

Shaping a Sustainable Tomorrow

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



Table of Contents

About the Report	105
Message from the Chief Executive	106
Sustainability Highlights	108
Materiality Assessment	110
Sustainability Strategy	113
Shaping a Climate-Resilient Future	114
Sustainability Governance	116
Demonstrating Leadership in Sustainability	117
Stakeholder Engagement	118
Economic Performance	122
Integrity Management	124
Sourcing and Procurement	125
Environmental Performance	127
Product Stewardship	129
Energy	130
Emissions	131
Water and Effluents	133
Waste	135
Social Performance	138
Occupational Health and Safety	140
Employee Engagement and Wellness	142
Diversity, Equity and Inclusion	144
Training and Education	147
Non-Discrimination	149
Community Investment	150
Pehchan Employee Volunteer Programme	155
GRI Content Index	157
Sustainable Development Goals	162
External Assurance	164

About the Report

Lucky Core Industries Limited FY 2023-24 Sustainability Report marks its 16th year of annual sustainability reporting, in line with topics prioritised as material to the Company and its stakeholders. The Report complies with the Global Reporting Initiative (GRI) Standards and adheres to the GRI 101 Foundation Reporting Principles. Moreover, the Report references the UN Sustainable Development Goals (SDGs).

Reporting Period

The reporting period aligns with the Company's FY 2023-24, spanning from July 1, 2023, to June 30, 2024. This report has been published in September 2024.

Report Boundary and Content

The Report showcases the Company's commitment to sustainability, transparency, and environmental excellence. It covers:

The Company's core areas of business, corporate functions, and includes employee data. However, subsidiaries and associated companies are not included in the Report.

Detailed performance on material sustainability topics.

Progress towards achieving LCI's long-term sustainability pledges and goals in the economic, environmental, and social areas, highlighting their significance for stakeholders' decision-making.

Management Approach to Sustainability

Details of the management approach for each material topic are available on page 110 of this Report.

Data Collection

Data presented in the Report was collected from the Company's Financial Management Reporting systems, the Environmental Performance Management (EPM) database, and the Corporate HR Information Management System. Details on the Company's sustainability reporting governance are available on page 116 of this Report. No restatements have been made to the previous data.

Assurance

The Report also undergoes an independent review conducted by the Corporate Social Responsibility Centre Pakistan (CSRCP) to ensure compliance with GRI standards, the IISAE 3000 (Revised) standard and principles of inclusivity, materiality, responsiveness and impact. The assurance letter from CSRCP is available on page 164 of this Report.



Contact Us

To share any feedback or comments related to this Sustainability Report, please email: sustainability.council@luckycore.com, or contact:

Sabir Mahmood

General Manager, Corporate HSE
E: sabir.mahmood@luckycore.com

Omer Zafar

Head of Corporate Communications
& Public Affairs
E: ccpa.pakistan@luckycore.com

Muhammad Ibraheem Shah

Manager Sustainability & HSE,
Corporate
E: ibraheem.shah@luckycore.com

The Report, along with additional information about the Company's business units and products, can be accessed on LCI's website: www.luckycore.com

Message from the Chief Executive

Dear Stakeholders,

We are pleased to present Lucky Core Industries Limited's (LCI) Sustainability Report for FY 2023-24, marking our sixteenth consecutive year of transparent and responsible reporting. Aligned with the Global Reporting Initiative (GRI) standards and the United Nations Sustainable Development Goals (UNSDGs), this Report showcases our steadfast commitment to environmental stewardship, social responsibility, and economic prosperity.

Building on this commitment, our mission to improve lives and brand promise to foster growth drives us to be a thought leader and pacesetter in sustainability. Our focus remains on driving sustainable growth, enhancing value for our shareholders and stakeholders, whilst making a positive impact on the communities we serve. To achieve this, we integrate our core values into every aspect of our operations. We believe this approach not only drives business growth but also attracts top talent and ensures our license to operate.

Central to our efforts, our Sustainability Council is pivotal in fostering a culture of excellence, shaping strategy, and embedding sustainability into our daily activities, ultimately driving environmental responsibility and socio-economic growth.

In line with these principles, the Company is committed to advancing the UN SDGs, with a focus on climate change, economic equality, innovation, and responsible consumption. During the year, we collaborated with the Centre of Excellence for Responsible Businesses (CERB) of the Pakistan Business Council (PBC) to assess our alignment with these goals using the ISAR SDG Reporting framework. This framework utilises core quantitative indicators across economic, environmental, social, and institutional areas, allowing us to identify and address social concerns, promote sustainable resource use, and uphold ethical practices while building upon our existing systems. We are pleased to report that the analysis acknowledged LCI's impactful contributions to all relevant SDGs and our adeptness in harnessing these opportunities to drive significant positive change.

Building on the launch of our Catalyst 2030 Climate Action Plan last year and the Company's flagship sustainability initiative, STEP, we have achieved substantial progress in our quest for decarbonisation by harnessing nature-based and science-driven solutions. Our multifaceted approach has focused on enhancing efficiency, scaling tree planting initiatives, and building strategic partnerships with NGOs and local communities. During the year in review, we successfully neutralised over 28,000 tonnes of CO₂, planted more than 49,000 trees, and recycled over 267 million PET bottles into polyester fibre through our rPET initiative. These efforts have been further bolstered by our Polyester Business, which led the way in global textile-to-textile recycling by introducing the most sustainable Polyester Staple Fibre. Collectively, these initiatives reflect our comprehensive approach to environmental stewardship and our commitment to long-term ecological impact.

On the energy front, while overall consumption increased due to higher coal usage and production demands, our conservation

efforts have effectively contributed to mitigating these impacts. During the year, we successfully generated 7,200,000 megajoules of power from renewable sources, resulting in a reduction of over 1,200 tonnes of CO₂ emissions, reflecting a substantial shift towards cleaner energy.


Complementing our environmental initiatives is our steadfast commitment to social responsibility, which is deeply rooted in prioritising the wellbeing and safety of our employees and the surrounding community. During the year under review, we successfully completed over 46 million man-hours without injury, however, reportable incidents were recorded in the same period. Each incident was thoroughly investigated, and corrective action plans were implemented to prevent recurrence. Our goal remains to set the highest standards in safety, ensuring that LCI continues to be recognised as one of the safest workplaces in Pakistan.

This year, we have also made significant progress in our social performance. Our dedicated efforts to advance diversity, equity, and inclusion (DE&I) at LCI have led to improved representation of women in the workforce, supported by a range of internal campaigns. The reintegration of skilled women through the 'Yes She Can!' Women Returnship Programme, introduced last year, exemplifies our dedication to the empowerment and advancement of women in the workplace. In addition, by actively encouraging upskilling through our year-long learning initiatives, LCI clocked over 34,500 training hours. Looking ahead, we remain committed to building a diverse team that will help us shape a better tomorrow.

At LCI, our purpose extends beyond business success to driving positive change in the communities we serve. Our commitment to strengthening these communities is reflected in our corporate social responsibility pillars of health, education, women's empowerment, environment, and community development. During the year, we invested PKR 113.7 million in community uplift programmes. The impact was further amplified through the Company's employee volunteer programme, Pehchan, where 417 volunteers contributed 1,356 hours to community development initiatives. Through their efforts, our employees have embodied our promise of enriching lives by making a difference in the lives of others.

Despite navigating a challenging financial year marked by macroeconomic uncertainties, our commitment to sustainable growth and responsible operations remains firm. Join us in shaping a brighter future as we share our progress in this year's Sustainability Report and explore how LCI is enriching lives today to build a better tomorrow.

Warmest regards,



Asif Jooma
Chief Executive
Lucky Core Industries Limited



Sustainability Highlights

28,000+
tonnes

of CO₂ emissions neutralised

267+
million

PET bottles recycled into Polyester Fibre

49,000+

Trees planted

Terylene
Retex

Launched

46.5
million

Safe man-hours

Zero

Occupational illnesses

PKR
113.7
million

Invested in community uplift programmes

417

Employees participated in
volunteer programme

Awards

Corporate Function

**Best
Sustainability
and Corporate
Report Award
2022**

by the
Institute of Chartered Accountants of
Pakistan and the Institute of Cost and
Management Accountants of Pakistan

Animal Health Business

**13th Annual
Fire Safety
Award 2023**

by the
National Forum
for Environment
& Health and the
Institution of Fire
Engineers

**Annual
Environmental
Excellence
Award 2023**

by the
National Forum
for Environment &
Health

Soda Ash Business

**13th Annual
Fire Safety
Award 2024**

by the
National Forum for
Environment & Health
and the Institution of
Fire Engineers

**16th Annual
CSR Award
2023**

by the
National Forum
for Environment &
Health

**International
Safety Award
2024**

by the
British Safety
Council

Pharmaceuticals Business

**Occupational
Safety,
Health, and
Environment
Award 2023**

by the
Employers' Federation
of Pakistan

**Annual
Environmental
Excellence
Award 2023**

by the
National Forum for
Environment & Health

Materiality Assessment

In FY 2023-24, LCI conducted a comprehensive study to identify topics prioritised as material for the sustainable management of the Company and those potentially impacting the economy, environment, communities, and other key stakeholder groups. The materiality assessment was coordinated by an independent consultant, based on GRI standards. The assessment considered the concepts of double materiality (financial and non-financial impacts) and included an internal analysis of concerns raised by the Sustainability Council and dynamic materiality (feedback from select stakeholders and the relevance of current and future issues to the Company).

List of Material Topics*

Area	Material Topic	Impacts
Economic	Economic Performance	Effects economic conditions of all stakeholders.
	Indirect Economic Impacts	Effects economic conditions of all stakeholders.
	Market Presence	Effects development in markets where the Company operates.
	Procurement practices	Effects capacity enhancement of local suppliers.
	Anti-Competitive Behaviour	Effects ethical and responsible operations.
Environmental	Energy	Effects the organisation's environmental footprint, the ecosystem and climate.
	Water and Effluents	
	Emissions	
	Waste	
Social	Employment and Labour Relations	Effects social capital development and working conditions.
	Training and Education	Effects social capital development, in particular the organisation's human capital.
	Occupational Health and Safety	Effects stakeholders and their human rights.
	Diversity, Equity and Inclusion	Effects social capital development, in particular the organisation's human capital.
	Non-Discrimination	Effects social capital development, in particular the organisation's human capital.
	Freedom of Association and Child Labour	Effects stakeholders and their human rights.
	Community Investment	Effects social capital development and community uplift.

*The list of material topics is the same as last year, reflecting no changes.

Relevance of Material Topics

Economic

Economic Performance

Disclosures under this topic relate directly to LCI's value creation agenda, as embodied in the Company's vision, values, and brand promise. The Company is committed to Cultivating Growth for its stakeholders, and the same can be quantified and assessed accurately through its audited financial statements, which are appended to this Report. In addition, economic performance carries implications for all other material topics reported upon.

Indirect Economic Impacts

Disclosures under this topic illustrate LCI's economic impact on a wider socio-economic front, covering multiple stakeholders. The Company intends to support growth and development beyond its scope of operations. As a responsible corporate citizen, it monitors and measures its ongoing indirect economic impact in the wider context.

Procurement Practices

Procurement practices are a material topic due to LCI's extensive supply chain network. To achieve sustained growth and build shared value, LCI must maintain strong relationships with its business partners.

Market Presence

The Company's presence in the markets that it serves has a significant impact in terms of the provided employment opportunities, the number and quality of professionals employed, regional employment prospects and compensation and benefits provided. Information in this regard is relevant to its operations and value-creation agenda.

Compliance

Compliance is a material topic due to its significance on LCI's license to operate and its economic impact in the form of fines and penalties in case of violation. Non-compliance also negatively impacts the brand image.

Anti-Competitive Behaviour

Anti-competitive behaviour is a material topic due to its significance on LCI's license to operate and its economic impact in the form of fines and penalties in case of violation. Non-compliance also negatively impacts the brand image.

Environmental

Water and Effluents

Disclosures under this topic illustrate the Company's water usage requirements for its operations and the current state of water availability in Pakistan. The International Monetary Fund (IMF), United Nations Development Programme (UNDP), and the Pakistan Council of Research in Water Resources (PCRWR) list Pakistan as a water scarce country.

Energy

Disclosures on this topic highlight energy costs as having a direct impact on the cost of doing business and manufacturing products for the Company. Efficient energy usage is not only vital in terms of the environment but can also provide the Company with a competitive edge in terms of cost-effectiveness.

Emissions

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

Waste

Disclosures on this topic illustrate the impact of waste, both on the Company's operations and on local communities where waste is generated and disposed of. The management and minimisation of waste materials are important for the preservation of biodiversity in the relevant areas.

Employment and Labour Relations

Driven by its core value of Passion for People, the Company aspires to be an employer of choice and recognises that the development of its talent pool in terms of training and education, growth opportunities, compensation and benefits are of utmost importance. The Company maintains a strong focus on providing development and learning opportunities to its employees. LCI's policies and employment practices are aimed at attracting and retaining talent, and ensure an environment that encourages diversity, inclusivity, and growth.

Training and Education

In pursuit of the Company's aspirations to be an employer of choice, training, and education remains an area of focus for the Company to recruit and retain the brightest talent. Training, education, and development of its people is a topic of critical importance to the Company and it provides formal training, development, and growth opportunities, with performance appraisals, feedback systems, and an open culture that encourages discussion.

Occupational Health and Safety

Health and safety are a focus area for the Company in light of its core values (Passion for People; Integrity and Responsibility) and its HSE&S policy. The topic affects not only employees of the Company but also customers, service providers, suppliers, and members of the communities.

Diversity and Equal Opportunity

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

Non-Discrimination

LCI 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), brand promise of Cultivating Growth, and the Code of Conduct.

Freedom of Association and Child Labour

In line with the Company's core value of 'Integrity and Responsibility', and its Code of Conduct, the highest standards of international human rights are upheld. The Company supports and abides by international charters on freedom of association, ILO Conventions, and local regulations in its sphere of influence.

Community Investment

Disclosures on this topic illustrate LCI's efforts toward the development of communities beyond its boundaries. These disclosures are important because they provide an overview of the significance of these efforts and their impacts, allowing stakeholders to assess the value added by such initiatives.

Sustainability Strategy

Moulding the Years to Come

LCI's sustainability strategy is engrained into all aspects of its operations. The Company sees itself and its stakeholders as one and it seeks to create a lasting positive impact to improve the lives of those within and beyond its boundaries.

Approach to Sustainability

As a leading manufacturing entity, LCI strives for environmental and social responsibility, within the Company and beyond. The Company's sustainability strategy is based on six fundamental principles. It serves as a blueprint for value creation by connecting LCI's business strategy and sustainability agenda with the aspiration of creating a lasting positive impact for generations to come.

Guiding
Framework

Sustainability Strategy

Guiding Principles

Fostering a Culture of Excellence

Creating a nurturing environment where employees strive to deliver more. The Company does so by attracting and retaining the best talent.

