pakistan Foundation-led and funded partnerships to support community development initiatives; volunteer programme and activities

Economic Performance: Management Approach

Management approaches for the following material topics are covered in this section: Economic Performance, Indirect Economic Impacts, Market Presence. Other disclosures for these topics are presented in the GRI Content Index, and/or in the Company's Financial Statements 2018-19.

ICI Pakistan Limited's performance is guided by its vision, values and the brand promise of Cultivating Growth, which underpins everything that the Company does. ICI Pakistan Limited recognises that its operations and activities have an economic impact, at both the local and national level, and is committed to sustainable growth and value creation for all stakeholders. Economic performance is, thereby, a key driver of the Company's aspirations, goals, strategy and

operations, and is proactively managed accordingly by all relevant stakeholders across the organisational hierarchy. The Company continues to demonstrate its commitment to fulfilling its promise of value creation and sustainable growth. The overall responsibility of governing the organisation, along with driving its economic performance, lies with the Board of Directors. (For details on how the Board functions, please turn to Page 62 of the Annual Report).

Integrity Management

Key performance indicators

Integrity management		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21 Target
Code of Conduct confirmed incidents	number	1	1	0	3	5	4	0
Code of Conduct acceptance	% employees	100	100	100	100	100	100	100
Management audits including reassurance audits	number	6	0	6	0	6	6	6
Serious Incidents - Level 3	number	0	0	0	1	1	0	0
Serious Incidents - Level 1, 2	number	0	0	0	4	2	2	0
Serious loss of containment - Cat D	number	0	0	0	0	0	0	0
Regulatory action - Level 3	number	0	0	0	0	0	0	0

Overview 2018-19

The Code of Conduct is a significant part of the employee induction at ICI Pakistan Limited. Upon joining the Company, all new hires are required to read, understand and sign a declaration of compliance to the Code of Conduct. The Company has developed an e-module for the Code of Conduct and Health Safety Environment and Security (HSE&S) training that is mandatory for all employees to go through and be well versed with.

The HSE&S Management Audit ensures company-wide implementation and compliance of the ICI Pakistan Limited HSE&S Management System. The decision to conduct this audit is based on the assessment of hazards and recommendations from the previous audit. With regards to HSE&S performance, two serious incidents (level 2) were reported during the year 2018-19. For details, please refer to the Occupational Health and Safety KPI overview section of the report.

Sourcing

Key performance indicators

Sourcing		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21 Target
Vendor Policy signed by key suppliers	%	88	94	87	91.3	98	99	96
Vendor Policy signed by Central NPR Suppliers*	%	38	63	40	80.8	83.3	82.6	-
Supportive Supplier Visits	number	99	92	-	30	48	131	146

* Major public sector utility suppliers not included in this analysis.



The Company's supply chain network aims to enhance the effectiveness of procurement practices and material handling processes. This is done by actively seeking out and applying best practices, and by capitalising on opportunities to create greater synergies between the Businesses.

ICI Pakistan Limited believes in the cradle to grave approach, ensuring its products are compliant with the Company's HSE&S Management System at all stages of the life cycle. With respect to supplier evaluation and selection, the Company has a stringent procedures in place to ensure that only high quality raw materials are purchased through local and international suppliers.

Through its core Businesses (Polyester, Soda Ash, Chemicals & Agri Sciences and Life Sciences), the Company deals in a vast portfolio of products, including light and dense soda ash, refined sodium bicarbonate, polyester staple fibre, a wide range of general and specialty chemicals, pharmaceuticals, nutraceuticals, animal health products and agricultural products. ICI Pakistan Limited's supply chain operations are, therefore, fairly complex and cover many suppliers across the country, as well as internationally.

Overview 2018-19

To achieve sustainable growth, ICI Pakistan Limited has a strong policy in place to build relationships with suppliers, whose working practices meet the Company's HSE&S Management System requirements. The Company aims to do business with partners who endorse its ethical values as well as the social and environmental standards.

ICI Pakistan Limited's target is 100% compliance to its vendor

policy and, in 2018-19, the Company was able to achieve the target, along with the integration of suppliers at the Hawkes Bay and Hattar Plants. In 2018-19, ICI Pakistan Limited further increased its engagement with key suppliers, in particular those of the Hawkes Bay and Hattar Plants, to ensure that they all are well-versed with the vendor policy. As the Company has continued to grow and expand, there has been a significant increase in the percentage of key suppliers who are compliant with the vendor policy. The percentage of supportive supplier visits have increased by 172%.

The HSE&S standards are formulated in accordance with the Company's Code of Conduct and legislative programme of on-site visits to critical suppliers to develop them as sustainable partners. Through formal feedback and follow-up visits, the Company works together with the suppliers to improve their overall sustainability performance. In addition, HSE audits of their workplace are regularly conducted and improvement plans are shared. Traditional dimensions such as price, cost, time, delivery, punctuality and product quality no longer define a sustainable business. ICI Pakistan Limited's vendor partnerships are linked to suppliers and vendors accepting a code of behaviour similar to that of the Company. Violating this Code of Conduct jeopardises future relationships and agreements. The Company's efforts for the future entail continuing to bring all direct suppliers, both product and non-product related, under the umbrella of its sustainability efforts.

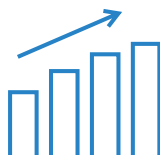
Following the commissioning of Masterbatches Plant this year, the number of Company's manufacturing facilities increased from three to four in Karachi. As a result, several new suppliers were added to the Company's supply chain, primarily for the procurement of raw materials and packaging. For other operations of the Company, there were no significant changes in the structure or location of supply chain partners.

100%



compliance achieved to the vendor policy

172%



increase in supportive supplier visits

7,000+



total number of suppliers

Environmental Performance Management Approach

Management approaches for the following material topics are covered in this section: Energy, Water, Emissions, Effluents and Waste. Other disclosures for these topics are presented in the GRI Content Index or referenced therein if occurring elsewhere in the Annual and Sustainability Report.



ICI Pakistan Limited recognises that its operations have a significant impact on the environment. Monitoring and evaluation of

environmental performance comes under the domain of the Health, Safety, Environment and Security (HSE&S) department. The Company's enduring commitment to the highest standards of health and safety for its employees, customers and contractors, as well as protection of the environment, leads it to abide by a set of HSE&S beliefs and principles. In line with these principles, the Company strives to constantly innovate and improve its HSE&S performance, which is the collective responsibility of every individual, from the Board of Directors, Executive Management Team to each employee. Accordingly, the Company strives to apply the most stringent HSE&S standards at the workplace.

ICI Pakistan Limited has in place an integrated Health, Safety, Environment and Security (HSE&S) policy, that governs all HSE&S-related matters, providing clear provisions for environmental performance management. The Corporate HSE department is responsible for overseeing HSE&S as a whole for the Company. Along with this, each Business has its own HSE&S department, which handles more Business-specific, localised environmental and other HSE&S-related matters. HSE&S is at the core of the Company's operations, and every employee, including contractual staff, is responsible for complying with HSE&S policies and procedures and is held accountable accordingly.

The Company's HSE&S Management System serves as a guideline for all ICI Pakistan Limited operations, including existing projects and operations as well as new investments, and its scope extends to cover all Businesses and locations of the Company.



To beautify dried lime beds, the Soda Ash Business initiated Project Green, a tree plantation drive, in 1992

The HSE&S Management System is in compliance with internationally recognised systems such as ISO 14001:2004 Environmental Management Systems Standard; OHSAS 18001:2007, Occupational Health and Safety Management Systems; and the Responsible Care Management System. Strict compliance with HSE&S standards is a requirement at both the corporate and individual levels. The calculation of KPIs shared in the report is based on the HSE&S Management System and the reported KPIs cover all Businesses of ICI Pakistan Limited. The HSE&S policies are approved by the Board of Directors, the ultimate governing body of the Company. The currently applicable HSE&S policy was issued in December 2013 and was reviewed by the Sustainability Council in 2016-17.

The management of vital environmental performance parameters is carried out not only in line with regulatory compliance requirements such as NEQS, but also based on best global practices and the Company's belief in sustainable development and growth, consistent with its vision and brand promise. The environmental performance is monitored and reported regularly (internally on a quarterly basis, while externally on an annual basis), through use of the state-of-the-art Environmental Performance Management (EPM) Database, an application for the collation and analysis of the Company's HSE&S data, and the reduction of the Company's operational eco-efficiency (OEE) footprint. The data collected via the EPM Database is studied against relevant sustainability parameters and utilised in various ways, including the analysis of each Business's sustainability performance and to set the goals and targets for future sustainability performance.