Operating Responsibly

Operating with due respect for the environment, the communities in which LCI operates, and other stakeholder groups.

Transparency

Ensuring that all processes and operations remain transparent to promote trust.

Respecting Human Rights

Ensuring that the principles of the Universal Declaration of Human Rights (UDHR) are upheld throughout LCI's operations and interactions.

Environmental Stewardship

Developing innovative solutions for cleaner and greener systems that reduce LCI's environmental impact.

Creating Socioeconomic Value

Working towards creating value in local communities by aiding capacity building and improving the quality of life.

Operational
Pillars

Stakeholder Engagement

Governance Structure

Core Values

Transversal
Pillars

Shaping a Climate-Resilient Future

Catalyst 2030 - Climate Action Plan

The consequences of human-induced climate change on global weather are becoming increasingly evident. Major contributors to this crisis are the surge in greenhouse gas (GHG) emissions and global warming, which have resulted in erratic and intensified weather conditions. Immediate and collective action is needed to transition to renewable energy sources, promote energy efficiency, and adopt sustainable practices to mitigate and neutralise the adverse impacts of climate change.

In response, LCI launched the Catalyst 2030 Climate Action Plan last year, aimed at proactively neutralising the Company's emissions through nature-based and science-driven solutions. This year, LCI continues to advance its efforts under the Catalyst 2030 - Climate Action Plan, focusing on reducing its carbon footprint and promoting environmental sustainability.

Approach to Climate Change



Decarbonisation through efficiency and technology improvements



Adopting nature-based solutions through planting initiatives



Collaborating for broader community impact

Actionable Initiatives

Neutralise

80,000

tonnes of CO₂ by 2030 through nature-based and science-driven solutions

Recycle

360
million

PET bottles per year by 2030 to encourage circularity through production of polyester fibre

Eliminate the use of

single-use

plastic bottles across corporate offices

Recycle

220
million

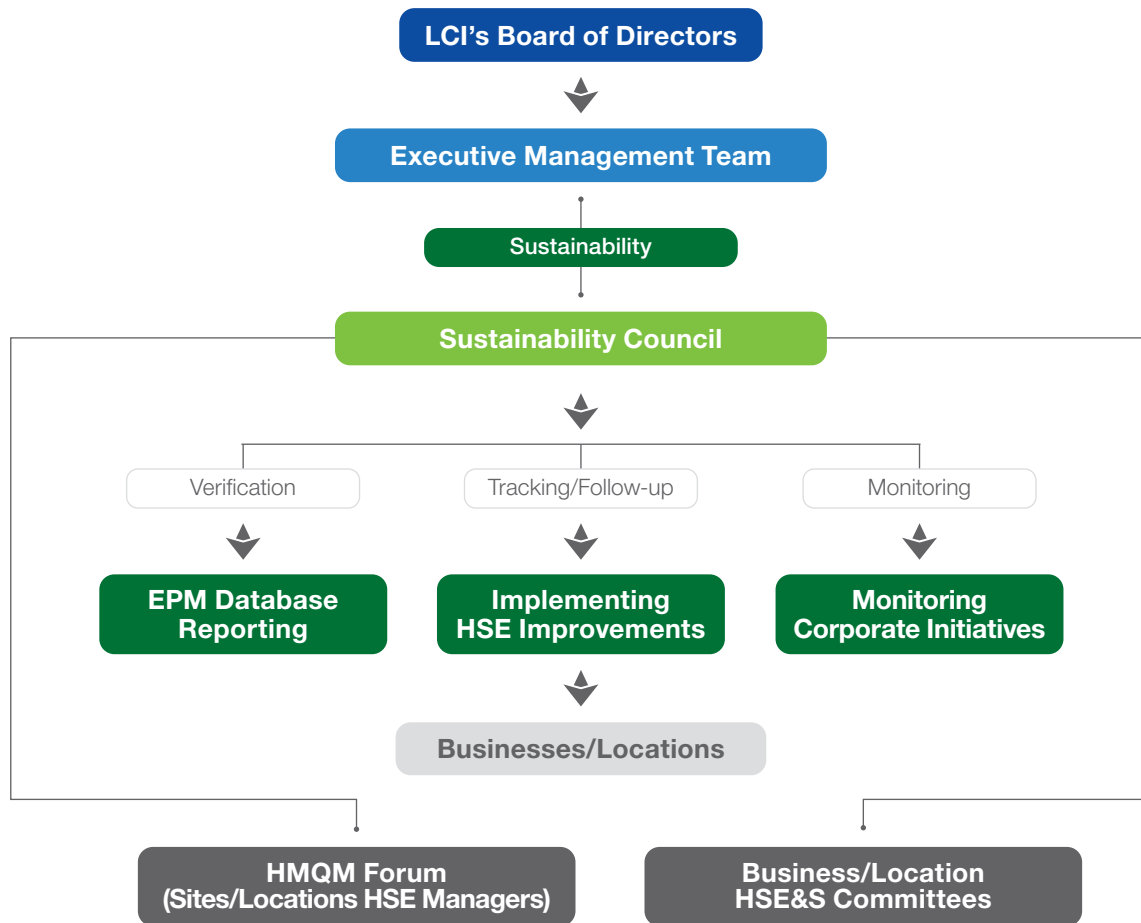
gallons of water annually by 2030

Plant

215,000

trees by 2030

Sustainability Governance



LCI's sustainability strategy is guided by a clear governance structure, including KPIs and controls such as its mission, values, Code of Conduct and the HSE&S Management System.

The Corporate HSE function acts as an independent authority within the organisation and oversees the Company's Environmental Performance Management (EPM) database. The function is responsible for analysing sustainability KPI data, benchmarking performance against the baseline, and presenting trends to the Sustainability Council. Based on global sustainability guidelines, a suitable control mechanism for KPIs is determined. The Executive Management Team is briefed on the OEE footprint, potential technological requirements, and their financial impact on the Company and the community. Results are shared with the Board of Directors on a biannual basis.

In accordance with the requirements of LCI's HSE&S Management System, all businesses and locations monitor and report parameters impacting the Company's Operational Eco-Efficiency (OEE) footprint. Health and safety performance reporting is mandatory. This reporting is facilitated through the Company's EPM database.

Sustainability Council

The Sustainability Council comprises of representatives from the Company's businesses and functions. The Council is responsible

for assisting the Board of Directors in fulfilling its responsibility to LCI's shareholders regarding sustainability practices. The Council focuses on developing, implementing, and monitoring HSE&S policies and practices.

Responsibilities of the Council

The Council acts to:

- Define sustainability KPIs, measurement matrices, and targets.
- Review the Company's environmental footprint and develop effective strategies for mitigation of adverse impacts.
- Assess stakeholder relationships for alignment with sustainability objectives.
- Design and execute communication strategies for internal and external stakeholders to promote sustainable growth.
- Establish guidelines for managing sustainable change and fostering adaptability within the organisation.
- Introduce and implement initiatives for cutting-edge technologies in alignment with LCI's sustainability agenda.
- Define broad parameters for enhancing product responsibility to ensure that the Company's products align with sustainable principles throughout their life cycles.
- Prioritise sustainability goals and direct efforts towards areas that can yield significant and tangible results.

Demonstrating Leadership in Sustainability

LCI's brand promise of Cultivating Growth is at the heart of all that it does and aligns well with the SDGs to promote a brighter and better future.

LCI integrates the United Nations (UN) Sustainable Development Goals (SDGs) into its operations, demonstrating a robust commitment to sustainability. By creating value for its stakeholders and respecting the environment, LCI enhances the quality of life and fosters positive economic and social impacts in its communities. This dedication is detailed in the Sustainability Report, which highlights LCI's contributions to the SDGs and its ongoing commitment to sustainable growth.



Shaping a Sustainable Future

To evaluate LCI's alignment with the SDGs and the impact of its operations during FY 2023-24, a collaborative effort was conducted with the Centre of Excellence for Responsible Businesses (CERB) of the Pakistan Business Council (PBC). The CERB team employed the ISAR SDG Reporting framework, utilising core quantitative indicators across four key areas: economic, environmental, social, and institutional. These indicators are mapped directly to the SDGs, guiding businesses in addressing social concerns, promoting sustainable resource use, and upholding ethical practices. This approach enables companies to build upon existing practices rather than instituting entirely new systems, creating a strong baseline for LCI's sustainability metrics. The CERB analysis revealed that LCI is making significant contributions to all relevant SDGs and capitalising on the associated opportunities.

Pioneering Climate Action

LCI remains steadfast in its commitment to the principles outlined in the Global Reporting Initiative (GRI) standards and the UN SDGs. This dedication is evident in the prioritisation of targets and indicators set within these frameworks, maintaining a culture of transparency throughout the organisation. The launch of LCI's Catalyst 2030 - Climate Action Plan last year marked a significant

milestone in the Company's journey toward achieving carbon neutrality. This comprehensive plan details the deployment of empirically proven solutions across all operational areas, with progress reports provided periodically.

Details of the Catalyst 2030 - Climate Action Plan are available on pages 114-115 of this Report.

Advancing Environmental Responsibility

LCI is actively expanding its PET recycling capabilities and aims to significantly increase its carbon emission neutralisation efforts from the current level of 28,000+ tonnes to 80,000 tonnes by 2030. During the previous fiscal year, LCI achieved a 7% reduction in Scope 1 and a 12.6% reduction in Scope 2 greenhouse gas (GHG) emissions per unit of value added compared to the SPLY.

Driving Social Impact

In addition to its environmental efforts, LCI is committed to creating a positive social impact. The Company focuses on promoting shared value in the communities where it operates by promoting a safe and respectful work environment for all employees. LCI remains dedicated to advancing social welfare and enhancing the quality of life within its operational areas.

Stakeholder Engagement

The Company believes that the foundation of its success lies in the open and transparent relationships established with its stakeholders. It recognises the invaluable role of each stakeholder in shaping the journey and growth of LCI.

Stakeholder Group	Providers of Financial Capital	Employees	Customers	Suppliers and International Partners
Engagement Frequency	Regular	Regular	Regular	Regular
Concerned LCI Teams	<ul style="list-style-type: none"> • Corporate Finance • Company Secretariat • Corporate Communications & Public Affairs 	<ul style="list-style-type: none"> • EMT • Human Resource • Corporate Communications & Public Affairs 	<ul style="list-style-type: none"> • Business sales, technical support and quality assurance 	<ul style="list-style-type: none"> • Procurement • Relevant business teams
Key Stakeholder Concerns	<ul style="list-style-type: none"> • Ongoing economic viability • LCI's financial and operational performance • LCI's growth prospects 	<ul style="list-style-type: none"> • Employment security • Fair treatment and compensation • Safe workplace • Training and education • Career development • Participation and empowerment 	<ul style="list-style-type: none"> • Product cost, quality and availability 	<ul style="list-style-type: none"> • Long term supply contracts • Efficient payment cycles
LCI's Strategic Response	<ul style="list-style-type: none"> • Commitment to ongoing growth and value creation • Corporate briefings • Shareholders meetings • Timely public disclosures to PSX • Investor relations policy 	<ul style="list-style-type: none"> • Leadership connect sessions • Internal events and communications • Annual engagement survey • Launch of Employee Central • Benchmarking studies • Capacity-building trainings • Wellness Programme • Innovation Challenge • Code of Conduct 	<ul style="list-style-type: none"> • Technical support and capacity building initiatives • Surveys and field visits • New product launches • Communication and engagement initiatives 	<ul style="list-style-type: none"> • Code of Conduct compliance • Procurement policy manual • Supplier audits • Open negotiation discussions

Communities	Government and Regulatory bodies	Media	Academic and Research Institutions	NGOs and NPOs
Regular	Regular/Case Basis	Occasional	Occasional	Regular
<ul style="list-style-type: none"> • Business onsite teams • Lucky Core Foundation 	<ul style="list-style-type: none"> • Relevant business/functional representatives 	<ul style="list-style-type: none"> • Corporate Communications & Public Affairs • EMT 	<ul style="list-style-type: none"> • Human Resource • Relevant business teams • Lucky Core Foundation • Business onsite CSR teams 	<ul style="list-style-type: none"> • Lucky Core Foundation • Business onsite CSR teams
<ul style="list-style-type: none"> • Impact of LCI's manufacturing sites • Employment opportunities • Sustainability initiatives, both environmental and social 	<ul style="list-style-type: none"> • LCI's compliance with regulations and laws • LCI's investment in the economy • LCI's contribution to sustainability 	<ul style="list-style-type: none"> • Information on LCI's operations, growth prospects and sustainability practices • LCI's economic contribution 	<ul style="list-style-type: none"> • Career placements and development • Leadership and workplace insights 	<ul style="list-style-type: none"> • Funding for CSR programmes • Logistical and technical support for CSR programmes
<ul style="list-style-type: none"> • Community and environmental investments • Robust HSE programme • Local procurement and employment 	<ul style="list-style-type: none"> • Bilateral engagement • Timely and transparent submission of data for review and compliance 	<ul style="list-style-type: none"> • Digital presence • Timely release of information and response of media queries • One-on-one media engagement 	<ul style="list-style-type: none"> • Research partnerships • Training programmes and guest speaker sessions • Recruitment and internship drives 	<ul style="list-style-type: none"> • Community and environmental investments

Stakeholder Engagement

Key Initiatives FY 2023-24

Soda Ash Business

- The business remained committed to creating value for the Khewra community by supporting outreach and environmental initiatives. These included continued support for the Ladies Welfare Centre Khewra, providing livelihood and skill training opportunities for underprivileged girls, organising sporting events that enabled the youth to showcase their talents, implementing Project GreenStorm, successfully completing the plantation of over 50,000 trees in and around its facility, and creating multiple greenbelts alongside Khewra's main road.
- In line with the Company's value of Passion for People, the business announced a Four-Shift Rota at the Soda Ash plant. This system ensures continuous 24/7 operations by dividing the workforce into four teams that work in shifts on consecutive days, followed by consecutive days off. This arrangement allows for smooth operations and promotes a healthier work-life balance.



The annual exhibition of handicrafts organised by the Ladies Welfare Centre in Khewra

Polyester Business

- The business's stakeholder engagement strategy is rooted in its commitment to sustainability. During this year, the Polyester Business undertook multiple initiatives to create awareness of minimising PET waste.
- In collaboration with the Aabroo Educational Welfare Organisation, the business is dedicated to its PET bottle deposit scheme. The collected PET waste is recycled by Aabroo, with the proceeds directed towards sponsoring education for children from marginalised backgrounds. Moreover, this initiative has enabled the business to produce Terylene Clean, a 100% recycled product variant.
- As a member of the CoRe Alliance, the Polyester Business continued to collaborate with like-minded organisations to develop policies with the Government, aiming to enhance the waste collection and management infrastructure across the country.
- In line with the Company's core value of Customer Centricity, the business hosted the inaugural Friends of Terylene Golf Tournament at Defence Raya Golf and Country Club in February 2024.



The Polyester Business team at the Core Alliance Session in PC Bhurban

Animal Health Business

- Placing a strong emphasis on supporting its customers beyond product offerings, the business organised in-person and digital training sessions with technical teams from principal suppliers, to empower customers with industry best practices and knowledge. Moreover, the business's Livestock and Poultry segments arranged impactful symposiums and farmer's gatherings, facilitating knowledge sharing of effective farm management solutions, and engaged over 70,000 farmers and 28,000 professionals.
- The business implemented a comprehensive series of symposiums and seminars across key cities, addressing critical topics such as heat stress management, transition cow management, health management, responsible antibiotic usage, disease prevention and biosecurity for young birds. Through these activities the business effectively engaged veterinarians, para-vets, professionals, and farmers.
- During the year, a national campaign for the prevention and control of tick-borne diseases was launched for farmers and veterinary professionals.



The Animal Health Business team organised a seminar on Rational Anti-Microbial Therapy for veterinarians

Pharmaceuticals Business

- The business continuously engaged multiple healthcare professionals (HCPs) nationwide through various marketing campaigns like Freedom to Thrive, Secure the Cure, and Zaroori Hai.
- Throughout the year, the business participated in numerous national conferences for cardiology, paediatrics, gastroenterology, and anti-infectives, providing platforms for visibility, scientific advocacy, and customer engagement.
- During the year in review, the business conducted over 1500 round table meetings and 61 symposia with key opinion leaders (KOLs) to discuss emerging treatment options, alongside Continued Medical Education Programmes for HCPs.
- To further continuous learning and improvement in the area of HSE&S, the business organised training sessions in accident investigation, behaviour-based safety, CPR, and first aid, as well as hygiene and food safety awareness. Moreover, several plantation drives were conducted throughout the

year, underscoring the Company's commitment to a safe and sustainable work environment.



The Pharmaceuticals Business team celebrating World Heart Day 2024

Chemicals & Agri Sciences Business

- To promote a culture of health and safety, the business conducted extensive HSE&S training sessions at the Chemicals Technical Centre and customer premises, throughout the year. These sessions included practical demonstrations and comprehensive risk assessments.
- The Chemicals Business was a Gold Sponsor of the Pakistan Coatings Show 2024 in Lahore, where it engaged with customers and key stakeholders, showcasing its diverse range of offerings and gathering valuable insights into market needs.
- The Chemicals Business signed an MoU with The Green Ark, a leading advocate for plastic waste recycling, marking a pivotal step towards a sustainable future.
- The Agri Sciences Business advanced customer-centric solutions by launching new products in the Agrochemicals segment and refining the Seeds portfolio to align with customer needs. Additionally, the business provided regular training sessions for farmers on cutting-edge production technologies and eco-efficient farm management practices.

- During the year, the business conducted periodic Cycle Meetings to empower the sales force and key functions, fostering a performance-driven culture.



The Chemicals & Agri Sciences Business as a Gold Sponsor at the Pakistan Coatings Show 2024, Lahore

Membership of Associations

During the year in review, the Company was a member of the following associations:

- Chamber of Commerce
- Pakistan Business Council (PBC)
- Pakistan Institute of Corporate Governance
- Overseas Investors Chamber of Commerce and Industry (OICCI)
- Pakistan Agriculture Coalition
- CropLife
- Pakistan Pharmaceutical Manufacturers' Association (PPMA)

Economic Performance

Aligned with its vision, values, and brand promise, the Company is committed to shaping a better tomorrow by generating a positive economic impact for all stakeholders.

This section provides an overview of LCI’s approach to material topics related to the Company’s Economic Performance. Details on other disclosures relating to this area are presented in the GRI Content Index or cross-referenced within the Annual and Sustainability Reports.

Material Topics Covered



Management Approach

Economic performance is one of the key drivers of the Company’s aspirations, goals, strategy, and operations, and is proactively managed by relevant stakeholders across the Company.

The overall responsibility of governing the organisation, along with driving economic performance, lies with the Board of Directors. Details on the functioning of the Board of Directors are available on page 62 of this Report.

Comprehensive information on the Company’s commercial performance and distribution of economic value for the year are available in the respective Business Performance, Directors’ Report, and financial statement sections of the Annual Report 2023-24.

In line with its core values, LCI ensures that the highest standards of integrity are maintained across all facets of its operations. The Company’s business principles are transparent and reflected in the Code of Conduct. As part of the onboarding process, all new hires receive an electronic copy of the Code of Conduct and are required to sign a declaration after thoroughly reading and understanding its contents.

Sourcing and Procurement

Building shared value to achieve sustained growth requires LCI to maintain strong ties with its business partners. Its extensive supply chain network covers the supply chain managers of

each of its businesses and their respective teams. To streamline procurement and handling practices, the Company’s supply chain teams actively seek and apply best practices to capitalise on opportunities for synergy.

Following the cradle-to-grave approach, the Company ensures the procurement of high-quality raw materials through a stringent supplier evaluation process and the compliance of finished products with the HSE&S Management System at all stages of the product life cycle. All suppliers are screened against social, environmental, and safety aspects before being included in the approved supplier list, based on the corporate guidelines for the selection of suppliers. The most critical suppliers are also evaluated based on ‘CEFIC’ protocol.

The Company continues to engage new suppliers and ensure that they comply with all applicable laws, regulations, and the internal value system. The vendor policy complies with human rights, labour and social standards, and anti-discrimination and anti-corruption policies, in addition to protecting the environment. Continuous reviews of the policy for suppliers are conducted.

Regular HSE&S audits of suppliers are conducted to ensure compliance with the vendor policy. Relevant avenues for improvement are shared with suppliers as part of the process. Frequent pro-bono training on HSE&S best practices in warehousing, transportation, and logistics are conducted to minimise loss-time injury or fatality.



10%
vs SPLY

Net Turnover
PKR 120,460 million



17%
vs SPLY

Operating Profit
PKR 17,151 million



-19%
vs SPLY

Profit After Tax
PKR 11,140 million



-19%
vs SPLY

Earnings Per Share
PKR 120.62

Business-wise Performance vs the SPLY



0%
Polyester



15%
Soda Ash



33%
Pharmaceuticals



17%
Chemicals &
Agri Sciences



-1%
Animal Health

Integrity Management

Key Performance Indicators

	Units	2019-20	2020-21	2021-22	2022-23	2023-24	Target 2024-25
Code of Conduct confirmed incidents	Number	1	0	0	1	4	0
Code of Conduct acceptance	% Employees	100	100	100	100	100	100
Management audits (Including reassurance audits)	Number	6	6	6	6	6	6
Serious incidents - Level 3	Number	0	0	0	0	0	0
Serious incidents - Level 1, 2	Number	4	4	3	6	4	0
Serious loss of containment - Cat D	Number	0	0	0	0	0	0
Regulatory action - Level 3	Number	0	0	0	0	0	0

Overview 2023-24

During the year, four Code of Conduct violations were reported. Each incident was thoroughly investigated, and a comprehensive action plan was developed to prevent recurrence. To reinforce the Company's working norms, LCI regularly conducts refresher sessions on the Code of Conduct. These sessions aim to reinforce LCI's commitment to ethical behaviour and maintain a positive work environment. Moreover, all new employees at LCI receive and acknowledge the Code of Conduct during their onboarding process, ensuring a complete understanding and adherence to the Company's ethical standards.

To ensure compliance with the HSE&S Management System, the Company conducted frequent site visits, HSE&S audits, and maintained regular communication across all business units. A quarterly review of all businesses was conducted, based on the assessment of hazards and recommendations from previous reviews. This year, four incidents of Level 2 were reported. All incidents were thoroughly investigated, and corrective actions were implemented to avoid recurrence.

LCI's strategic initiatives and its continuous commitment to integrity drive sustainable economic growth, positioning the Company as a responsible industry leader shaping the future.

Details on Occupational Health and Safety KPIs are available on page 140 of this Report.

Sourcing and Procurement

Key Performance Indicators

		2019-20	2020-21	2021-22	2022-23	2023-24	Target 2024-25
Vendor policy signed by key suppliers	%	96	96	96	100	100%	98
Vendor policy signed by Central NPR suppliers	%	83	84	92	100	100%	95
Supportive supplier visits	Number	165	240	436	341	250	500

Overview 2023-24

During the year, LCI continued to work closely with its supply chain partners to promote sustainability, ensure continuity in the Company's operations, and enhance its partners' business operations. The Company rigorously evaluated suppliers to ensure the procurement of high-quality raw materials and compliance with the HSE&S Management System throughout the product lifecycle. All suppliers went through comprehensive screening against social, human rights, environmental, and safety criteria before being included in the approved supplier list, in accordance with corporate guidelines for supplier selection.

As the Company continues to grow and expand, there has been a significant increase in the number of key suppliers complying with the vendor policy. During the year in review, 100% compliance with the Company's vendor policy was ensured, aligning with our evolving sustainability objectives and supporting operational continuity, while advancing our partners' sustainability efforts.

Spend Analysis

LCI's diversified product portfolio includes light, dense soda ash, Refined Sodium Bicarbonate (RSB), Polyester Staple Fibre (PSF), general and specialty chemicals, pharmaceuticals, nutraceuticals, animal health, and agri products. The Company's supply chain operations are complex, involving multiple suppliers present both locally and internationally.

The Company works transparently with suppliers to foster enduring benefits for both parties. This approach not only enhances procurement but also creates significant value beyond transactional benefits. A summary of procurement expenditures made by each business is as follows:

Business	Spend Analysis (PKR million)			% of Total Spend	
	Local	Import	Total	Local	Import
Polyester	23,522	10,443	33,965	69.25%	30.75%
Soda Ash	6,634	19,296	25,930	25.58%	74.42%
Animal Health	1,835	2,235	4,070	45.09%	54.91%
Pharmaceuticals	2,254	4,001	6,255	36.00%	64.00%
Chemicals & Agri Sciences	2,041	7,428	9,469	21.55%	78.45%

Key Initiatives FY 2023-24

Transportation

The diverse nature of the Company's portfolio requires varied transportation for inbound and outbound materials. The requirements range from those for bulk materials such as Lime Stone, Salt, Coal, Met Coke, PTA, MEG, VAM, Polyol and finished goods to temperature-sensitive raw materials for the Pharmaceuticals Business and other finished products.

To minimise the carbon footprint, special efforts were made to transport materials through railways. This year, the Polyester Business utilised Pakistan Railways to transport 11,040 tonnes of purified terephthalic acid (PTA) with 11 trains and 231 wagons, eliminating the need for 288 vehicles and significantly reducing road congestion and environmental impact. Conversely, to move this material by road, 288 trailers (including both 2-axle and 3-axle) would have been required.

Additionally, 22,270 tonnes of soda ash for the Soda Ash Business were transported via rail from Khewra to the Karachi warehouse using 131 railway wagons, replacing 557 vehicles

and demonstrating a more sustainable logistics approach. Furthermore, 2,090 Metcoke containers were transported by rail and offloaded using hydraulic tipper trucks, reducing the offloading time from 105 days to 42 days, thus saving 63 days.

Further efforts were made to supply soda ash in bulkers instead of polypropylene bags. A total of 22,270 tonnes of soda ash was delivered to customers in bulkers, thereby eliminating the need for 22,270 bags.

Packaging

During the year in review, the Company implemented significant sustainability initiatives to reduce its carbon footprint. Transitioning from bux board to bleach board packaging in the pharmaceuticals plant resulted in savings of PKR 20.4 million and significantly reduced carbon emissions. Correspondingly, the Animal Health Business minimised paper waste in packaging materials, leading to savings of PKR 2.9 million and eliminating 5,000 kg of carbon emissions.

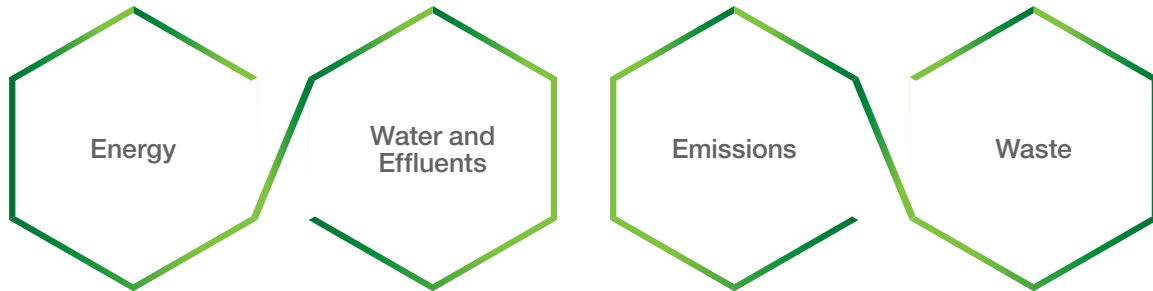


Environmental Performance

LCI remains committed to delivering sustainable growth while actively shaping the future by managing the environmental impacts of its operations. Demonstrating a commitment to environmental responsibility both within the Company and beyond is a key priority.

This section provides an overview of LCI's approach to material topics related to the Company's environmental performance management efforts. Details on other disclosures relating to this area are presented in the GRI Content Index or cross-referenced within the Annual and Sustainability Reports.

Material Topics Covered



Management Approach

In line with its HSE&S principles, the Company is dedicated to upholding the highest standards of health and safety for its stakeholders, and to protecting the environment. Monitoring and evaluating environmental performance falls under the domain of the LCI's Health, Safety and Environment (HSE) function. The Corporate HSE function oversees HSE&S matters, including environmental performance management. Each business has its own HSE&S function that manages more specific and localised matters. Annual improvements regarding HSE&S performance are considered the collective responsibility of every employee.

The Company's HSE&S policy governs matters related to its environmental performance management. The current HSE&S policy was issued in June 2024.

The HSE&S Management System serves as a guiding framework for the Company's current and future operations. Its scope encompasses all businesses, locations, and individuals present on the Company's premises. The system adheres to globally recognised standards, such as ISO 14001 Environmental Management Systems Standard, ISO 45001 Occupational Health and Safety Management Systems, and the Responsible Care Management System.

Management of vital environmental performance parameters is carried out in line with regulatory compliance following NEQS and best global practices. Performance is monitored through the Environmental Performance Management (EPM) database. The EPM database is an application for the collation and analysis of HSE&S data and the reduction of the Company's Operational Eco-Efficiency (OEE) footprint. The data is then studied against relevant sustainability parameters to analyse each business's sustainability performance and to set goals and targets for the future. Data against environmental performance is reported internally on a quarterly basis and on an annual basis externally.

The calculation of KPIs for this report is based on the HSE&S Management System and covers all LCI businesses.