The Company's multi-functional Sustainability Council is tasked with reviewing annual performance and setting voluntary targets for future performance. Targets are set for five years, with the current target for the financial year 2020-21 based on the actual performance achieved in 2015-16 and approved by Sustainability Council members. However, with upcoming

expansions, acquisitions and other new projects, these targets may require subsequent review and revision.

For the grievance and reporting mechanisms, ICI Pakistan Limited has a guideline titled "Information Notes for Managers: HSE 003 Arrangements for Reporting Health Safety Environment and Safety performance to Corporate HSE." This is a reporting guideline for any HSE-related issue, such as injury and illness reporting, motor vehicle and distribution incidents, occupational health performance reporting, environmental reporting, product stewardship reporting and community involvement reporting. It outlines the procedure for reporting HSE&S violations and is available for all internal stakeholders. The ownership of this mechanism lies with the Corporate HSE Department and is intended for use by the HSE departments of individual Businesses. The reporting guidelines are revised regularly with the most recent revision in March 2018.

The Corporate Engineering Procedures (CEPs) based on the international standards are guidelines for all hazardous activities. The responsible Engineers for each of the procedures ensure compliance to these guidelines for monitoring related to energy, emissions, water and waste. Based on technological changes globally, the responsible Engineers review their area procedures and implement the changes. The Corporate HSE department, which is the custodian of these CEPs, organises trainings for the Responsible Executives and Engineers after every two years to enhance their knowledge and competency.

The Company remains focussed on assessing the effectiveness of existing regulatory HSE&S frameworks and approaches on an ongoing basis. This helps it to ensure that the systems are sufficiently robust to safeguard both the people and the environment.

350 tonnes



of emissions eliminated due to green supply chain strategy of Soda Ash Business

90%



water consumption reduced at points where altered nozzle faucets have been installed

Product Stewardship

Terylene Clean

The Polyester Business has introduced a number of speciality products based on a four-tier strategy; health and hygiene, sustainability, versatility and traceability. As a socially responsible company that consciously measures the environmental impact of its products and actions across all steps of the value chain, the Polyester Business is

manufacturing Terylene Clean, a GRS-certified Polyester Staple Fibre. This variety is made from recycled PET bottles, thereby, helping to make a positive impact on the environment. The resulting product manifests efficient performance, durability and affordability. ICI Pakistan also offers GRS Optical Bright. With Terylene Clean, the customers can be certain that they are playing their role in cleaning up the planet.



Bulkers Project

To improve its customer service and adopt a green supply chain strategy, the Soda Ash Business has successfully rolled out the Bulkers Project to supply the product to customers in bulk quantities. It has become the first soda ash supplier in South Asia to transport soda ash in bulk and this green supply chain strategy is the first for any soda ash producing

company in Pakistan as well. With the implementation of Bulkers Project, customers will no longer need to engage additional manual labour to unload heavy soda ash bags into open conveyors, which will reduce their product wastage as well. At the same time, an estimated 350 tonnes of CO2 emissions will be eliminated from the atmosphere annually.



Energy

Key performance indicators

Energy Usage		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21 Target
Total energy consumption	1000Tj	4.9	5.7	6.5	8.2	6.75	7.6	7.4
Per tonne production	GJ/te	11.84	13.03	13.86	17.09	12.88	13.66	15.38

Overview 2018-19

ICI Pakistan Limited is focussed on reducing its energy consumption by electronically monitoring it through the EPM database. Any deviation in consumption is immediately noted and conveyed to the relevant Business. Keeping in view the energy crisis in the country, the Sustainability Council proposes projects that reduce energy consumption and this can be seen in the Company's replacement of higher rating motors on the batch lines.

The energy consumption was higher in 2018-19 mainly due to expansion projects at the Soda Ash Plant. Gas curtailment during winter season further impacted the energy consumption as HFO and diesel were the two fuels used during the season. Due to high consumption at the Soda Ash Plant, 26% more energy per unit fuel was recorded with the use of HFO. Further, the two projects (i.e. evaluation of imported coal with low sulphur content and the DCS migration project) caused a drop in production. Tripping of the steam turbine for a longer duration also contributed to an increase in energy usage.

At the Polyester site, the Business had to produce diversified products on its old lines, which consumed high energy per tonne of fibre. In addition, the shutdown planned in late second quarter resulted in lower production during the fiscal year.

The Chemicals Business also successfully commissioned the Masterbatches manufacturing facility, resulting in higher energy consumption. The addition of the Chemicals Technical Centre building in Karachi also enhanced the power consumption.

However, energy saving initiatives were continued by each Business. The process optimisation at Wyeth and Cirin helped in substantial reduction of energy consumption. This included replacement of equipment of higher rating with a lower rating and replacement of conventional tube lights with LED lights.

At the Polyester Plant, motors were converted from DC to AC and old mercury vapour lamps were replaced with LEDs lights, which helped reduce the energy consumption. Similarly, the Soda Ash Business, in addition to its other initiatives, focussed on reduction in steam usage by optimising its processes and replacing cooling water with low temperature recycled condensate in various heat exchangers. An insulation survey of all the high temperature process lines was conducted and immediate actions were taken to replace weak insulations.

Conversion From DC to AC System

As part of the Sustainability Framework followed by ICI Pakistan Limited, energy efficiency is a top priority for all day-to-day operations of the Company. The Drawline 1, which was recently recommissioned at the Polyester Plant, was

converted from DC to AC drives for greater efficiency. Further, the AC motors require lower maintenance and offer more reliable operations due to simplified construction design.

15%



lower energy consumption due to
DC and AC conversion

Energy Conservation

In line with the Company's Sustainability Guiding Principle, and core values of Innovation, Customer Centricity and Delivering Enduring Value, ICI Pakistan Limited actively seeks out and prioritises initiatives that will optimise processes and procedures for greater sustainability.

As Soda Ash Business accounts for almost 55% of the variable cost of manufacturing, the Soda Ash Energy Conservation Team continued its efforts to ensure that the most optimum operating scenarios are run at all times.

In order to achieve this milestone, the following improvement projects were under focus:

1. PCD water heat recovery project:

The PCD water contains high heat content and is used as

process water after cooling through a heat exchanger, using cooling water (CW) as a cooling medium. Under this project, the PCD water will be cooled through boiler feed water (BFW) instead of CW, which will help conserve energy and lead to estimated cost savings of PKR 35 million.

2. Moisture separator installation at suction of screw compressor 7&8:

The system will be modified to add 1 tonne per day (TPD) soda ash, which will help save energy.

3. Steam leakages and insulation surveys:

Continuous efforts have been made throughout the year to reduce steam leakages and ensure proper insulation to avoid energy losses from the system.

Water

Key performance indicators

Water Usage		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21 Target
Total fresh water use	million m3	3.49	3.73	4.22	4.83	5.4	5.5	4.35
Per tonne production	kg/te	8.44	8.47	8.91	10.01	10.48	9.78	8.9
% of sites with sustainable fresh water	%	33	33	33	33	25	17*	100

*Newly acquired Cirin and Hawkes Bay Plants

Overview 2018-19

The water consumption was lower as compared to the previous year despite the expansion project at the Soda Ash Business. A Company-wide water conservation awareness campaign was launched and the employees were encouraged to share initiatives to conserve water.

Following this, multiple projects were initiated at various sites which resulted in substantial conservation of water. A breakdown of these initiatives at each of the Company's sites is as below:

At the Polyester site, a focus was maintained on using water treated at the effluent treatment plant for horticultural purposes. More sprinklers were installed for horticultural usage on the site and an additional 6% of effluent wastewater was recycled for horticultural purposes. Further, ordinary taps were replaced with special faucet nozzles in the employees' restrooms, which also reduced water consumption.

At the Soda Ash Business, major expansion projects resulted in higher consumption of per tonne water, however, the Business compensated this to a certain

extent through the installation of faucet nozzles. The Soda Ash site is in a highly saline area that results in the rusting of piping joints, leading to leakages. To ensure that all leakages are attended to promptly, a robust leakage prevention system was implemented. A higher quality construction material of water-cooled heat exchangers was used to reduce leakages. The process was optimised to reduce water consumption and, in addition, wastewater through the reverse osmosis (RO) plant was reduced.