Emissions and Energy

Each of the Company's five diverse businesses is equipped with robust systems for monitoring environmental performance and tracking carbon footprint. The systems utilise internationally recognised standards such as the Intergovernmental Panel on climate change (IPCC) and Greenhouse Gas (GHG) Protocol, to calculate Scope 1 and Scope 2 emissions, including CO₂, CH₄, N₂O, SF₆. Regular reviews and collaborations with business units drive continuous improvement and foster a culture of innovation and responsibility. No chemical classified as an ODS is listed in the Chemical Substance Inventory of LCI.



Water and Effluents

LCI places a strong emphasis on responsible water management. Sources of water used by the Company includes surface and groundwater, which is utilised for cooling, steam generation, and housekeeping, and brackish water is used in the preparation of brine solutions. To ensure minimal environmental impact, efficient treatment processes, recycling practices, and regular compliance testing are ensured at all Company locations. In the event of an unforeseen outage, LCI's water treatment facilities are equipped with multiple units that ensure operational continuity. The discharge streams undergo regular testing to ensure compliance with the Pakistan Environmental Quality Standards.

A comprehensive approach to managing water is employed, including conducting water usage audits, risk assessments, and engaging with stakeholders, including suppliers, customers, and local communities, to promote sustainable water management.

In alignment with the Company's overall sustainability strategy and public policy, the establishment of annual water-related goals and targets, along with regular reporting on performance and possible areas of improvement, further showcases the Company's commitment to responsible water management.

Waste

Waste minimisation is a key aspect of the Company's environmental performance strategy. The Company identifies and categorises various waste streams associated with on-site activities and minimises waste generation through enhanced process efficiency and robust control mechanisms, aimed at reducing LCI's environmental footprint. Onsite activities that are monitored for waste generation and extend beyond waste streams generated solely from chemical processes include engineering, warehousing, domestic waste from canteens, and office waste paper. The waste streams are quantified and categorised to facilitate standardised reporting to the Corporate HSE function. Data collected is used to identify opportunities for waste minimisation, establish priorities, evaluate performance against set targets, and make improvements on KPIs related to waste management.

The 4R (Refuse, Reduce, Reuse, Recycle) concept is integral to LCI's waste management approach, encouraging recycling and reusing waste where possible. Unsuitable waste is appropriately stored at the respective Company sites, in adherence to SOPs. Once the predetermined threshold is reached, the waste is disposed of responsibly through approved vendors following strict screening processes. The Company's waste management is aligned with the requirements of ISO 14001.

Product Stewardship

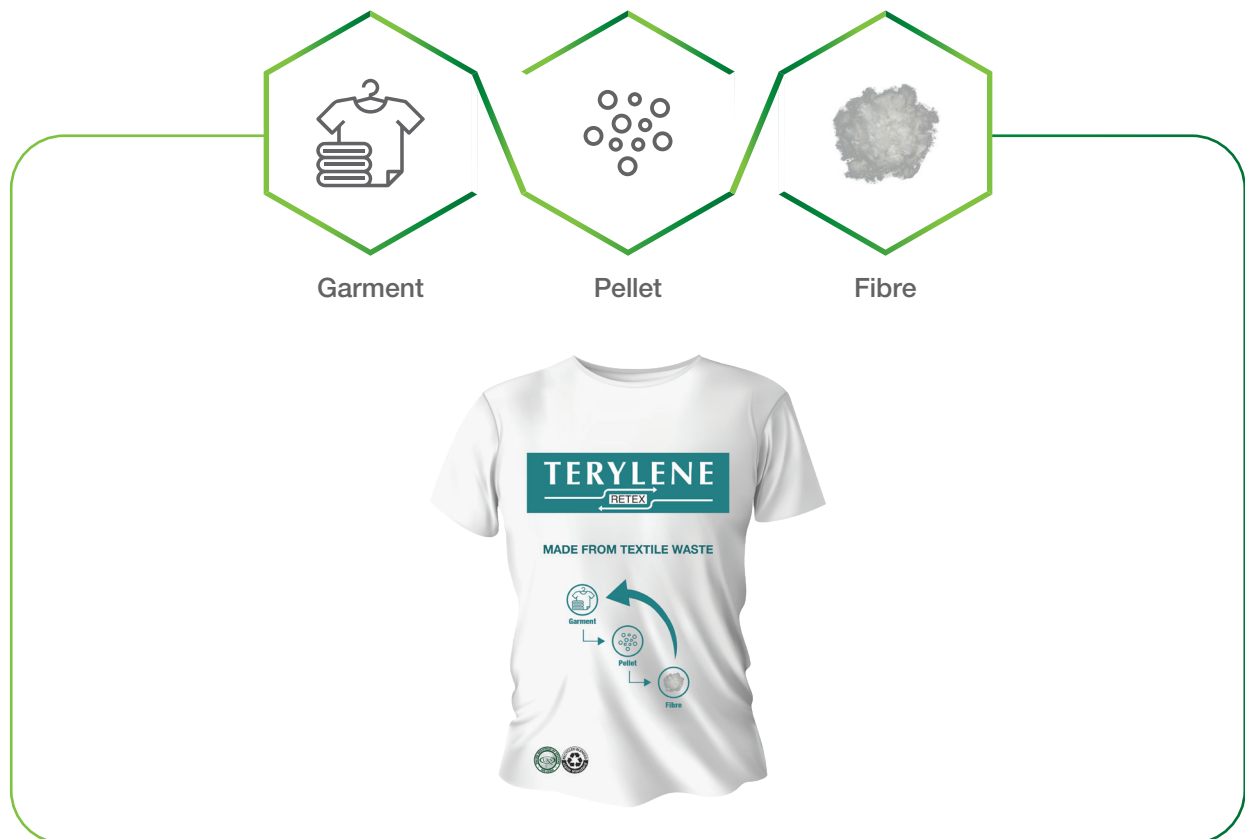
As a socially responsible Company, LCI is committed to a sustainable future by consciously measuring the health, safety, and environmental impacts of its products and actions across all steps of its value chain.

Key Initiatives FY 2023-24

Terylene Clean

In line with its commitment to emerging consumer trends, the Polyester Business has established itself as a leader in global Textile-to-Textile recycling with its innovative Terylene Retex product. This initiative supports the business's broader strategy to lead in sustainable textile practices. Through partnering with a renowned chemical textile waste recycler, the business imports high-quality pellets that are transformed into fibre at its manufacturing facility in Sheikhpura. During the year, Terylene Retex garnered significant attention from leading brands worldwide, underscoring its role in advancing a circular economy for textiles.

Additionally, the Polyester Business continued to collaborate with academia and CSR partners to streamline waste collection and raise awareness on the benefits of the segregation and proper disposal of waste. As part of its 'Environmentally Alive' school workshops campaign, the business invited Grade-1 students from TNS school to its recycled fibre manufacturing facility, where they learned about plastic pollution, participated in a drawing activity, and toured the manufacturing facility to see the PET waste conversion process.



Building Transparency with FibreTrace

During the year, the Polyester Business partnered with FibreTrace, a leader in traceability solutions, to meet the upcoming EU regulations. This collaboration enhances the traceability of the business's sustainable products through FibreTrace's advanced digital and physical tracking technology, ensuring thorough oversight across the value chain. This partnership brings

significant credibility to the business's sustainability claims, benefiting both brands and end-consumers alike. Moreover, the business launched Life Cycle Assessments (LCAs) for its product portfolio, offering detailed insights into the environmental impact of each product, reinforcing the Company's commitment to sustainability and continuous improvement.



Energy

Key Performance Indicators

Energy Consumption	Units	2019-20	2020-21	2021-22	2022-23	2023-24	Target 2024-25
Total energy consumption	1000Tj	7.79	7.92	8.30	9.66	10.13	10.1
Per tonne production	GJ/te	15.65	13.03	11.98	13.20	14.02	11.61

- For the FY 2023-24, the energy generated from the renewable source is 7.2 TJ, purchased energy is 126 TJ and 9994 TJ is non-renewable.
- For the FY 2023-24, the renewable energy intensity is 0.009 GJ per tonne of product, the purchased energy intensity is 0.174 GJ per tonne of product, and for non-renewable energy intensity is 13.8 Joule per tonne of product.

Overview

The Company uses a mix of fuel sources including coal, furnace oil, and natural gas, to generate energy in-house for its operations, and partial energy requirement is also procured from the national grid.

During FY 2023-24, the Company made notable progress in solar energy adoption, generating 7,200 Giga Joules from solar projects across all sites. Despite this achievement, overall energy consumption increased due to elevated coal usage. For the Polyester Business, reduced demand from its downstream industry

led to lower and nonlinear production rates, which consequently impacted the energy index. Conversely, increased production at the Company's pharmaceutical sites, combined with plant outages, including a scheduled shutdown at the Hawke's Bay site for transformer installation, resulted in higher diesel generator usage.

To mitigate impacts of the aforementioned and promote sustainable resource management, LCI continued working on its energy conservation projects aimed at lowering the energy index.

Energy Efficiencies

In alignment with its sustainability agenda and core values of innovation and customer centricity, LCI has prioritised projects aimed at optimising processes for a sustainable future. The key highlights for FY 2023-24 underscore the Company's continuous efforts in advancing renewable energy projects and enhancing energy efficiency. Significant progress has been made in various ongoing initiatives, demonstrating the Company's commitment to reducing its carbon footprint.

LCI has made substantial progress in solar energy investments across its sites. The Company's largest solar project is situated at its Polyester site in Sheikhpura, followed by projects at the Bela Pumping Station of the Soda Ash Business, and the Pharmaceuticals site in Hawke's Bay. These projects have collectively generated approximately 7,200,000 megajoules of power, resulting in a reduction of over 1,200 tonnes of CO₂ emissions during the year.

At the Polyester plant, the VFD-driven 650 USRT chiller has led to a significant reduction of 368 tonnes of carbon emissions annually. This reduction is comparable to the environmental benefit of planting 14,720 trees.

The desuperheater installed last year at the Soda Ash Business's Dense Ash Plant 2 continues to enhance energy efficiency

by extracting heat from superheated steam used in fluid bed operations. This ongoing improvement has maintained a reduction in steam consumption by 0.03 TPTA, leading to a sustained annual decrease of approximately 2,312 tonnes in CO₂ emissions.

The Soda Ash Business team modified the design of the Rotary Dissolver 4, reducing the number of baffle plates. This change improved operational efficiency and extended the lifespan of distillers, leading to an estimated reduction of 1,160 tonnes of CO₂ emissions during the year.

Modifications on Calciner 3 and 4 in the Soda Ash Business have achieved a reduction of approximately 2,313 tonnes of CO₂ emissions per annum. This was accomplished by reducing steam through lower moisture levels in crude sodium bicarbonate via the use of a higher mesh sieve at the rotary drum vacuum filter, and by saving steam consumption at deaerators through the complete recovery of Calciner condensates.

The Tubular Chain Conveyor (TCC) System at the Polyester plant continued to reduce electricity consumption by 95%. This system uses a drag conveyor to transport PTA instead of the more energy-intensive pneumatic air conveying. This ongoing project has decreased carbon emissions by approximately 1,167,000 kg per annum, equivalent to planting around 46,680 trees annually.



Emissions

Key Performance Indicators

Emissions Control	Units	2019-20	2020-21	2021-22	2022-23	2023-24	Target 2024-25
Total COD emissions	te	24.73	28.73	40.71	38.06	37.01	29
Per tonne production	kg/te	0.05	0.05	0.06	0.05	0.05	0.03
Total VOC emissions	te	2.85	3.04	2.8	3.02	2.56	3.2
Per tonne production	kg/te	0.01	0.01	0.01	0.01	0.01	0.004
Total NOx emissions	te	2,878	2,612	2,787	3,268	3,574	3,531
Per tonne production	kg/te	5.77	4.29	4.02	4.51	4.95	4.05
Total SOx emissions	te	3,680	3,768	3,987	4,274	4,583	4,715
Per tonne production	kg/te	7.38	6.19	5.75	5.9	6.34	5.4
Total direct CO₂ emissions (Scope 1)	te	845,720	831,381	884,038	1,036,297	1,114,986	1,103,095
Per tonne production	kg/te	1,696	1,366	1,276	1,431	1,543	1,263
Total indirect CO₂ emissions (Scope 2)	te	2,213	1,823	2,452	3,491	3,350	2,229
Per tonne production	kg/te	4.44	3	3.54	4.82	4.64	2.55

Overview

In 2023-24, the Sustainability Council prioritised monitoring and controlling emission-related KPIs through the EPM database to ensure compliance with National Environment Quality Standards (NEQS) and global requirements. As part of its Catalyst 2030 - climate action plan, during the year, the Company neutralised over 28,000 tonnes of CO₂, reinforcing its commitment to sustainability.

LCI maintained NO_x, SO_x and CO₂ emissions within NEQS limits. However, the KPIs indicated a slight upward trend due to

increased coal consumption per unit of production for electricity and steam generation at LCI's Soda Ash and Polyester Business's manufacturing sites.

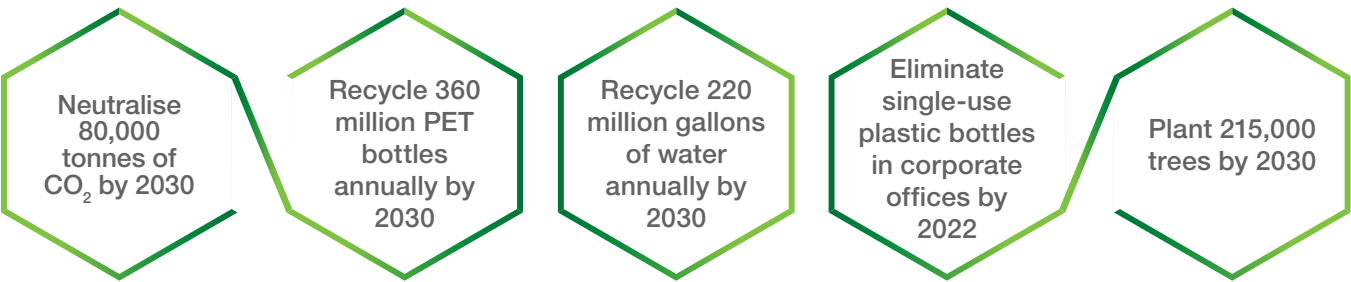
Higher production at the Pharmaceuticals Business's Hawke's Bay plant, coupled with fluctuations in production levels at the Polyester and Pharmaceuticals facilities, contributed to the rise in greenhouse gases. Moreover, the lower production of the Company's eco-efficient product, silage, contributed to the increasing trend of SO_x and NO_x emissions.

Catalyst 2030 - Climate Action Plan

LCI launched a comprehensive Catalyst 2030 - Climate Action Plan during the previous fiscal year, uniting all its businesses to combat climate change. Building on last year’s achievements, the programme focuses on:



Actionable Initiatives



Catalyst 2030 Impact Overview FY 2023-24

Catalyst 2030 – Impact Areas	Units	FY 2023-24	Total (since July 2022)
Neutralise carbon emissions	tonnes	28,584	52,511
Recycle PET bottles to produce polyester	million bottles	267.2	466.1
Trees planted	number	49,100	83,260

In FY 2023-24, the Catalyst 2030 - Climate Action Plan demonstrated substantial advancements in its environmental impact objectives. During this period, the Company successfully neutralised 28,584 tonnes of CO₂, enhancing the cumulative total to 52,511 tonnes since the programme’s inception in July 2022.