After the acquisition of Wyeth and Cirin Pharmaceuticals, modifications were carried out to optimise the effluent treatment plant to lower the water parameter results below regulatory limits. By using water for horticultural purposes, an estimated 12 million litres of water per annum were conserved. This is equivalent to meeting the drinking water needs of more than 16,600 people.

Furthermore, in view of the projected water scarcity in the country by 2025 and in alignment with the UNSDG 6 (relating to availability of clean water and sanitation), the Sustainability Council reviewed water consumption targets for each Business and is taking measures to further improve on the 2020-2021 targets by 10%.

12 million litres



of water saved per year by using treated water for horticultural purposes

16,600+



people's drinking water needs served for the whole year through water conservation

Emissions

Key performance indicators

Emissions Control		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21 Target
Total COD emissions	metric te	16.43	18.05	15.99	20.04	26.90	29.72	16
Per ton production	kg/te	0.04	0.04	0.03	0.04	0.05	0.05	0.03
Total VOC emissions	te	3.23	3.45	3.56	3.52	3.31	3.22	3.20
Per ton production	kg/te	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total NOx emissions	te	798.34	1209.18	1611.00	2387.27	2017	2527.40	2150
Per ton production	kg/te	1.93	2.75	3.40	4.95	3.84	4.49	4.40
Total SOx emissions	te	4338.97	3091.74	3562.32	4251.98	3438	3454.29	3827
Per tonne production	kg/te	10.50	7.02	7.53	8.82	6.55	6.14	7.91
Total Direct CO2 emissions (Scope 1)	metric te	430,000	520,000	620,000	890,000	650,000	800,000	800,000
Per ton production	kg/te	1038.11	1196.13	1318.70	1854.07	1247	1424.41	1670
Total indirect CO2 emissions (Scope 2)	te	2413.32	2384.20	1501.56	1275.63	1864	1938.22	1123
Per ton production	kg/te	5.84	5.42	3.17	2.64	3.55	3.44	2.40

Overview 2018-19

In 2018-19, one of the top priority deliverables of the Sustainability Council was to monitor and control emissions-related KPIs to ensure that they remained within the National Environmental Quality Standards (NEQS) and global requirements. ICI Pakistan Limited's focus on improvement in operational eco-efficiency KPIs has resulted in controlled emissions despite an increased use of coal, furnace oil and diesel due to gas curtailment to the sites. To control these emission levels within the NEQS limits, the Company is now using low sulphur content coal. Process conditions/combustion ratios were also optimised to reduce Sulphur Oxide (SOx) and Nitrogen Oxide (NOx) emissions from business operations.

The Company is continuously working on steam optimisation through various initiatives, which has resulted in reduced direct carbon emissions. At two of ICI Pakistan Limited's major manufacturing sites, high demand steam is one of the contributing factors towards carbon emissions. To mitigate this, the manufacturing sites have taken the initiative of monitoring insulation surface temperature and wherever it was higher than the standard temperature, the weak insulation was replaced. Furthermore, auditing of steam circuits and replacement of defective traps helped in reducing carbon emissions. The process optimisation at Soda Ash Business has contributed towards reduced direct carbon emissions, however, this year's direct carbon emissions increased due to higher production.

Lighting Modernisation

Technologies developed over the past 10 years have cut down lighting costs by 30% to 60%, while enhancing lighting quality and reducing environmental impact at the same time.

Recently, the Polyester Business replaced 70 conventional Mercury Vapour Lamps with Light Emitting Diodes (LEDs).

The luminous efficacy (lumens/Watt) of these LED lights is 116% better than the conventional mercury bulbs. While mercury bulbs consume 250 Watts, LED lights yield superior quality lighting in just 100 Watts. The LEDs also offer other advantages of lower maintenance costs, longer life, high durability and reduced carbon footprint.

76,500 KWh



saving of electricity annually with the introduction of LED lights

17 tonnes



reduction in carbon emissions

Effluents and Waste

Key performance indicators

Waste Management		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21 Target
Total waste	kte	12.88	22.2	28.94	8.86	40.83	34.19	8
Per ton production	kg/te	31.18	50.44	61.13	18.38	77.88	60.74	16.4
Total hazardous waste	kte	0.0076	0.24	0.006	0	0.20	0.028	0
Per ton production	kg/te	0.001	0.001	0.013	0	0.38	0.05	0
Total non-reusable waste	kte	0.0076	0.24	4.03	4.11	0.20	0.028	3.8
Per ton production	kg/te	0.001	0.001	8.76	8.53	0.38	0.05	8
Total non-reusable hazardous waste	kte	0.008	0.24	0.006	0	0.20	0.028	0
Per ton production	kg/te	0	0.001	0.013	0	0.38	0.05	0
Total hazardous waste to landfill	kte	0	0	0	0	0	0.00	0
Per ton production	kg/te	0	0	0	0	0	0.00	0

Overview 2018-19

Waste management and its control has been one of the biggest challenges for each Business. In order to control waste and the environmental impact due to the consumption of various fuels, dedicated teams have been nominated at all sites. Through various initiatives launched in 2018-19, the Company recorded a 22% reduction in waste as compared to the last year.

ICI Pakistan Limited's two major manufacturing sites of Polyester and Soda Ash Businesses use large amounts of coal as fuel for steam and power generation, with the process resulting in waste (fly ash and slag) as a by-product. At the Polyester Plant, higher waste was generated this year due to a planned shutdown, however, initiatives taken to reuse the waste helped to reduce the overall waste.

In 2018-19, the Soda Ash Business optimised the utilisation of waste at its site by reusing the generated coal waste as fuel for two of its other coal-fired boilers. This allowed the Business to extract the maximum possible energy from the existing waste, thus, reducing fresh coal consumption. The Business opted to use better quality coal and utilised a mix of low and high ash coal, which resulted in significant waste reduction.

The expansion projects at Soda Ash and Chemicals Businesses also generated waste. However, due to effective implementation of a waste management plan, both Businesses were able to manage their waste quantities.

22%



reduction in waste recorded
as compared to the last year

Resource Conservation

Reuse Paper Notepad Project

The Life Sciences Business launched the Reuse Paper Notepad Project. Under the project, 40,000 (0.2 tonnes) sheets of A4 paper were reused, which led to a saving of 10,000 litres of water, 130 kilograms of waste and 3GJ of energy.

130 kg



waste reduction

10,000 litres



of water saved

3 GJ



equivalent energy conserved

Social Performance Management Approach

Management approaches for the following material topics are covered in this section: Occupational Health & Safety, Training & Education, Diversity & Equal Opportunity, Non-discrimination and Local Communities. Other disclosures for these topics are presented in the GRI Content Index or referenced therein if occurring elsewhere in the Annual and Sustainability Report.



As an employer of over 1,400 people across Pakistan, ICI Pakistan Limited has a significant impact on livelihoods, opportunities and growth prospects for the people who work for the Company. As such, it is important to the Company to monitor and share information on these aspects. Social performance at the Company is the joint responsibility of three stakeholders, each responsible for their own specified area; HSE&S, Corporate Social Responsibility (CSR) and Human Resources.



As a corporate entity that operates within the context of a wider community, ICI Pakistan Limited is aware of its effects on, and responsibilities to, the communities that are situated nearby or are otherwise affected by the Company's operations. These include people from local communities that are geographically close to the Company's major manufacturing sites, for example. As a responsible and ethical company driven by values such as Passion for People and Integrity and Responsibility, ICI Pakistan Limited places high value on the health and well-being of its employees as well.



Trainings are regularly held across the Company's sites to promote safety and health among employees

Community investments and CSR programmes at the Company are managed primarily by the Corporate Communications and Public Affairs department, under the guidance and approval of the Board of Trustees of the ICI Pakistan Foundation. Additionally, the multifunctional CSR teams of each Business or location also carry out and manage CSR projects.