In addition to carbon neutralisation, the Company has made remarkable progress in recycling initiatives. A total of 267.2 million PET bottles were recycled to produce high-quality polyester, contributing to a cumulative total of 466.1 million bottles, highlighting the Company’s dedication to circular economy practices and reducing plastic waste.

The environmental impact also extended to tree planting efforts, with 49,100 trees planted during FY 2023-24. This brings the

total number of trees planted since July 2022 to 83,260, further enhancing biodiversity and supporting ecosystem restoration.

In a key move to advance sustainability, the Company has eliminated the use of single-use plastic bottles across all its Corporate Offices. This initiative not only reflects the Company’s commitment to reducing plastic waste but also sets a benchmark for sustainable practices within the organisation.

Overall, the progress achieved under Catalyst 2030 – Climate Action Plan exemplifies the Company’s dedication to environmental stewardship and its ongoing efforts to shape a sustainable future.



Water and Effluents

Key Performance Indicators

Water Usage	Units	2019-20	2020-21	2021-22	2022-23	2023-24	Target 2024-25
Total fresh water use	million m3	5.3	5.1	5.6	6.31	6.56	7.38
Per tonne production	kg/te	10.62	8.30	8.20	8.72	9.07	8.47
% of site with sustainable fresh water	%	66%	66%	66%	66%	83%	75%

Water Discharge and Consumption FY 2023-24

Water Withdrawal	Soda Ash	Chemicals and Agri Sciences	Pharmaceuticals	Polyester	Animal Health	Total Water Consumption
Water withdrawal by source	m3	m3	m3	m3	m3	m3
Surface water (total)	1,314,783.00	-	-	-	-	1,314,783.00
Freshwater ($\leq 1,000$ mg/L TDS)	702,764.00					702,764.00
Other water ($> 1,000$ mg/L TDS)	612,019.00					612,019.00
Groundwater (total)	8,194,915.41	-	4,314.00	1,293,730.00	2,425.00	9,495,384.41
Freshwater ($\leq 1,000$ mg/L TDS)	4,500,055.41		4,314.00	1,293,730.00	2,425.00	5,800,524.41
Other water ($> 1,000$ mg/L TDS)	3,694,860.00					3,694,860.00
Produced water (total)	-	-	-	34,479.00	-	34,479.00
Freshwater ($\leq 1,000$ mg/L TDS)						-
Other water ($> 1,000$ mg/L TDS)				34,479.00		34,479.00
Third party water (total)	-	11,935.00	41,889.00	-	-	53,824.00
Freshwater ($\leq 1,000$ mg/L TDS)		11,935.00	41,889.00			53,824.00
Other water ($> 1,000$ mg/L TDS)	-					-
Total water withdrawal	9,509,698.41	11,935.00	46,203.00	1,328,209.00	2,425.00	10,898,470.41
Water discharge [Disclosure 303-4]						
Water discharge by destination						-
Surface water	0	2,641.00	20,488.00	964,791.00	1,213.00	989,133.00
Groundwater						-
Seawater						
Third-party water						-
Total water discharge	-	2,641	20,488	964,791	1,213	989,133.00
Water consumption						-
Total water consumption	9,509,698.41	9,294.00	25,715.00	363,418.00	1,212.00	9,909,337.41

*LCI does not withdraw water from regions experiencing water stress.

Overview:

During the year in review, water consumption witnessed a slight increase compared to the previous year. This rise is primarily attributed to the installation of a new cooling water system and increased power generation from Co-Gen facilities within the Soda Ash Business. Additionally, higher production of liquid products (Mucaine and Citralka) at the Pharmaceuticals Business's Hawke's Bay site contributed to the increase in water use.

Furthermore, the Polyester Business's lower production rates further impacted the water index, underscoring the nonlinear relationship between the index and production rates.

To address these challenges and ensure responsible water usage, cross-functional teams were established to monitor water consumption during the year. Areas of improvement were promptly identified and addressed to mitigate the waste of water.

Conserving Every Drop

Water is a vital natural resource, integral to both sustainability and business continuity. Recognising its importance, LCI has made water management a cornerstone of its sustainability strategy. LCI is committed to continually improving its water conservation practices and extending these efforts beyond its operations by actively involving local communities in water conservation initiatives.

Responsible Water Management

LCI places a strong emphasis on responsible water management. To ensure minimal environmental impact, efficient treatment processes, recycling practices, and regular compliance testing are implemented at all Company locations. Water treatment facilities are equipped with multiple units to ensure operational continuity in the event of an unforeseen outage. Furthermore, regular testing of discharge streams is conducted to ensure compliance with the Pakistan Environmental Quality Standards (PEQS).

Revitalising Wastewater Recovery

Committed to responsible water use, LCI actively identifies opportunities for saving and reusing water. During the year, the Soda Ash Business's Health, Safety, and Environment (HSE) team successfully revived the wastewater recovery system at both the plant and residential estates. This initiative included a comprehensive assessment and significant enhancements to the recovery network, including the cleaning of collection pits, and drain channels, and rehabilitating recovery pumps. The updated system now supports both residential and plant premises, utilising recovered wastewater for horticulture activities and reducing the demand on potable water sources.

Conserving Potable Water

To conserve 2,000 gallons of potable water daily, Reverse Osmosis (RO) reject water and bore water are reused in workers' washrooms. RO reject water, typically discarded, and bore water, suitable for non-potable uses, are redirected for flushing toilets and other sanitary purposes. This initiative preserves valuable drinking water resources, ensuring they are reserved for essential consumption needs. The daily savings of 2,000 gallons result in a significant reduction in the carbon footprint, estimated at 5.36 kg of CO₂ per day, due to the lower energy requirements for pumping and treating potable water. Over a year, this initiative can lead to a total reduction of 1,956 kg of CO₂ emissions, demonstrating a substantial environmental benefit and promoting sustainable water management practices at the Pharmaceuticals Business's Hawke's Bay site.



Waste

Key Performance Indicators

Waste Management	Units	2019-20	2020-21	2021-22	2022-23	2023-24	Target 2024-25
Total waste	kte	37.5	101.7	66.8	69.8	60.15	84.998
Per tonne production	kg/te	75.2	167	96.4	96.5	83.25	97.39
Total hazardous waste	kte	0.024	0.095	0.152	0.072	0.105	0.117
Per tonne production	kg/te	0.05	0.16	0.02	0.10	0.14	0.0134
Total non-reusable waste	kte	0.047	0.285	0.255	0.189	0.189	0.219
Per tonne production	kg/te	0.094	0.46	0.36	0.26	0.26	0.25
Total non-reusable hazardous waste	kte	0.024	0.095	0.152	0.072	0.105	0.117
Per tonne production	kg/te	0.05	0.16	0.22	0.10	0.14	0.134
Total hazardous waste to landfill	kte	0	0	0	0	0	0
Per tonne production	Kg/te	0	0	0	0	0	0

Waste by Composition (Unit: Metric Tonnes)

	Total waste generated	Waste diverted from disposal	Waste directed to disposal
Process waste	59.11	-	59.11
General plant scrap	3,346.82	467.04	2,879.78
Fly ash	56,650.00	56,650.00	-
Paper waste	44.74	39.91	4.83
Waste for incineration	49.46	-	49.46
Total	60,150.13	57,156.95	2,993.19

Waste Diverted from Disposal by Recovery Operations (Unit: Metric Tonnes)

	Onsite	Off Site	Total
Non-hazardous waste			
Preparation for re-use	4.27	-	4.27
Recycling	2.01	57,141.82	57,143.83
Other recovery operations	-	-	-
Total	6.28	57,141.82	57,148.10
Hazardous waste			
Preparation for re-use	-	-	-
Recycling	-	8.85	8.85
Other recovery operations	-	-	-
Total	-	8.85	8.85
Total waste diverted from disposal	6.28	57,150.67	57,156.95

Waste Directed to Disposal by Disposal Operations (Unit: Metric Tonnes)

	Onsite	Off Site	Total
Non-hazardous Waste			
Incineration (with energy recovery)	-	-	-
Incineration (without energy recovery)	-	-	-
Landfilling	1.63	-	1.63
Other disposal operations	-	2,882.98	2,882.98
Total	-	2,882.98	2,884.61
Hazardous waste			
Incineration (with energy recovery)	-	97.07	97.07
Incineration (without energy recovery)	-	11.45	11.45
Landfilling	0.06	-	0.06
Other disposal operations	-	-	-
Total	0.06	106.78	108.57
Total waste directed to disposal	0.06	2,989.76	2,993.19

Overview

During the year under review, the Company achieved a notable 14% reduction in total waste compared to the previous year. However, there was a slight increase in hazardous waste, primarily due to higher production of pharmaceutical products.

Utilising the 4R philosophy the Company believes that the first step to reducing waste is to refuse unnecessary consumption. As such, LCI has eliminated the use of single-use PET water bottles at all its locations through its Catalyst 2030 – Climate Action Plan. Communication campaigns and sustainability challenges encouraged employees to replace single use bottles with reusable alternatives.

From Waste to Resource

Effective waste management is essential for sustainable development, influencing both environmental integrity and community well-being. In line with its core values of Passion for People and Innovation, LCI is committed to advancing circularity and environmental stewardship. During the year in review, the Company made significant progress in integrating waste reduction practices, enhancing recycling efforts, and promoting community engagement as integral elements of its sustainability strategy.

Implementation of 5S Methodology

During the fiscal year, LCI adopted the 5S methodology to enhance workplace organisation and efficiency, aimed at fostering a disciplined environment for continuous improvement. The core principles of 5S are:



In adopting this methodology, LCI formed four-member cross-functional teams across all business functions, who were trained by SGS Pakistan Limited. Each team implemented 5S principles on site-specific projects, resulting in improved workspace organisation, equipment management, and workflow efficiency. This initiative enhanced operational processes, encouraged employee ownership, and fostered a positive cultural shift, leading to benefits including improved workflow, increased safety, a cleaner environment, more available workspace, and greater self-discipline among employees.

Leading the Way in Zero Discharge and Quality Improvement

The Chemicals and Agri Sciences Business achieved a significant milestone by securing compliance certifications for Zero Discharge of Hazardous Chemicals (ZDHC), Chem Check Road Map to Zero, and Global Organic Textile Standards (GOTS). This milestone highlights the business's commitment to environmental responsibility and quality standards, which are vital for export-oriented operations.

Turning Trash into Treasure

In line with its sustainability agenda, LCI is dedicated to promoting resource circularity and environmental protection through effective waste management. As part of STEP, the Company's flagship sustainability drive, the CCPA team, in collaboration with the HSE and Admin teams, inaugurated a composting station at the Head Office. This effort aims to minimise the Company's environmental footprint by enhancing organic waste management practices.



Composting Station at the Head Office, Karachi - Turning Trash into Treasure

To support this initiative, a compost awareness workshop was organised in partnership with TrashIt!, providing employees with valuable insights into the benefits and processes of composting. This project highlights LCI's ongoing commitment to environmental stewardship and proactive steps towards a greener tomorrow.

A Cleaner Tomorrow

Through its Pehchan Employee Volunteer Programme, the Company actively encourages its employees to participate in regular environmental and community uplift initiatives. The Pehchan initiatives offer employees opportunities to give back to the community by supporting causes of their choice. Recognising the growing issue of waste disposal in major cities, multiple clean-up drives were arranged during the year under review.

The Animal Health Business organised a clean-up drive on Multan Road. The event was conducted to honour World Environment Day and a total of 31 kg of waste was collected for further recycling. Moreover, the Chemicals and Agri Sciences Business organised a hike to the Mushkpuri summit. A total of 100 kg of waste was collected during the activity. The Pharmaceuticals Business contributed by implementing extensive clean-up efforts at its Hattar Plant, ensuring a cleaner, greener workspace.

During the year in review, the Company upheld its strong commitment to environmental protection by consistently engaging in and expanding its environmental initiatives, contributing to a sustainable future for all.



5S Methodology training by SGS Pakistan Limited



Compost Awareness Workshop organised for employees at the project location



Social Performance

As a leading national organisation, LCI views itself as a steward shaping a better tomorrow. The Company is dedicated to maximising its positive societal impact by nurturing both its employees and the communities it serves.

This section provides an overview of LCI's approach to material topics related to the Company's social performance. Details on other disclosures relating to this area are presented in the GRI Content Index or cross-referenced within the Annual and Sustainability Reports.

Material Topics Covered



Management Approach

Social Performance is the joint responsibility of the HSE&S function and Human Resources (HR) function, with each team responsible for generating and monitoring positive impact in their respective area. Moreover, LCI itself and through Lucky Core Foundation (a trust) manages the creation of shared value in the communities in which the Company operates.

Data Relating to Employees

The Company considers its 2,200+ employees as one of the key stakeholders that is responsible for the success of both the organisation and the magnitude of its positive impacts on other stakeholders and the environment. The HR function oversees the Company's people agenda and all related policies and practices are governed by LCI's Code of Conduct, applicable laws, and regulations. Depending on the nature of the initiative, approvals relating to the Company's people agenda are sought either from the Company's Board of Directors or the EMT.

the Company's Performance and Development System. Training needs, individual development plans, and overall effectiveness of social performance are gauged through LCI's annual performance appraisal tool, P&DD, or employee engagement survey.

All employees are covered under a robust medical policy. LCI adheres to applicable laws with regards to minimum wage, and the ratio of entry-level wage is higher than the prescribed minimum wage at all locations.

Where possible, the Company hires Senior Management from the local community. During the year, Senior management hired from Karachi, Lahore, Sheikhupura, Khewra was 67%, 33%, 0%, and 0%, respectively.

The Company ensures employee wellbeing and promotes a healthy lifestyle through its holistic Employee Wellness Programme.

Occupational Health and Safety

The Company is committed to providing a safe and healthy working environment for all employees, contractors and visitors at its sites. The HSE&S function oversees disclosures related to Occupational Health and Safety. A detailed HSE&S management system based on the Responsible Care Management System, ISO45001, ISO14001, and ILO OSH 2001 guidelines is in place to mitigate risks associated with people, products, and process safety. The Company ensures the occupational health of each employee through health assessment and hygiene assessment plans.

LCI adheres to a holistic grievance mechanism to support ethical and fair social performance. The Company's whistleblowing policy, Speak Up, is open to all employees for the confidential reporting of Code of Conduct violations. Details on the Code of Conduct are available on page 65 of the Annual Report.

Goals and targets of related disclosures undergo thorough annual review, resulting in the identification of medium and long-term objectives. The HR function facilitates the dissemination of these goals at an individual level, and their delivery becomes part of

Safety Measure in Plant Operations

To ensure the safety of construction, commissioning, and operations at its manufacturing sites, LCI has implemented multiple layers of hazard and risk assessments that help identify and control risks through all stages of a project. Six layers of hazard studies consider HSE&S implications, in order to prioritise the safety and well-being of individuals involved in the project.

With a strong focus on continuous improvement, each business prioritises occupational health and safety performance through leadership commitment, staff dedication, and maintaining the highest professional standards. Moreover, employees are encouraged to report hazards through the Learning Event Database and their inputs are recorded and investigated for improvements to the Company's HSE&S processes. Furthermore, employees are engaged in behavioural safety discussions, daily safety talks, online communications, and workshops regarding all essential HSE&S matters.

The effectiveness of social performance in the area of Occupational Health and Safety is measured through the Company's Learning Event Database, Management Audits, and the Environmental Performance Management (EPM) Database.

Disclosures Related to Corporate Social Responsibility

The Company, directly and through Lucky Core Foundation (the 'Foundation'), carries out Corporate Social Responsibility (CSR) initiatives through partnerships to support and uplift the communities. This commitment focuses on fostering positive change and socioeconomic development among underserved populations through a collaborative approach. The operations of the Foundation are managed by the Board of Trustees, and it follows the policies and objectives outlined in the Trust Deed and CSR Policy.

The Company's CSR philosophy is in harmony with the Company's vision, mission, values, and brand promise. Committed to creating shared value beyond its boundaries, the Company strives to enhance the well-being of stakeholders in the communities where it operates.

Annually, the Company contributes a set percentage of its Profit after Tax towards its CSR initiatives. Donations received are used to support various initiatives in the areas of Health, Education, Community Development, Women's Empowerment, and Environment. The effectiveness of the Company's social performance is evaluated based on the impact generated by ongoing CSR initiatives. Details on CSR performance and the impact it has created are available on page 150 of this Report.



LCI's HSE&S Management System outlines the principles governing the Company's operations across all businesses and functions concerning health, safety, environment and security.

LCI's comprehensive manual, comprising of 21 standards and 79 guidelines, facilitate effective implementation. This manual

is distributed to all businesses, providing them with guidance on developing their business-specific HSE&S procedures to ensure alignment with the Company's stance on HSE&S.

The integrated management system encompasses various critical areas, which are in line with recognised standards such as ISO 45001.



Occupational Health and Safety

Key Performance Indicators

	Units	2019-20	2020-21	2021-22	2022-23	2023-24	Target 2024-25
Total reportable injury rate (employees)	\million hours	0.47	0.44	0.2	0.48	0.29	0
Occupational illness rate	\million hours	0	0	0	0	0	0
Total illness absence rate (employees)	%	1.28	1.39	1.66	1.53	1.16	1.3
Fatalities	number	0	0	0	0	0	0
Total reportable injury rate (independent contractors)	\million hours	0	0	0.16	0.21	0.24	0
Lost time injury (independent contractors)	number	0	0	0	0	0	0
% sites with BBS programme	%	100	100	100	100	100	100
Distribution incidents	number	0	0	0	0	0	0
Motor vehicle incidents with injury	number	0	0	0	0	1	0

Overview

As of June 30, 2024, the Company achieved a total of 46.5 million safe man-hours. The Soda Ash Business led with 33.7 million safe man-hours, followed by Pharmaceuticals, Animal Health, Chemicals & Agri Sciences, Polyester, and Corporate offices at 6.65 million, 0.92 million, 1.46 million, 0.04 million, and 3.72 million safe man-hours respectively.

Unfortunately, during the year, four reportable injuries, including three Loss Time Injuries and one Restricted Work Injury were recorded, with a total reportable injury rate of 0.29. All incidents underwent thorough investigations, and action plans were implemented to prevent recurrence. The TRIR has been calculated based on 1 million hours worked. LCI monitors the health and safety performance of all its employees, ensuring that no one is excluded from the data.

Our manufacturing sites have established systems to promote worker participation, consultation, and communication on occupational health and safety. Monthly joint management and worker safety meetings are one such process, led by line managers and occasionally section heads of relevant functional departments. The HSE&S function sets the agenda, and feedback is meticulously recorded. These meetings require 100% workforce participation.

The Company has established robust mechanisms to ensure a healthy working environment across all its operations. The Health Assessment Performance Index (HAPI) and Hygiene Performance Index (HYPI) programmes continued to operate Company-wide, identifying and mitigating health risks such as respiratory diseases, hearing loss, and ergonomic issues. These proactive measures led to zero reportable cases of occupational illnesses during FY 2023-24.

Workers involved in high-risk occupational activities are trained on, and well-versed in, the appropriate health and safety protocols, provided appropriate equipment, and regularly monitored. For example, employees in high-noise areas are provided with protective equipment and undergo annual hearing checks, in line with LCI's HSE&S Management System and occupational health policy. Health risks at all manufacturing sites have been assessed, and corresponding health monitoring programmes have been developed for employees.

A comprehensive HSE&S management audit was conducted across Soda Ash and Polyester Business sites, identifying areas for improvement to enhance the HSE&S culture. Training on essential HSE&S topics remains a key focus of the Company's annual HSE&S agenda.



Key Initiatives FY 2023-24

Awards and Recognitions

The Soda Ash Business received the prestigious British Safety Council International Safety Award 2024 for its exemplary Health, Safety, and Environment (HSE&S) practices. Moreover, the business was honoured with the 13th Annual Fire Safety Award, recognised by the National Forum for Environment & Health (NFEH) and the Institution of Fire Engineers (IFE), for its commitment to implementing stringent fire safety measures.



The Soda Ash Business team receiving the Fire Safety Award

During the year, LCI's Pharmaceuticals Business was awarded the Occupational Safety Health & Environmental Award 2023 by the Employers' Federation of Pakistan (EFP) and the Environment Excellence Award 2023 by NFEH, reflecting the Company's high standards in safety and environmental responsibility.

The Animal Health Business was recognised with the 20th Annual Environment Excellence Award by NFEH for its commitment to sustainable practices and climate protection. Moreover, the business earned a Certificate of Appreciation at the 13th Annual Fire Safety Award by NFEH and IFE for its dedication to stringent fire safety practices.



The Animal Health Business team receiving the Environment Excellence Award

These accolades are a testament to the Company's dedication to upholding the highest standards of HSE&S to ensure the well-being of its people and the communities in which it operates.

Road Safety Awareness

To commemorate International Firefighters' Day 2024, the Company's Pharmaceuticals Business organised comprehensive Firefighting Training sessions at the Hawke's Bay Plant. These sessions emphasised the crucial role of firefighters in ensuring community safety and involved hands-on training on the proper use of fire extinguishers and hoses. Moreover, multiple plantation drives were conducted at the Hawke's Bay and Hattar Plants to mark significant occasions such as Earth Day, Independence Day, and the World Day for Safety and Health. These initiatives were designed to promote environmental sustainability while raising awareness about safety, illustrating the interconnectedness of environmental conservation and workplace safety. Through these efforts, the business reinforced the Company's commitment to creating a safe and healthy work environment amidst the challenges posed by climate change.

Key HSE&S Trainings Conducted

Training employees on key HSE&S topics remains a focus area for the Company.

- The Soda Ash Business collaborated with civil defence agencies to deliver comprehensive training on disaster management, modern firefighting techniques, and emergency response. This initiative provided a blend of theoretical and practical training to enhance employee skills in fire detection, control, and evacuation.
- During the year, the Pharmaceuticals Business conducted Accident Investigation and Behaviour-Based Safety training sessions for middle and senior management to enhance site accident investigation and implement the Behaviour-Based Safety (BBS) programme. Moreover, First Aid and CPR training sessions were held at the Hawke's Bay and Hattar plants in collaboration with the Pakistan Red Crescent Society (PRCS), aimed at supporting on-site medical emergencies.
- The Polyester Business celebrated Safety Week 2023 with workshops and activities aimed at promoting safety awareness among employees.
- Moreover, to promote fire safety awareness, support the well-being of firefighters, and strengthen community bonds, the Company collaborated with Rescue 1122 to provide fire safety training for employees.

Employee Engagement and Wellness

LCI's employees are key in the Company's efforts of shaping a brighter future and delivering lasting value. The Company continues to accelerate the development and growth of its employees, and to enhance their performance through its robust engagement and wellness programmes.

Gauging Engagement

At LCI, shaping tomorrow begins with a dynamic and engaged workforce. This year, the Company introduced a new engagement tool as part of its 'Core Connect - Honest Voices, Stronger Choices' campaign, designed to enhance understanding of employee involvement and organisational culture. Launched in March 2024, the tool achieved a 96% participation rate and an engagement score of 4.19 (84%). These insights have been crucial for refining the Company's strategies to improve engagement and performance. The HR function is now using this data to implement targeted action plans aimed at promoting a more motivated and engaged workforce, ensuring ongoing growth and success.

Shaping a Thriving Work Environment

During the year, the Company prioritised the wellness and engagement of its employees by organising a variety of activities through its Employee Wellness Programme. These activities were centred around three key focus areas:

- Social Connectedness
- Physical Wellness
- Mental Wellbeing and Mindfulness

Dimension of Wellness



Social Connectedness

A culture of care, both within and beyond the Company, is fundamentally supported by LCI's core value of Passion for People. This commitment ensures that employees are provided with ample opportunities to engage with individuals and communities, promoting the shared value that extends beyond the organisation's boundaries.

To recognise the valuable contributions of our employees, LCI launched several significant initiatives this year. The Corporate Table Tennis tournament at the Karachi Head Office featured singles and doubles matches, promoting team spirit and friendly competition. Moreover, LCI celebrated the ICC Cricket Men's World Cup by hosting a Fantasy League, which engaged around 200 employees and strengthened team bonds through shared enthusiasm and excitement.

During the month of November, the Pharmaceuticals Business celebrated Kindness Month by installing a 'Wall of Kindness,' where employees anonymously shared uplifting messages for one another. This initiative significantly enhanced workplace morale and fostered a supportive and empathetic culture.

The Company's employee volunteer programme, Pehchan, provided year-long community engagement opportunities, allowing employees to contribute to various key areas, including health, education, women's empowerment, and environmental initiatives.

Details of LCI's employee volunteer programme are available on page 155 of this Report.



The Corporate Table Tennis tournament at the Head Office, Karachi

Physical Wellness

The Company places a high priority on the physical well-being of its employees, recognising it as essential for maintaining a strong, energetic, and motivated workforce. To support this, LCI provides open-access gyms and sports courts at the Head Office, Lahore corporate office, and Khewra locations, ensuring employees have access to quality training facilities year-round.

Throughout the year, LCI organised numerous internal activities, often in collaboration with external partners, to promote physical wellness among its employees. The LCI Olympics, featuring activities such as badminton and tug-of-war, encouraged physical activity and teamwork across various locations, fostering a spirit of fellowship and competition.

Wellness Week, held in Karachi, Lahore, and Sheikhpura, included diverse activities like Art Therapy Day and a Talent Show, benefiting over 300 employees and supporting both physical and mental well-being. Moreover, the Pharmaceuticals Business marked World Heart Day with a Wellness Walk, highlighting the importance of heart health and active living, and engaging over 120 participants.

These initiatives underscore LCI's commitment to creating a healthy and supportive work environment, reinforcing the Company's dedication to the physical well-being of its employees.



Team LCI wins the Chemicals & Agri Sciences Cricket Tournament

Mental Wellbeing and Mindfulness

LCI recognises the growing importance of ensuring and supporting the mental and emotional wellness of its employees. Throughout the year, the Company organised several expert-led initiatives to enhance the workforce's well-being. These included asthma and allergy awareness sessions, which provided effective management strategies, and breast cancer awareness and screening sessions in collaboration with IRD Pakistan, which demonstrated a commitment to the health of female employees. The Animal Health Business, at its plant location, hosted an Art Meets Therapy event featuring canvas painting and mandala colouring, showcasing creativity as a valuable tool for mental wellness and engagement. Furthermore, the January 2024 Cardiac Awareness session provided essential information on cardiovascular health, underscoring LCI's dedication to both mental and physical wellness.



Art Meets Therapy event organised for employees

Diversity, Equity and Inclusion

Key Performance Indicators

	2019-20	2020-21	2021-22	2022-23	2023-24
Governance Body					
Percentage by gender	75% M: 25% F (6, 2)	78% M: 22% F (7, 2)	89% M: 11% F (8, 1)	89% M: 11% F (8, 1)	90% M: 10% F (9, 1)
Percentage by age	Between 30-50: 38% Above 50: 63% (3, 5)	Less than 30: 14% Between 30-50: 44% Above 50: 56% (2, 4, 5)	Less than 30: 0% Between 30-50: 44% Above 50: 56% (4, 5)	Less than 30: 0% Between 30-50: 44% Above 50: 56% (4, 5)	Between 30-50: 50% Above 50: 50% (5, 5)
Employees					
Percentage of management employees by gender	93.6% M: 6.3% F	94% M: 6% F	93.9% M: 6.1% F	92.6% M: 7.4% F	92.2% M: 7.8% F
Management	1,520 - M, 92 - F	1,599 - M, 104 - F	1,603 - M, 105 - F	1,608 - M, 129 - F	1,617 - M, 131 - F
Trainees	27 - M, 13 - F	11 - M, 4 - F	22 - M, 18 - F	19 - M, 11 - F	32 - M, 9 - F
Percentage of management employees by age	Less than 30: 29.2% Between 30-50: 62.0% Above 50: 8.7% (483; 1,025; 144)	Less than 30: 28% Between 30-50: 63% Above 50: 9% (474; 1,077; 153)	Less than 30: 25% Between 30-50: 66% Above 50: 9% (427; 1,132; 149)	Less than 30: 27% Between 30-50: 64% Above 50: 9% (462; 1,115; 160)	Less than 30: 25% Between 30-50: 63% Above 50: 12% (452; 1,124; 213)

Overview

LCI's commitment to fostering DE&I in the workplace is deeply rooted in its core values of Integrity, Responsibility, and Passion for People. The Company believes in providing merit-based equal opportunities, supported by a robust Code of Conduct that emphasises the importance of an equitable workplace.

To reinforce DE&I at every level, LCI's Diversity, Equity, and Inclusion (DE&I) Council, comprising representatives from each business unit, works diligently to meet annual diversity targets. The Council focuses on hiring and retaining diverse employees, introducing inclusive initiatives, and sustaining a culture of respect.

The Company maintained a 10% female representation in the EMT, while the percentage of female representation in the workforce increased compared to the SPLY.