The ICI Pakistan Foundation is a Trust registered under the Trusts Act 1882. All CSR initiatives undertaken by the Company, as well as all related major investments, are approved by the Board of Trustees, and monitored regularly. The CSR initiatives are planned out on an annual basis, with some projects having a limited duration, while others being long-term, ongoing projects. The Board of Trustees is empowered to approve commitments to support social investment initiatives; this approval is granted based on the criticality of need and a thorough assessment of each proposal, in accordance with the Board-approved CSR Policy. The Board of Trustees is also empowered to manage, utilise and invest the assets of the Foundation. The Company makes an annual contribution of a percentage of its profit after tax for the year to the Foundation, with the approval of the Board of Directors of ICI Pakistan Limited.

Guided by the Company's CSR Policy, which was approved by the Board of Directors in January 2017, the Foundation's initiatives (under the umbrella of the Hamqadam Programme) focus primarily on the following broad areas: education, health, community and environment. Through the Foundation, ICI Pakistan Limited also supports civic development by investing in community projects, disaster relief and rehabilitation activities as needed.

For the Human Resources department, practices and policies are governed by the Company's Code of Conduct, as well as other policies and regulations including the Factories Act 1932, which covers labour laws at manufacturing sites. Depending on the nature of the HR initiative, approval is given by either the Board of Directors or the Executive Management Team of the Company.

Goals and targets for material topics are identified by the Company's HR department through annual discussions by the HR fraternity in which challenges, requirements, etc, are reviewed and medium and long-term organisational objectives are identified. These goals then trickle down to become part of the performance and development (P&DD) system. Training needs, education, and growth are also assessed through the Company's annual performance appraisal tool, P&DD.

Overall, voluntary targets for each of these areas of operation are set by the heads of the respective departments, in consultation and agreement with the Chief Executive, Executive Management Team or Board of Directors, as and where applicable. In addition to these stakeholders, specific governing bodies / management teams (such as the Sustainability Council for HSE&S matters, or the Trustees of ICI Pakistan Foundation for community and CSR matters) are also responsible for approving and setting targets in collaboration with other key stakeholders.

Clear grievance mechanisms exist in the Company to support ethical and fair social performance. The whistleblowing programme, Speak Up, is open to all employees and is a provision made for the confidential reporting of Code of Conduct violations. Detailed information on the Code of Conduct can be found in the Corporate Governance and Compliance section of the Annual Report (page 52). Other complaints or issues can be raised and discussed directly with line managers.

Effectiveness of the Company's social performance is gauged in various ways. In the area of HSE&S, effectiveness is determined through the Learning Event database, management audits and the EPM database. For Human Resources, effectiveness is gauged through the Company's performance appraisal system and annual employee engagement surveys. For corporate social responsibility, effectiveness is gauged on the successful disbursement of the annual approved budget for the ICI Pakistan Foundation, as well as the KPIs of individual ongoing CSR initiatives.

Occupational Health and Safety

Key performance indicators

Health, Safety and Security		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21
Total reportable injury rate employees/supervised contractors	\million hours	0.33	0.16	0	0.44	0.10	0.10	0
Occupational illness rate employees	\million hours	0	0	0	0	0	0	0
Total illness absence rate employees	%	1.51	1.23	1.17	1.43	1.51	1.28	1.15
Fatalities: employees, supervised and independent contractors	number	0	0	0	1	1	0	0
Total reportable injury rate independent contractors	\million hours	0.56	0	0	0.33	0.45	0.28	0
Lost time injury independent contractors	number	2	0	0	0	2	1	0
% sites with BBS programme	%	100	100	100	100	100	100	100
Distribution incidents	number	0	0	0	1	2	1	0
Motor vehicle incident with injury	number	0	1	0	2	0	0	0

Overview 2018-19

The HSE&S Management system governs HSE&S performance within the Company, and complies with internationally recognised systems, such as ISO 14001:2004 Environmental Management Systems Standard; OHSAS 18001:2007, Occupational Health and Safety Management Systems; and Responsible Care Management System.

It serves as a guideline for all operations and investments as well as existing projects and operations, and covers all Businesses and locations of the Company. Strict compliance with HSE&S standards is required at the Company-wide and individual level. The calculation of KPIs given in the report is based on the HSE&S Management System.

A separate Occupational Health Manual has been developed for the benefit of employees and must be adhered to from the time an employee joins the Company. In 2018-19, the Company reviewed its Occupational Health Manual based on global best

practices. Therefore, going forward, further improvements are expected in workplace safety and occupational health of employees. The training of employees on vital HSE&S topics remained a key strategic item on the agenda this year as well.

The Health Assessment (HAPI) and Work Environment (HYPI) are two unique programmes at ICI Pakistan Limited that continued this year. These programmes relate to the health assessment and monitoring of employees' exposure to hazards. As these programmes were practiced robustly, there were zero reportable cases of occupational diseases. The annual and bi-annual monitoring of employee's health through audiometry and spirometry tests continued this year. No occupational illness was reported in 2018-19.

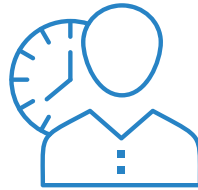
The HSE&S performance of each Business with regards to million-man hours without lost time injury in 2018-19 was as follows: Soda Ash, 19.2; Polyester, 2.76; Chemicals & Agri Sciences, 2.1; and Life Sciences Businesses, 0.47.

Learning Event App:

Significant HSE&S-related hazards and risks to the Company continue to be highlighted through the active Learning Event database. This platform has been digitalised with the launch

of a mobile application for easy logging, marking of learning events and prompt communication of any significant event to the Executive Management Team.

24+ million



safe man-hours completed

HSE&S Week at the Soda Ash facility in Khewra

In line with the objective of providing safe working conditions to employees and contractors, the HSE&S Week was held in May at the Khewra Plant, based on the theme of "Safety is our License to Operate".

An awareness walk and sessions on safety were organised as part of the campaign, which focussed on highlighting the importance of safety in all spheres of life so as to prevent mishaps and accidents due to neglect or lack of safety awareness. Owing to the Company's continuous focus on promoting safety procedures and systems, employees at the

Soda Ash Business have logged more than 19 million injury-free man hours.

A fire-fighting and first aid demonstration was also held by the Emergency Handling team of the Plant, which serves the local community as well. The team has so far handled 66 emergency incidents of the community. It is a matter of great pride for the Company that the Soda Ash Business is the only industry in the whole of district Jhelum to be formally recognised through an acknowledgement award by the district administration for its contribution towards flood relief efforts in 2014.



A group photograph of the Soda Ash Business fire-fighting team with officials of the Rescue 1122

Training and Education

Key performance indicators

Training and Education		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21 Target
Average hours of training per employee (gender and grade)					Male: 38.1, Female: 30.5 G30: 28.9; G31: 36.8; G32: 29.8; G33: 46.9; G34: 44; G35: 39.6; G36: 57.6; G37: 57.3; G38: 26.3; Trainee: 40.9; WL-4: 19.6	Male: 14, Female: 28 G30: 15; G31: 37; G32: 5.46; G33: 18.08; G34: 23.11; G35: 38.13; G36: 41.48; G37: 24.4; G38: 7.75; Trainee: 36.09; WL-4: 3.3	Male: 86.7, Female: 13.2 G30: 6.34; G31: 4.52; G32: 9.06; G33: 18.23; G34: 20.09; G35: 32.31; G36: 27.35; G37: 60.62; G38: 16.00; G39: 50.00 G40: 37.00 Trainee: 41.47; WL-4: 42.00	43.5
On-line P&D Discussion participation	%	98	98	98	98.5	98.5	85	100%
Management Development Programme	NO. of Managers	NR	NR	572	743	643	238	90%*
Employee engagement index	%	NR	35	58	68	82	NR	75

* Percentage of total managers

Overview 2018-19

Employee learning and development holds paramount importance for ICI Pakistan Limited. Building on the Company's value of Passion for People, a renewed focus was placed on learning and development initiatives across the organisation.

This year, a new e-learning platform called iLEARN, powered by SAP Success Factors, was introduced at the Company. The iLEARN is a virtual learning centre that offers a personalised experience to each employee, with courses ranging from specialised subjects (Finance, HR, Marketing etc) to soft-skill trainings offered by renowned global professionals. Further, e-modules related to Code of Conduct and HSE&S were developed and assigned to all employees.

More than 750 engineers were trained through e-modules on Engineering Guides (EDG), Engineering Procedures (EDP) and Engineering Specifications (EDS). The e-modules provide thorough and concise guidelines related to plant design, operations and maintenance to all engineers and have been segregated into chemical, electrical and mechanical streams to better suit the requirements of each employee.