Key Initiatives FY 2023-24

- The Company views gender diversity as a strategic priority that enhances decision-making and problem-solving, contributing to a sustainable competitive advantage. This year, the gender diversity platform, IMPACT, continued its efforts through the Yes She Can! Women Returnship Programme, which was launched last year. Through this programme, LCI successfully reintegrated two skilled women into the workforce after career breaks, supporting their professional development and promoting gender inclusivity.
- LCI's commitment to Diversity, Equity, and Inclusion (DE&I) has been central to its talent acquisition and engagement strategies. During the year, the Company fostered a culture

of belonging and respect by celebrating various faith-based festivals, including Diwali, Holi, Christmas, Easter, Eid ul Fitr, Eid ul Adha, Women's Day, Mother's Day, Father's Day, Nowruz, and Men's Day.

- During the year, LCI hosted a series of engaging events, including a corporate table tennis tournament, a fantasy league during the ICC Cricket Men's World Cup, LCI Olympics, and Wellness Week. These activities not only fostered team spirit but also contributed to a vibrant and inclusive workplace culture.
- To celebrate the achievements of women in business, LCI organised a thought-provoking panel on International Women's Day, featuring spouses of employees working in leadership roles. This event underscored the Company's commitment to recognising and advancing women's contributions in the professional sphere.
- The Company participated in WIBCON 2024, with several female representatives from LCI attending the event. This occasion provided a valuable platform for sharing experiences and offering career guidance, uniting female leaders from leading organisations.
- LCI effectively leveraged social media to communicate its DE&I agenda, attracting a diverse talent pool.
- During the year, 4 female and 54 male employees took parental leave. Of these, 75% of female employees and 100% of male employees resumed work following their leave period.
- In line with the Company's commitment to fair labour practices and the importance of collective representation, 362 employees, accounting for 16% of our total workforce, are covered by collective bargaining agreements.

Total employees by region

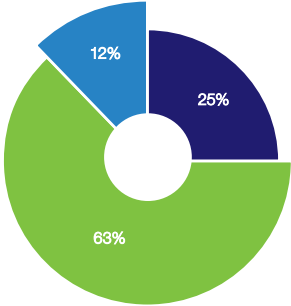
Total Employees by Region	Punjab	Sindh	KPK	Balochistan	AJK	Others	Total
Management	997	490	167	16	6	0	1676
Non-Management	360	2	0	0	0	0	362
Management Contract	58	55	0	0	0	0	113
Apprentices	76	0	0	0	0	0	76
Total	1491	547	167	16	6	0	2227

(All permanent and temporary employees are full time)

Total employees by gender

Employees data by Gender	Male	Female	Total
Management	1557	119	1676
Non-Management	361	1	362
Management Contracts	92	21	113
Apprentices	76	0	76
Total	2086	141	2227

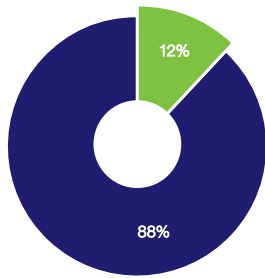
Total management employees by age



Total: 1,789

- Under 30: 452
- 30 to 50: 1,124
- Above 50: 213

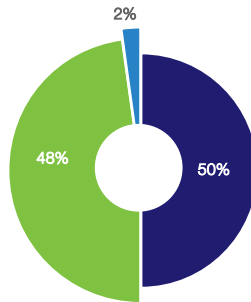
Total number of employees hired during the year by gender



Total: 471

- Male: 416
- Female: 55

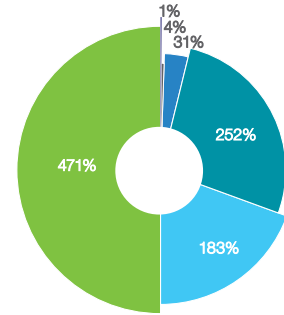
New hires by age



Total: 471

- Under 30: 235
- 30 to 50: 224
- Above 50: 12

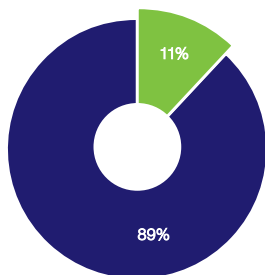
New hires by region



Total: 471

- Azad Kashmir
- Balochistan
- KPK
- Punjab
- Sindh
- Total

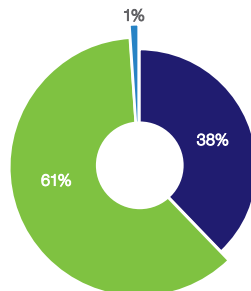
Employee turnover during the year by gender



Total: 366

- Male: 325
- Female: 41

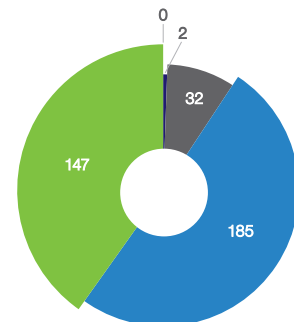
Employee turnover during the year by age



Total: 366

- Under 30: 140
- 30 to 50: 222
- Above 50: 4

Employee turnover during the year by region



Total: 366

- Balochistan
- KPK
- Punjab
- Sindh
- Azad Kashmir

Training and Education

Key Performance Indicators

		2019-20	2020-21	2021-22	2022-23	2023-24
Average hours of training by gender and employee category	Hour	M: 6.8, F: 8.4	M: 4.6, F: 3.3	M: 4.9, F: 2.9	M: 28.7, F: 40.9	M: 18.02, F: 22.72
		G30: 2.04;	G30: 3.1;	G30: 4.4;	G30: 20.1;	G30: 17;
		G31: 5.1;	G31: 3.5;	G31: 12.9;	G31: 25.8;	G31: 12;
		G32: 2.9;	G32: 3.6;	G32: 15.8;	G32: 21.3;	G32: 16;
		G33: 6.18;	G33: 4.5;	G33: 14.2;	G33: 44;	G33: 15;
		G34: 7.12;	G34: 4.6;	G34: 22.3;	G34: 48.3;	G34: 17;
		G35: 18.5;	G35: 5.2;	G35: 32.4;	G35: 35.5;	G35: 19;
		G36: 25.8;	G36: 5.7;	G36: 12.7;	G36: 31;	G36: 30;
		G37: 44.1;	G37: 4.9;	G37: 11.7;	G37: 23.6;	G37: 29;
		G38: 46.5;	G38: 5.5;	G38: 9.2;	G38: 20.9;	G38: 24;
		G39: 30.8;	G39: 7.2;	G39: 11;	G39: 6.8;	G39: 28;
		G40: 24;	G40: 6.3;	G40: 12.4;	G40: 14.1;	G40: 21;
		Trainee: 6.2;	Trainee: 3.03;	Trainee: 3.8;	Trainee:	WL-4: 45;
		WL-4:	WL-4:	WL-4: 16	359.3;	Trainees: 15
					WL-4: 20	
P&DD participation	%	98	100%	100%	100%	100%
Management development programme	No. of managers participated	122	86	126	129	97
Employee engagement index		NR	7.9 (3.95)	8.04 (4.02)	8.2 (4.10)	4.19

*The new engagement tool scores are measured on a five-point scale. For consistency, additional details for previous years have been provided using the same scale.

Overview

In line with our commitment to continuous learning and development, our Corporate trainings have played a pivotal role this year. This year, LCI achieved 4,763 training man days organisation wide, which is an average of 2.5 training man days per employee, encompassing 97% of our workforce. During the year in review, the Company leveraged its internal faculty for programme delivery, with 14% of the training days provided through Corporate Run Programmes, of which 58% were conducted by our Internal Faculty via in-person and online platforms.

Key trainings conducted during the year in review included, 'HR for Non-HR,' 'Finance for Non-Finance,' 'Problem-Solving and Decision Making,' and 'AI Roadmap for Organisations,' and other topics that broadly cover themes that employees work with on a day-to-day basis. Moreover, the Learning Lounge sessions featured four external guest speakers who shared insights on emotional intelligence, determination, and entrepreneurial skills. External training programmes also included sessions on 'Communication and Powerful Storytelling,' 'Media Handling in Crisis Situations,' and 'Effective Job Analysis and Descriptions,' delivered by specialised trainers.

The success of the training programmes was reflected in participant feedback, demonstrating their effectiveness. Internal training programmes received an overall rating of 90%, while external training programmes achieved 87%, both exceeding the target of 80%.

Key Training Programmes FY 2023-24

AI Roadmap for the Organisation

Facilitated by the Chief People Officer, this training provided strategic insights into AI implementation within our organisation. Participants learned to develop and execute an AI roadmap, focusing on both current applications and future potential, ensuring readiness for technological advancements.

Put First Things First

An external trainer led this session, emphasising time management and task prioritisation. Employees gained practical tools to enhance productivity and align their work with core values and strategic goals.

Art of Effective Communication

This workshop, conducted by an external trainer, aimed to improve interpersonal communication skills across the organisation, fostering clearer communication and stronger team dynamics.

Reinvent Yourself

This transformative workshop encouraged participants to embrace change and innovation, offering strategies for personal and professional reinvention to adapt to evolving business landscapes.

HR for Non-HR

The in-house 'HR for Non-HR' training conducted by the Centre of Excellence's Learning & Development Team, equipped employees with knowledge of HR policies and performance measurement. This session, held over two days in Lahore, contributed over 350 training hours.

Learn to Lead

A two-day Sales and Marketing Workshop was executed across Karachi, Lahore, and Islamabad, co-facilitated by an external trainer and the Commercial Excellence Team. This workshop addressed the developmental needs of first-line leaders, focusing on uniform coaching and performance management.

Basic to Intermediate Excel

Leveraging internal expertise, an employee from the Polyester Business conducted several in-house Excel training sessions. These two-day sessions covered basic formulas for dashboard development, enhancing employees' Excel skills.



Incident Investigation Training by Corporate HSE&S

Career Development and Performance Management

LCI recognises that investing in employees' growth is essential for organisational success. The Company's targeted development programmes enhance individual performance while driving overall achievement and sustainability. By fostering continuous learning and providing opportunities for skill enhancement, we ensure our workforce remains competitive and adaptable to evolving industry trends.

Employee Transition and Support Programmes

LCI is committed to ensuring a seamless transition for employees entering retirement through a robust benefits policy. This includes comprehensive terminal benefits such as provident funds, pension funds, and gratuity (where applicable). For those opting to relocate after retirement, the Company's relocation policy covers airfare, packing services, and associated expenses. Additionally, all management employees are entitled to life insurance, healthcare, disability coverage, parental leave, and retirement provisions.

Furthermore, the Company's sabbatical policy supports employees taking time off for personal interests, family care, or further education, ensuring a seamless reintegration into their roles upon return.

Non-Discrimination

Key Performance Indicators

	Units	2019-20	2020-21	2021-22	2022-23	2023-24	Target 2024-25
Total number of Incidents of discrimination	No.	0	0	0	0	0	0

Overview

Non-discrimination is a fundamental part of LCI's Code of Conduct and value system. The suitability and selection of candidates for job opportunities is solely based on merit-based objectives and non-discriminatory criteria. The growth opportunities are transparent and solely based on performance. Moreover, the whistleblowing programme – Speak Up allows confidential reporting of Code of Conduct violations, including discriminatory practices.

Details of our whistleblowing policy are available on page 65 of this Report.

During the FY 2023-24, there were no reported incidents of discrimination at the Company. LCI remains dedicated to maintaining this record and continuously improving its focus on ethical and responsible conduct through ongoing initiatives.

Freedom of Association and Child Labour

The Company upholds the right of employees to freedom of association. During the period under review, there were no instances where freedom of association or collective bargaining rights were compromised. Currently, 362 employees, representing 16% of our total workforce, are covered by collective bargaining agreements. The minimum notice period for operational changes, as stipulated in these agreements, is four weeks. LCI strictly prohibits all forms of child labour, forced labour, or slavery and complies with local regulations concerning legal minimum age requirements for work permits.

Community Investment

The Company, directly and through Lucky Core Foundation (the 'Foundation'), carries out Corporate Social Responsibility (CSR) initiatives through partnerships to support and uplift the communities.

This commitment focuses on fostering positive change and socioeconomic development among underserved populations through a collaborative approach.

PKR

113.7

million disbursed
in funding

Support for

19

Projects/NGOs

Over

46,000+

individuals benefitted

Priority Areas



Health



Education



Community
Development



Women's
Empowerment



Environment



LUCKY CORE INDUSTRIES



LUCKY CORE FOUNDATION



Health

Focused on improving access to quality healthcare, support is given to programmes that address the medical needs of the underserved communities that we serve.



Hamqadam Community Clinics

Funding supports the Hamqadam Community Clinics in Khewra and Sheikhupura, operated by the Marie Adelaide Leprosy Centre (MALC) during the fiscal year. The clinics provide essential health services to marginalised infants and mothers. The clinics provide immunisation and nutrition monitoring for children, offer regular consultations for pregnant women, and handle various OPD cases throughout the year.

Total Consultations in Khewra in FY 2023-24:

10,798

Total Consultations in Sheikhupura in FY 2023-24:

7,934



Community Eye Camps

In collaboration with the Layton Rahmatullah Benevolent Trust (LRBT), free-of-cost eye camps are monthly organised in Khewra, offering essential eye care services for the community. This longstanding initiative has assisted thousands of deserving patients from Khewra and neighbouring areas.

Total Camps in FY 2023-24:

9

Total Consultations/Surgeries in FY 2023-24:

2,819



Community Cardiology and Kidney Camps

Continuing its commitment to quality healthcare, free cardiology, and kidney camps are organised in Khewra in partnership with the Tabba Heart Institute, Tabba Kidney Institute and The Kidney Centre. These camps provide attendees with access to screening tests, consultations, and ultrasound services.

Total Camps (Cardiology and Kidney) in FY 2023-24:

3

Number of Patients Treated in FY 2023-24:

294



Paediatric Care

An extensive collaboration with the ChildLife Foundation has been maintained by funding the Resuscitation Block and Fast Track OPD of the Children's Emergency Rooms (ERs) at Mayo Hospital, Lahore, and Lyari General Hospital, Karachi respectively. These collective efforts aim to improve access to quality pediatric healthcare for children in low-income settings.

Children Treated in FY 2023-24:

11,000+



Health Financial Assistance

Support was provided to patients facing financial constraints through the Aziz Tabba Foundation, highlighting a dedication to enhancing lives through healthcare excellence.

Patients Treated in FY 2023-24:

10,000+



Consultant doctors treating patients during a kidney camp in Khewra



Consultant doctors treating patients during eye camps in Khewra



Education

Focused on enhancing access to quality learning opportunities, support in this priority area is concentrated on educational initiatives spanning primary, secondary, higher, and professional education levels.



Govt. Boys and Girls Primary School, Sheikhpura

A collaboration with CARE Foundation has been ongoing to support the Government Boys and Girls Primary School in Tibbi Hariya, Sheikhpura. This initiative provides quality education to children from low-income households living on the outskirts of Sheikhpura's industrial zone.

Students Educated in FY 2023-24:

143



Al-Sari Foundation Campus, Karachi

Partnership with The Citizens Foundation (TCF) continued to support the Al-Sari Foundation Primary School campus in Machar Colony, Karachi, offering educational opportunities to underserved communities.