A total of around 14,000 man-hours (face-to-face) were invested in employee learning and development, focussing on soft skills, functional and leadership.

ICI Pakistan Limited's Performance and Development Discussion (P&DD) process, accessible via an online application, continues to be an essential tool for providing constructive and regular feedback to employees at all levels. This comprehensive measurement system allows the employees and their managers to assess performance against the set targets and objectives.

The Company's Leadership Development Roadmap (LDRM) continues to play a key role in the learning and development process to build a leadership pipeline. With customised training modules, executive coaching sessions and learning projects, more than 37 managers participated in the development journey this year. Moreover, the flagship 'HR for Non-HR Managers' programme was attended by 25 managers, while the 'Finance for non-Finance' programme included 25 employees from different functions and Businesses.

750



engineers trained
through e-modules
on Engineering
Guides

13,900+



man-hours
invested in
employee learning
and development

90%



managers have undergone
leadership development
training in the last
2-3 years

Diversity and Equal Opportunity

Key performance indicators

Diversity and Equal Opportunity	2016-17	2017-18	2018-19
Percentage of governance body by gender	Male: 7, Female: 2 (22% F, 78% M)	Male 6, Female* 2 (75%M,25%F)	Male 6, Female 2(75%M,25%F)
Percentage of employees by gender	Management - Male 973, Female 44 Trainees - Male 27, Female 15 94.4 Male, 5.6% Female	Management – Male 1154, Female 49 Trainees - Male 26, Females 21 94.4% M 5.6% F	Management – Male 1351, Female 88 Trainees – 29 Male, 25 Females 93.88 M 6.12 F
Percentage of Governance body by age	Under 30: 0, 30-50: 55.5% , Above 50: 44.4%	30-50:62.5% (5) Above 50 37.5% (3)	30-50:62.5% (5) Above 50 37.5% (3)
Percentage of Employees by age	Under 30: 302 (29.7%), 30-50: 586 (57.6%) , Above 50: 129 (12.7%)	Under 30: 384 (30.7%), 30-50: 660(52.8%) , Above 50: 206 (16.5%)	Under 30: 426 (29.60%), 30-50: 850 (59.07%) , Above 50: 163 (11.33%)

*As of June 30, 2019

Overview 2018-19

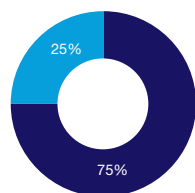
As an equal opportunity provider, ICI Pakistan Limited takes great pride in its commitment to fostering diversity and inclusion, and valuing the contributions of its diverse workforce. The Company's commitment to diversity and inclusion is driven by its core values (Passion for People; Integrity and Responsibility), its brand promise of Cultivating Growth and the Code of Conduct.

Gender diversity, as well as gender sensitisation, within the workforce is the key focus of ICI Pakistan Limited's diversity agenda. Under the umbrella of Impact Programme, several initiatives have been taken with a special focus on increasing female representation in the organisation. The Company has 25% female representation in the Executive Management Team (EMT), while the female workforce has also grown steadily over the last three years.

For the second consecutive year, ICI Pakistan Limited has received the prestigious Gallup Great Workplace Award – the highest honour reserved by Gallup for the world's most distinguished workplaces. In 2018, the Company was recognised for the first time by Gallup for showing tremendous progress, genuine dedication and a clear strategy on its engagement journey. This year's recognition was celebrated with all employees through engagement sessions, which reflected on how the Company has been able to sustain efforts that linked engagement with business outcomes.

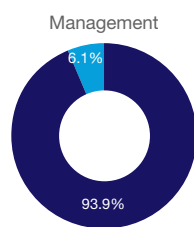
ICI Pakistan Limited has also launched the Impact Scholarship Programme, in partnership with Pakistan's top-ranked universities, to finance the undergraduate degree of four female students. Further, the Impact Women Development Programme has been launched to provide outstanding female students opportunities to learn, network and gain an internship experience at the Company.

% of governance body by gender*

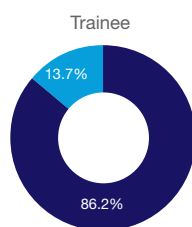


■ Male: 6 ■ Female: 2

% of employees by gender

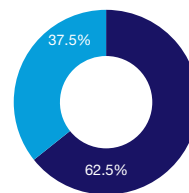


■ Male: 1,351 ■ Female: 88



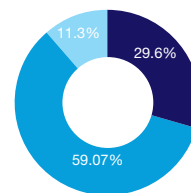
■ Male: 29 ■ Female: 25

% of governance body by age



■ 30-50: 5 ■ Above 50: 3

% of employees by age



■ Under 30: 426 ■ 30-50: 850 ■ Above 50: 163



Interns of the Impact Women's Development Programme at the certificate distribution ceremony

Non-Discrimination

Key performance indicators

Non-Discrimination		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21 Target
Total number of Incidents of discrimination	No.	NR	NR	NR	0	0	0	0

Overview 2018-19

Non-discrimination is an integral part of ICI Pakistan Limited's Code of Conduct and values system. The Code explicitly states that suitability of candidates for job opportunities depends solely on the basis of objective and non-discriminatory criteria. The Company also has a whistleblowing policy, known as Speak Up, through which all employees can confidentially report any Code of Conduct violations. This programme ensures that all checks

and balances are in place with regards to, not only the discriminatory practices, but also any other sort of violations of the Code.

In the year 2018-19, there were no reported incidents of discrimination at the Company. ICI Pakistan Limited's target is to maintain this status quo by strengthening its ongoing focus on ethical and responsible behaviour in the organisation.



No case of
discrimination
reported in
2018-19

Local Communities

Key performance indicators

Community Investment		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21 Target
Community programme investment	PKR Million	17.45	20	20	20	30	30	30

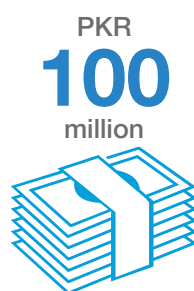


ICI Pakistan Limited maintains a strong focus on supporting and investing in communities around it through various corporate social responsibility (CSR) projects. The Company knows that helping communities develop today means shaping a sustainable future that will positively impact the coming generations.

Under the umbrella of Hamqadam Programme, the Company embraces its corporate citizenship by focussed community investment activities that are managed through the ICI Pakistan Foundation. The Foundation's philosophy focusses on four main

areas: education, health, community and environment, while also supporting civic development through investment in community projects, disaster relief and rehabilitation activities.

These CSR projects support the development agenda of the Government and promote sustainable growth in the country.



committed to community investments over the last five years



projects were funded under the community investment programme in 2018-19



community members benefit directly and indirectly from the Company's community programmes each year

Hamqadam Community Clinic

“My daughter Hadiya was alarmingly underweight and had severe health issues since her birth. I took her to various hospitals across Sheikhpura but could not afford the treatment. My wife and I had given up all hope of seeing our daughter healthy. But then, I heard about ICI Pakistan’s Hamqadam Community Clinic. Here, Hadiya was treated free of cost. She is now very active and growing healthy.”

Iftikhar, Hadiya’s father

Cheecho Ki Miliyan, Sheikhpura

In 2016, the Hamqadam Community Clinic was established in Khewra to meet the community’s need of promoting improved maternal and child health. Following its success, the Company decided to add another clinic; this time in the Sheikhpura community. The Hamqadam Community Clinic in Sheikhpura opened its doors in May 2018 and, so far, the facility has catered to more than 10,500 OPD cases. Further, 288 pregnant women have registered at the clinic and more than 3,300 children have been monitored for nutrition through the ‘Road to Health’ chart.



Eye Camps at Winnington Hospital

“I had a cataract in both my eyes and was unable to work due to loss of vision. Being the sole breadwinner, I was very worried. I went to several local hospitals, but could not get the required treatment owing to its high cost. I then came to the Winnington Hospital where ICI Pakistan Limited holds its free monthly eye camps. Here, the doctors treated me free of cost and put ocular lenses. I am extremely thankful to ICI Pakistan Limited for restoring my vision and helping me lead a normal life.”

Khursheed

Khewra

For over 27 years, ICI Pakistan Limited has been organising a free monthly eye camp at the Winnington Hospital, Khewra, in collaboration with the Layton Rahmatullah Benevolent Trust (LRBT). Under this eye care programme, more than 154,000 out-patient consultations, 17,500 major operations and 30,900 refraction services have been completed. Recently, the historic milestone of 300th eye camp was marked in the presence of local dignitaries and senior management of ICI Pakistan Limited.



Government Girls and Boys Primary School

“I have three daughters and I always dreamt of providing them high quality education so that they could become independent. However, there was only one Government school in our Kakapir village, Sandspit. Even this school was in a shabby condition. In 2010, ICI Pakistan Limited began supporting the school and provided funds to renovate and restore educational activities at the facility. The Company also pays the salaries of teachers, while also providing funds for student uniforms and books. This support has enabled my daughters, and many others like them, to receive quality education. All the community people and I are very grateful to ICI Pakistan Limited for enlightening our future generations.”

Raheema

Kakapir Village, Sandspit, Karachi

Since 2010, ICI Pakistan Foundation has been supporting the Government Girls and Boys Primary School at Kakapir village, which belongs to over 2,000 fishermen. At the time of adoption, only 25 to 30 students were enrolled at the school. Currently, nearly 200 students attend the school from Nursery to Class VIII. An encouraging fact is that 70% of the students at this school are girls.



PEHCHAN Volunteer Programme

“Trees are a gift of nature; they are essential for the environment and to combat climate change. As part of its sustainability agenda, ICI Pakistan Limited has been actively involved in a number of activities that raise awareness about environmental issues and protection. This year, my colleagues and I have pledged to plant at least 1,000 saplings to make the Khewra community cleaner and greener.”

Zeeshan Ahmed

Khewra

At ICI Pakistan Limited, employees are encouraged to practice Cultivating Growth at every level – not just at work, but also outside of the office and in their personal lives.








In June 2018, the Pehchan Volunteer Programme was launched across the Company to engage employees in various community-based corporate social responsibility (CSR) initiatives. Under the Pehchan programme, employees can officially devote up to two working days (or 16 working hours) annually on Company time to pursue volunteer work.

This year, more than 400 Pehchan volunteers have committed around 1150 hours to various community-related activities. By using their time and skills, they have given back to the local communities and established their identity as a responsible citizen.



GRI Content Index

Full Compliance: Partial Compliance: 

GRI STANDARD CORE DISCLOSURES			
Disclosures		Response	Compliance
General Disclosures			
GRI 102: General Disclosures 2016			
Organizational Profile			
102-1	Name of the organisation	Section: ICI Pakistan Limited at a Glance– Page 4, AR	
102-2	Activities, brands, products and services	Section: ICI Pakistan Limited at a Glance - Page 4-7, AR Section: Soda Ash - Page 88-91, AR Section: Life Sciences Business - Page 96-101, AR Section: Chemicals & Agri Sciences – Page 102-109, AR Section: Polyester - Page 92-95, AR	
102-3	Location of headquarters	Section: ICI Pakistan Limited at a Glance- Page 6, AR	
102-4	Location of operations	Section: ICI Pakistan Limited at a Glance - Page 5-7, AR	
102-5	Ownership and legal form	Section: : ICI Pakistan Limited at a Glance - Page 4-7, AR Section: Corporate Governance and Compliance - Page 52-55, AR	
102-6	Markets served	Section: ICI Pakistan Limited at a Glance - Page 4-6, AR	
102-7	Scale of the organisation	Section: ICI Pakistan Limited at a Glance - Page 4-7, AR Section: Report of the Directors for the Year Ended – Page 70-82, AR Section: ICI Pakistan Limited Unconsolidated Financial Statement - Page F06	

102-8	Information on employees and other workers	<p>Section: ICI Pakistan Limited Unconsolidated Financial Statement - Page F06</p> <p>Section: Diversity and Equal Opportunity - Page 147, SR</p> <p>Response: Permanent – 1300 (Male 1249, Female 51) Temporary Staff – 139 (85 contractual and 54 Trainees) 73% Male, 27% Female Trainees (54) are employees on temporary employment contracts. Employees perform significant portion of ICI Pakistan Limited's activities. No variations in the numbers reported. Data was compiled by the Corporate HR Department as per actual and no assumptions are made. ICI Pakistan Limited will be reporting Region wise data in next year's report</p>	
102-9	Supply chain	Section: Sourcing - Page 130, SR	
102-10	Significant changes to the organisation and its supply chain	<p>Section: Sourcing - Page 130, SR</p> <p>Section: ICI Pakistan Unconsolidated Financial Statements - Page F06</p>	
102-11	Precautionary principle or approach	Section: Corporate Governance and Compliance: Code of Conduct - Page 52-55, AR	
102-12	External initiatives	Response: GRI Standards adopted for the 2018-19 Sustainability Report and United Nation Sustainable Development Goals.	
102-13	Membership of associations	Response: Chamber of Commerce, EPA – All Provinces, Competition Commission of Pakistan, National Board of Boilers and Pressure Vessels, National Environmental Quality Standards, Pakistan Business Council (PBC), Pakistan Institute of Corporate Governance, MAP, OICCI	
Strategy			
102-14	Statement from senior decision-maker	Section: Message from CE - Page 20, AR	
Ethics and integrity			
102-16	Values, principles, standards and norms of behaviour	<p>Section: Our Vision - Page 12, AR</p> <p>Section: Our Values - Page 13, AR</p> <p>Section: Our Code of Conduct - Page 16, AR</p> <p>Section: Sustainability Strategy – Page 118, SR</p>	
Governance			
102-18	Governance structure	<p>Section: Board and Management Committees - Page 62, AR</p> <p>Section: Company Information - Page 63, AR</p> <p>Section: ICI Pakistan Limited at a Glance – Page 5-7, AR</p> <p>Section: Sustainability Strategy & Sustainability Council - Page 118-119, SR</p>	

Stakeholder Engagement

102-40	List of stakeholder groups	Section: Stakeholder Engagement - Page 126, SR	
102-41	Collective bargaining agreements	Response: 482 employees covered by collective bargaining agreements (of employees) – Total number of employees: management 1300; Contractual 85 ; trainees 54	
102-42	Identifying and selecting stakeholders	Section: Stakeholder Engagement - Page 126-128, SR	
102-43	Approach to stakeholder engagement	Section: Stakeholder Engagement - Page 126-128, SR	
102-44	Key topics and concerns raised	Section: Stakeholder Engagement -Page 126-128, SR	

Reporting Practice

102-45	Entities included in the consolidated financial statements	Response: ICI Pakistan Limited at a Glance – Page 5-7, AR Section: ICI Pakistan Unconsolidated Financial Statements - Page F06	
102-46	Defining report content and topic Boundaries	Section: About the Report - Page 123, SR Section: Materiality Assessment - Page 124-125, SR	
102-47	List of material topics	Section: Materiality Assessment - Page 124-125, SR	
102-48	Restatements of information	Response: Not Applicable - no restatements of information given	
102-49	Changes in reporting	Section: About the Report - Page 123, SR	
102-50	Reporting period	Section: About the Report - Page 123, SR	
102-51	Date of most recent report	Response: July 27, 2018	
102-52	Reporting cycle	Section: About the Report - Page 123, SR	
102-53	Contact point for questions regarding the report	Section: About the Report - Page 123, SR	
102-54	Claims of reporting in accordance with the GRI Standards	Section: About the Report - Page 123, SR	
102-55	GRI Content Index	Section: About the Report - Page 123, SR Section: GRI Index – Page 154-163, SR	
102-56	External Assurance	Section: About the report - Page 123, SR Section: External Assurance – Page 166, SR	

Material Topics			
Category: Economic			
ECONOMIC PERFORMANCE			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Economic Performance Management Approach - Page -129 SR, 62, AR	
103-3	Evaluation of management approach	Section: Economic Performance Management Approach - Page 129 SR, 55, AR	
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	See Financials Page F01	
MARKET PRESENCE			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Economic Performance Management Approach - Page 129 SR, 62, - AR	
103-3	Evaluation of management approach	Section: Economic Performance Management Approach - 129 SR, 55 AR	
GRI 202: Market Presence 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Response: ICI Pakistan Limited adheres to all local and federal laws with regards to minimum wage and the ratio of entry level wage by gender is above than the minimum wages at all location of operations.	
202-2	Proportion of senior management hired from the local community	Response: Karachi: 75%, Islamabad: Nil, Sheikhpura: Nil Khewra: Nil, Lahore: 100% Senior Management – G37 plus excluding EMT; Local: Residence and belonging to the significant location identified	

INDIRECT ECONOMIC IMPACTS

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Economic Performance Management Approach - Page -129 SR, 62- AR	
103-3	Evaluation of management approach	Section: Economic Performance Management Approach - 129 SR, 62,- AR	

GRI 203: Indirect Economic Impacts 2016

203-1	Infrastructure investments and services supported	Section: Local community - Page 149, SR	
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Category: Environmental

ENERGY

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Environmental Performance Management Approach - Page 131-132, SR	
103-3	Evaluation of management approach	Section: Environmental Performance Management Approach - Page 131-132, SR	

GRI 302: Energy 2016

302-1	Energy Consumption within the organisation	Section: Energy - Page 134, SR Response: Standard calorific values of fuels are used for conversion	
302-3	Energy intensity	Section: Energy - Page 134, SR	
302-4	Reduction of energy consumption	Section: Energy - Page 134, SR	

WATER

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Environmental Performance Management Approach - Page 131-132, SR	
103-3	Evaluation of management approach	Section: Environmental Performance Management Approach - Page 131-132, SR	

GRI 303: Water 2016

303-1	Water withdrawal by source	Section: Water - Page 136, SR	
303-3	Water recycled and reused	Section: Water - Page 136, SR	

EMISSIONS**GRI 103: Management Approach 2016**

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Environmental Performance Management Approach - Page 131-132, SR	
103-3	Evaluation of management approach	Section: Environmental Performance Management Approach - Page 131-132, SR	

GRI 305: Emissions 2016

305-1	Direct (Scope 1) GHG emissions	Section: Emissions - Page 137, SR Response: ICI Pakistan Limited reporting is compliant with National Environmental Quality Standards (NEQs) Factors used in the calculation of emissions are based on the current International Energy Agency	
305-2	Energy indirect (Scope 2) GHG emissions	Section: Emissions - Page 137, SR	
305-4	GHG emissions intensity	Section: Emissions - Page 137, SR	
305-5	Reduction of GHG emissions	Section: Emissions - Page 137, SR	
305-6	Emissions of ozone-depleting substance (ODS)	Response: No chemical classified as an ODS is listed in the Chemical Substance Inventory of ICI Pakistan Limited	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Section: Emissions - Page 137, SR	

EFFLUENTS AND WASTE**GRI 103: Management Approach 2016**

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Environmental Performance Management Approach - Page 131-132, SR	
103-3	Evaluation of management approach	Section: Environmental Performance Management Approach - Page 131-132, SR	

GRI 306: Effluents and Waste 2016

306-2	Waste by type and disposal method	Section: Effluents and Waste - Page 139, SR	
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Category: Social

EMPLOYMENT AND LABOUR RELATIONS

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Social Performance Management Approach- Page 141-142, SR	
103-3	Evaluation of management approach	Section: Social Performance Management Approach- Page 141-142, SR	

GRI 401: Employment 2016

401-1	New employee hires and employee turnover	Response: New Hires: Management 386, Trainee 40 Employee Turnover (Voluntary 179 , Dismissal 28, Retirement 12 , Death included 3) Total leavers (Management) 77 Rate 10.95%	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Response: Life Insurance, Health Care, Disability Coverage, Parental Leave, Retirement Provision Significant locations of operation are all ICI Pakistan manufacturing sites, offices and warehouses.	

GRI 402: Labor/Management Relations 2016




402-1	Minimum notice periods regarding operational change	Response: 4 weeks Also mentioned in collective agreements	
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OCCUPATIONAL HEALTH AND SAFETY

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Social Performance Management Approach- Page 141-142, SR	
103-3	Evaluation of management approach	Section: Social Performance Management Approach- Page 141-142, SR	

GRI 403: Occupational Health and Safety 2016

403-1	Workers representation in formal joint management-worker health and safety committees	<p>Response: Our manufacturing sites have different systems in place to promote such programs. Monthly joint management and worker safety meetings are one such process, steered by line managers and occasionally section head of all functional departments. The agenda is set by the HSE&S department and feedback is recorded.</p> <p>These meetings ensure 100% participation by the workforce</p>	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<p>Response: Occupational Health & Safety - Page 143, SR</p>	
403-3	Workers with high incidence or high risk of diseases related to their occupation	<p>Response: Workers involved in occupational activities that have a high risk of specific diseases are trained on, and well-versed in, the appropriate health and safety protocols, provided appropriate equipment, and regularly monitored. For example, laboratory employees are provided with protective equipment and training, and are assessed for lung-related diseases that may rise due to fume inhalation. Similarly, employees working in high noise areas are provided with appropriate protective equipment, and are annually checked for any hearing loss. These procedures are as per the ICI Pakistan HSE&S Management System and the Company's Occupational Health Policy. Areas at all manufacturing sites have been assessed for health risks and accordingly Health Monitoring Programs have been developed for employees.</p>	

TRAINING AND EDUCATION

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Social Performance Management Approach- Page 141-142, SR	
103-3	Evaluation of management approach	Section: Social Performance Management Approach- Page 141-142, SR	

GRI 404: Training and Education 2016

404-1	Average hours of training per year per employee	Section: Training and Education – Page 145-146, SR	
404-2	Programs for upgrading employee skills and transition assistance programs	Response: <u>Leadership Essentials:</u> Code of Conduct, HSE Awareness, Performance Management System, HR for Non HR Managers, Discovering the Leadership Within, Behavioral based interviewing skills <u>Leadership Development Roadmap</u> Leadership Development Journey, Leading Beyond, Leading and Developing Teams, Self-development Program, Creative Thinking & Collaboration, Greater Self, Leading Teams for Impact <u>Functional skills development programs</u> Core Development Program for engineers <u>E-modules Toolkit</u> A core technical training program for engineers comprises of e-modules on Success Factors.	
404-3	Percentage of employees receiving regular performance and career development reviews	Section: Training & Education - Page 145-146, SR	

DIVERSITY AND EQUAL OPPORTUNITY

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Social Performance Management Approach- Page 141-142, SR	

103-3	Evaluation of management approach	Section: Social Performance Management Approach- Page 141-142, SR	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Section: Diversity & equal Opportunity - Page 147, SR	
NON-DISCRIMINATION			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Social Performance Management Approach- Page 141-142, SR	
103-3	Evaluation of management approach	Section: Social Performance Management Approach- Page 141-142, SR	
GRI 406: Non-Discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Section: Non-discrimination – Page 148, SR	
LOCAL COMMUNITIES			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 124-125, SR	
103-2	The management approach and its components	Section: Social Performance Management Approach- Page 141-142, SR	
103-3	Evaluation of management approach	Section: Social Performance Management Approach- Page 141-142, SR	
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Section: Local Communities - Page 149, SR	

SDGs

Index

SDGs		PAGE NO.	GRI STANDARDS DISCLOSURE
	End poverty in all its forms everywhere	155 SR	202-1
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	F06-09, 157, 158 SR	201-1, 203-1
	Ensure healthy lives and promote well-being for all at all ages	137 SR, 159 SR, 144 SR, 149 SR, 161 SR	305-1, 305-2, 305-6, 305-7, 306-2, 403-2, 403-3
	Ensure inclusive and quality education for all and promote lifelong learning	152, SR	404-1
	Achieve gender equality and empower all women and girls	F06-09, 157 SR, 155 SR, 150-153 SR, 160 SR	201-1, 202-1, 203-1, 401-1, 404-1, 404-3, 405-1, 406-1
	Ensure access to water and sanitation for all	140 SR, 149 SR	303-1, 303-3, 306-2
	Ensure access to affordable, reliable, sustainable and modern energy for all	F06-09, 155 SR, 138 SR	201-1, 203-1, 302-1, 302-3, 302-4

SDGs		PAGE NO.	GRI STANDARDS DISCLOSURE
	Promote inclusive and sustainable economic growth, employment and decent work for all	152 SR, 155-157 SR, F06-09, 138 SR, 140 SR, 160 SR, 161 SR, 149-151 SR, 162 SR	102-8, 102-41, 201-1, 202-1, 202-2, 302-1, 102-8, 102-41, 201-1, 202-1, 202-2, 302-1, 302-3, 302-4, 303-3, 401-1, 401-2, 402-1, 403-1, 403-2, 403-3, 404-1, 404-2, 404-3, 405-1
	Build resilient infrastructure, promote sustainable industrialization and foster innovation	F06-09, 155 SR	201-1, 203-1
	Make cities inclusive, safe, resilient and sustainable	155 SR	203-1
	Ensure sustainable consumption and production patterns	138 SR, 140 SR, 142 SR, 145 SR	302-1, 302-3, 302-4, 303-3, 305-1, 305-2, 305-6, 305-7, 306-2
	Take urgent action to combat climate change and its impacts	138 SR, 142 SR	302-1, 302-3, 302-4, 305-1, 305-2, 305-4
	Conserve and sustainably use the oceans, seas and marine resources	142 SR	305-1, 305-2, 305-4, 305-5, 305-7
	Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss	142 SR, 131 SR	305-1, 305-2, 305-4, 305-5, 305-7
	Promote just, peaceful and inclusive societies	12-15 AR, 153 SR	102-16, 406-1
	Revitalize the global partnership for sustainable development	120-121 SR	-



Independent Assurance Statement for the ICI Pakistan Limited Sustainability Report 2019

Corporate Social Responsibility Centre Pakistan (CSRCP) was engaged by ICI Pakistan Limited to carry out an independent review of the ICI Pakistan Limited Sustainability Report 2019, which was prepared 'in accordance' with Global Reporting Initiative's (GRI) Standards' Core option. The objective of the critical independent review is to provide ICI Pakistan Limited's Management with an independent opinion about the quality of the report and adherence to the principles of Inclusivity, Materiality, and Responsiveness.

Responsibility of ICI Pakistan Limited and of CSRCP

The Management of ICI Pakistan Limited is responsible for the preparation of the Sustainability Report and for the information and statements contained within it. The Management is responsible for determining the sustainability goals, performance and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Our responsibility is to express independently a conclusion on the Sustainability Report as defined within the scope of work to The Management of ICI Pakistan Limited only in accordance with the terms of reference agreed with them. We do not accept or assume any responsibility for any other purpose or to any other person or organization. Any reliance placed on the report by any third party is entirely at its own risk.

Scope of Assurance

CSRCP was asked to express an opinion in relation to the review scope, which includes the following aspects:

- Review of the policies, initiatives, practices and performance described in the non-financial - qualitative and quantitative information (sustainability performance) reported and referenced in the report.
- Evaluation of the disclosed information in the report to check adherence to the GRI's Universal and Topic Specific Standards.
- Adherence to International Standard on Assurance Engagement (ISAE) 3000 (Revised), 'Assurance Engagements other than audits or reviews of historical financial statements' to provide limited assurance on performance data within the Sustainability Report.
- Adherence to the principles of Inclusivity, Materiality and Responsiveness.
- Review of the Sustainable Development Goals (SDG) linkage with GRI Standards General and Topic Specific Disclosures reported in the SDG Index.

Assurance methodology

We carried out a desk review of the final draft report. We communicated with ICI Pakistan Limited to determine the accuracy and authenticity of the report content, data points, methodologies and policies around the organization's social, environmental and economic data and activities.

Our procedures on this engagement included:

- Critical review of the Sustainability Report 2019 and respective Content Index to check consistency and adherence to GRI's Universal and Topic-Specific Standards
- Evaluation of report adherence to the in accordance: Core option
- Critical review of the Sustainability Report to obtain limited assurance about whether the Sustainability Report is free from material misstatement
- Analysis of the report content against principles of Inclusivity, Materiality and Responsiveness
- Review of the SDGs Index to check correctness of references with GRI Standards General and Topic Specific Disclosures
- Elaboration of an adjustment report
- Final review of the report content

Our assurance activities were planned and conducted to provide limited, rather than absolute assurance and we believe that the desk review of the ICI Pakistan Limited Sustainability Report completed by CSRCP provides an appropriate basis for our conclusions.

Opinion

GRI Standards in accordance option

ICI Pakistan Limited declares the report to be in accordance with GRI Standards: Core option. CSRCP evaluated the quality of the application of GRI Universal and Topic Specific Standards. Based on the evaluation, CSRCP made a series of recommendations to compete the content or adjust the disclosure level in the Content Index, which have been accepted by the company. Based on the rectifications and acknowledging the fact that the DMA's answer and specific standard disclosures need a more detailed disclosure in future reports, we can confirm that the report is attending the above mentioned 'in accordance' option, giving a complete overview of ICI Pakistan Limited's sustainability governance and management systems in place to report on a relevant set of disclosures related to the identified material topics.

Main Conclusions on Adherence to Principles of Inclusivity, Materiality and Responsiveness

Inclusivity – addresses the stakeholders’ participation in the process of developing and implementing a transparent and strategic sustainability management process.

- ICI Pakistan Limited report addresses how company identifies and engages with different stakeholders, including ICI Pakistan Limited focus for engagement and ICI Pakistan Limited response to stakeholders’ concerns. The material issues emerging from the stakeholder engagement were collected, prioritized and the results are fairly reflected in the report. It would be recommendable to carry out a report specific stakeholder engagement and demonstrate how stakeholder input is utilized in strategic decision making at Sustainability Council.

Materiality – issues required by stakeholders to make decisions on the organization’s economic, environmental and social performance.

- Material issues have been identified by ICI Pakistan Limited, considering the influence on stakeholder assessment and decisions and the significance of environmental, social and economic impacts, using a commonly accepted approach. The parameters of risks and opportunities were considered in the materiality determination process, which makes the process more focused on prioritizing issues relevant to ICI Pakistan Limited. It would be recommendable to refresh the list of material issues in the context of acquisition, restructuring and input from report specific stakeholder engagement.

Responsiveness – addresses the action taken by the organization as a result of specific stakeholders’ demands.

- ICI Pakistan Limited has appropriate policies and externally certified quality, environmental and health & safety management systems, which involve a high level of analysis of risks, non-compliance and corrective actions.
- Sustainability management at ICI Pakistan Limited maintains high level support in the shape of Sustainability Council, conforming ICI Pakistan Limited’s commitment to address sustainability challenges, stakeholder concerns, and promoting sustainable practices in its supply chain.
- ICI Pakistan Limited reiterates its commitment with the UNGC Ten Principles and has exhibited alignment of its activities with relevant UN Sustainable Development Goals. ICI Pakistan Limited undertakes a leading role to share best practices with industry on SDGs 12. It would be recommendable to demonstrate how ICI Pakistan Limited

is capitalizing the opportunities offered by the SDGs and impact of ICI products and services to meeting SDGs.

Statement of conclusion

Based on the scope of our work and the assurance procedures we performed using the International Standard on Assurance Engagement (ISAE) 3000 (Revised), ‘Assurance Engagements other than audits or reviews of historical financial statements’, we conclude that nothing has come to our attention that causes us to believe that the information in ICI Pakistan Limited’s Sustainability Report 2019 is in all material aspects not fairly stated.

We confirm that the report is aligned with the requirements of the GRI Standards and reports its material topics in an adequate manner. The compliance with GRI Standards has been disclosed in more detail in the Content Index which provides overview of which standards have been fully complied and which have been partially complied in the report. In our opinion ICI Pakistan Limited has appropriate systems for collection, aggregation and analysis of the data presented in the report.

For the next report, we recommend the company to disclose information on supply chain impacts and the approach used to assess its suppliers against the most important social and environmental topics.

Limitations and exclusions

Excluded from the scope of our work is any verification of information relating to:

- Physical verification of data, content of ICI Pakistan Limited’s Sustainability Report;
- Positional statements (expression of opinion, belief, aim or future intention of ICI Pakistan Limited) and statements of future commitment.

Statement of independence, impartiality and competence

CSRCP operates strict conflict of interest checks and has confirmed our independence to work on this engagement with ICI Pakistan Limited. The members of the review team have not provided consulting services and were not involved in the preparation of any part of the report. CSRCP is a consulting firm specialized in sustainability. The review team has the required combination of education, experience, training and skills for this engagement.

Islamabad, August 16, 2019



Muhammad Arfan Nazir,
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Corporate Social Responsibility Centre Pakistan.



Muhammad Imran,
Muhammad Imran & Co.,
Cost & Management Accountants Pakistan.
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