Students Benefitted in FY 2023-24:

30



Community Managed Girls High School, Bararkot

In partnership with the Friends Welfare Association, support for the teaching staff salaries at the Community Managed Girls High School (CMGHS) in Bararkot was sustained, helping enhance the educational experience of young female students.

Teachers Supported in FY 2023-24:

4

Students Benefitted in FY 2023-24:

62



Kiran Foundation's DCTO, Kati Pahari and Alamabad School Campuses

The collaboration with Kiran Foundation continued focusing on mental health and wellness support through its Mental Health Programme at its various schools managed by the partner organisation. This initiative aims to benefit students, families, school staff, and community people, emphasising the importance of emotional well-being in educational settings and personal lives.

Students Educated in FY 2023-24:

768

Employees Benefitted in FY 2023-24:

375

Families Benefitted in FY 2023-24:

650

Community People Benefitted in FY 2023-24:

400



A teacher conducting a lab class at the Community Managed Girls High School (CMGHS) in Bararkot



Students at the event of world literacy day at Government Boys and Girls Primary School in Tibbi Hariya, Sheikhpura



Women's Empowerment

From vocational training to educational support, funding in this priority area is dedicated to enhancing the skills and fostering the professional growth of women.



NJV Government Higher Secondary School, Karachi

Recognising the profound impact of fostering educational opportunities and creating supportive environments for young women, a meaningful project was undertaken with Akhuwat Foundation to expand the hostel facility at NJV Government Higher Secondary School in Karachi. This collaboration involves funding the construction and furnishing of a new floor in the Female Hostel Block, which will include nine rooms, a central washroom, and essential furnishings.

Yearly Students Accommodation Capacity:

40



IMPACT Scholarship Programme

The IMPACT Scholarship Programme, in partnership with Lahore University of Management Sciences (LUMS), Institute of Business Administration (IBA), Ghulam Ishaq Khan Institute of Engineering Sciences and Technology (GIKI), and National University of Sciences and Technology (NUST), plays a crucial role in funding undergraduate degrees for deserving female students. By offering merit and need-based scholarships, this initiative aims to promote an equitable future by empowering talented female scholars and supporting their access to quality higher education.

Total Number of Partner Institutes in FY 2023-24:

4

Total Number of Students Supported in FY 2023-24:

8



Ladies Welfare Centre, Khewra

Commitment to improving the livelihoods of female artisans is demonstrated through support for the Ladies Welfare Centre in Khewra. This initiative offers vocational training and empowers women with sustainable skills that enable them to contribute effectively to their communities.

Number of Participants in FY 2023-24:

200



Murshid School of Nursing and Midwifery, Karachi

Support has been provided for female students pursuing a two-year Midwifery Diploma Programme at the Murshid School of Nursing and Midwifery, Karachi. These merit-based scholarships aim to foster women's participation in healthcare, empowering them to make significant contributions to the health sector.

Total Number of Students Supported in FY 2023-24:

8



MoU signing ceremony of LCI and Akhuwat Foundation for the extension of a Female Hostel Block at NJV Government Higher Secondary School, Karachi



A class of female students at Murshid School of Nursing and Midwifery, Karachi



Community Development and Environment

Focused on cultivating a greener and cleaner future, support in this priority area centres on initiatives for environmental conservation and waste management.



Greenbelt Development Project

Committed to forging a greener and cleaner future, efforts are focused on robust environmental initiatives. In Khewra, the Greenbelt Development Project is being led to improve local green spaces and safeguard community biodiversity.



Waste Recycling

Across our Karachi, Lahore, and Sheikhpura offices, waste recycling initiatives play a pivotal role in reducing environmental impact and promoting sustainable practices. In partnership with Al-Wasila Trust and Abroo Educational Welfare Organisation, we manage and process both administrative and plant waste into recyclable materials. These efforts significantly minimise waste and conserve valuable resources.

Annual Impact:

Community-Wide

Waste Donated for Recycling in FY 2023-24:

22,594 kgs



Greenbelt Development project in Khewra



Recycling of administrative waste by the employees at the Company's Head Office, Karachi



Volunteering to Create Social Value

Launched in 2018, the Company's flagship Employee Volunteer Programme - Pehchan enables LCI's employees to do better, enrich lives and create greater shared value for communities where the Company operates.

Aimed at supporting marginalised populations, the Pehchan Programme encourages employees to engage in community-based CSR initiatives of their choice in the areas of health, education and mentorship, women's empowerment, community development and the environment.

The programme allows employees to devote up to two working days (or 16 working hours) annually on Company time in pursuit of volunteer work. Individual employees and business' contributing the highest number of volunteer hours are acknowledged quarterly and awarded annually.

Employee Volunteer Programme



417

Volunteers Engaged



1,356

Hours Dedicated



13

Initiatives Conducted



6

CSR Partners Engaged



49

Locations

Pehchan volunteers participated in the following initiatives during the year



The Chemicals & Agri Sciences Business collected 100 kgs of waste during a hike to the Mushkpuri summit



World Children Day celebrated with SOS village children at TDF MagnifiScience Centre, Karachi



The Chemicals & Agri Sciences Business and the Corporate teams at the Beach Clean-up drive conducted on World Clean up Day



432 kgs of clothing collected during a Company-wide clothing donation drive



Pehchan Volunteers participated in an engaging event focused on creativity and learning at SOS Children's Village Karachi



120 pints of blood donated and 360 lives saved during Company-wide blood donation drives



GRI Content Index

Statement of Use	Lucky Core Industries has reported in accordance with the GRI Standards for the period July 01, 2023 to June 30, 2024.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	No sector standard is available for our sector.

			Omission		
GRI Standard/ Other Source	Disclosure	Location	Requirement(s) Omitted	Reason	Explanation
General Disclosures					
GRI 2: General Disclosures					
2-1 Organisational details		14-15			
2-2 Entities included in the organisation's sustainability reporting		105			
2-3 Reporting period, frequency and contact point		105			
2-4 Restatements of information		105			
2-5 External assurance		105			
2-6 Activities, value chain and other business relationships		14, 82, 86, 90, 94,98-99, 118-119			
2-7 Employees		145			
2-8 Workers who are not employees		-	2-8 a, b, c	Information unavailable	Information is not recorded as per GRI requirements. Expected reporting in 2025
2-9 Governance structure and composition		48, 60, 62-63			
2-10 Nomination and selection of the highest governance body		63			
2-11 Chair of the highest governance body		63			
2-12 Role of the highest governance body in overseeing the management of impacts		63			
2-13 Delegation of responsibility for managing impacts		64, 116			
2-14 Role of the highest governance body in sustainability reporting		116			
2-15 Conflicts of interest		65			
2-16 Communication of critical concerns		65			
2-17 Collective knowledge of the highest governance body		116			
2-18 Evaluation of the performance of the highest governance body		63, 64			
2-19 Remuneration policies		48, 64			
2-20 Process to determine remuneration		48, 64			
2-21 Annual total compensation ratio		-	2-21a-c	Confidentiality constraint	Sensitive information
2-22 Statement on sustainable development strategy		106			

	2-23 Policy commitments	13, 65, 113		
	2-24 Embedding policy commitments	116		
	2-25 Processes to remediate negative impacts	65		
	2-26 Mechanisms for seeking advice and raising concerns	65, 67		
	2-27 Compliance with laws and regulations	124		
	2-28 Membership associations	121		
	2-29 Approach to stakeholder engagement	118-119		
	2-30 Collective bargaining agreements	144		
Material Topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	110		
	3-2 List of material topics	110-111		
Economic Performance				
GRI 3: Material Topics 2021	3-3 Management of material topics	110-111, 122		
	201-1 Direct economic value generated and distributed	38		
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	-	Information unavailable	LCI does not have mechanism in place to calculate financial implications of climate change. Expected reporting in 2025
	201-3 Defined benefit plan obligations and other retirement plans	F-34-35, F40		
	201-4 Financial assistance received from government	F40		
Market Presence				
GRI 3: Material Topics 2021	3-3 Management of material topics	110-111, 122, 138		
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	138		
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	138		
Indirect Economic Impacts				
GRI 3: Material Topics 2021	3-3 Management of material topics	110-111, 122, 139		
	203-1 Infrastructure investments and services supported	150-156		
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	150-156		
Procurement Practices				
GRI 3: Material Topics 2021	3-3 Management of material topics	110-111, 122		
	204-1 Proportion of spending on local suppliers	125		

Anti-Competitive Behaviour						
GRI 3: Material Topics 2021	3-3 Management of material topics	110-111, 122				
GRI 205: Anti-Competitive Behaviour	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	124				
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	110-111, 127				
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	130				
	302-2 Energy consumption outside of the organisation	-	302 a-c	Information unavailable	Reliable Information from value chain is not available.	
	302-3 Energy intensity	130				
	302-4 Reduction of energy consumption	130				
	302-5 Reduction in energy requirements of products and services	-		Not applicable	LCI products are used as raw material, consumable and in sowing.	
Emissions						
GRI 3: Material Topics 2021	3-3 Management of material topics	110-111, 127				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	127, 131				
	305-2 Energy indirect (Scope 2) GHG emissions	127, 131				
	305-3 Other indirect (Scope 3) GHG emissions	-		Information unavailable	Reliable Information from value chain is not available.	
	305-4 GHG emissions intensity	127, 131				
	305-5 Reduction of GHG emissions	127, 131-132				
	305-6 Emissions of ozone-depleting substances (ODS)	127				
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	127, 131				
Water						
GRI 3: Material Topics 2021	3-3 Management of material topics	110-111, 127-128				
	303-1 Interactions with water as a shared resource	128, 134				
	303-2 Management of water discharge-related impacts	128, 134				
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	133				
	303-4 Water discharge	133	303-4 b & d	Information unavailable	Information is not recorded as per GRI requirements. Expected reporting in 2025	
	303-5 Water consumption	133				

Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	110-111, 127-128				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	128				
	306-2 Management of significant waste-related impacts	128, 136-137				
	306-3 Waste generated	135				
	306-4 Waste diverted from disposal	135				
	306-5 Waste directed to disposal	136				
Employment and Labour Relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	110, 112, 138				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	146				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	148				
	401-3 Parental leave	144	401-3d	Information unavailable	Information is not recorded as per GRI requirements. Expected reporting in 2025	
GRI 402: Labour Management Relations 2016	402-1 Minimum notice periods regarding operational changes	149				
Diversity, Equity and Inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics	110, 112, 138, 144				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	144				
	405-2 Ratio of basic salary and remuneration of women to men	-	405-2 a, b	Confidentiality constraint	Sensitive information	
Non-Discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	110, 112, 138				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	149				
Freedom of Association and Child Labour						
GRI 3: Material Topics 2021	3-3 Management of material topics	110, 112, 138				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	149	407-1 a-b	Information unavailable	Reliable Information from supply chain is not available.	
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	149	408-1a-c	Information unavailable	Reliable Information from supply chain is not available.	

Training and Education

GRI 3: Material Topics 2021	3-3 Management of material topics	110, 112, 138			
	404-1 Average hours of training per year per employee	147			
GRI 404: Training and Education 2016	404-2 Programmes for upgrading employee skills and transition assistance programmes	148	404-2b	Information unavailable	Information is not recorded as per GRI requirements. Expected reporting in 2025
	404-3 Percentage of employees receiving regular performance and career development reviews	148			

Occupational Health and Safety

GRI 3: Material Topics 2021	3-3 Management of material topics	110, 112, 138-139			
	403-1 Occupational health and safety management system	138-139			
	403-2 Hazard identification, risk assessment, and incident investigation	139-140			
	403-3 Occupational health services	140			
	403-4 Worker participation, consultation, and communication on occupational health and safety	140			
	403-5 Worker training on occupational health and safety	141			
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	138, 140			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	139-140			
	403-8 Workers covered by an occupational health and safety management system	138			
	403-9 Work-related injuries	142	403-9 b & c	Information unavailable	Information is not recorded as per GRI requirements. Expected reporting in 2025
	403-10 Work-related ill health	142	403-10 b (i), (iii), c & d	Information unavailable	Information is not recorded as per GRI requirements. Expected reporting in 2025

Local Communities

GRI 3: Material Topics 2021	3-3 Management of material topics	110, 112, 139			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	150-156			
	413-2 Operations with significant actual and potential negative impacts on local communities	-	413-2a	Information unavailable	Information is not recorded as per GRI requirements. Expected reporting in 2025

Sustainable Development Goals

SDGs		PAGE NO.	GRI STANDARDS DISCLOSURE
 1 NO POVERTY	End poverty in all its forms everywhere	138, 150-156	202-1, 203-2
 2 ZERO HUNGER	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	38, 150-156	201-1, 203-1, 203-2
 3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages	127, 128, 131, 135, 136-137, 138, 142, 150-156	203-2, 305-1, 305-2, 305-6, 305-7, 306-1, 306-2, 306-3, 403-8, 403-9, 403-10
 4 QUALITY EDUCATION	Ensure inclusive and quality education for all and promote lifelong learning	116, 147	2-17, 404-1
 5 GENDER EQUALITY	Achieve gender equality and empower all women and girls	38, 48, 60, 62-63, 138, 144, 146, 147, 148, 149, 150-156	2-9, 2-10, 201-1, 202-1, 203-1, 401-1, 404-1, 404-3, 405-1, 406-1
 6 CLEAN WATER AND SANITATION	Ensure access to water and sanitation for all	128, 133, 135, 136-137	303-3, 303-4, 303-5, 306-1, 306-2, 306-3
 7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable, and modern energy for all	38, 130, 150-156	201-1, 203-1, 302-1, 302-3, 302-4
 8 DECENT WORK AND ECONOMIC GROWTH	Promote inclusive and sustainable economic growth, employment, and decent work for all	38, 130, 133, 138, 142, 144, 145, 146, 147, 148, 149, 150-156	2-7, 2-30, 201-1, 202-1, 202-2, 203-2, 302-1, 302-3, 302-4, 303-5, 401-1, 401-2, 402-1, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 405-1, 407-1, 408-1

SDGs		PAGE NO.	GRI STANDARDS DISCLOSURE
	Build resilient infrastructure, promote sustainable industrialisation, and foster innovation	38, 150-156	201-1, 203-1
	Reduce inequality within and among countries	150-156	203-2
	Make cities inclusive, safe, resilient, and sustainable	150-156	203-1
	Ensure sustainable consumption and production patterns	125, 127, 128, 130, 131, 135, 136-137	204-1, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-6, 305-7, 306-1, 306-2, 306-3
	Take urgent action to combat climate change and its impacts	127, 130, 131	302-1, 302-3, 302-4, 305-1, 305-2, 305-4
	Conserve and sustainably use the oceans, seas, and marine resources	127, 128, 131, 132, 135	305-1, 305-2, 305-4, 305-5, 305-7, 306-1, 306-3
	Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss	127, 131, 132, 135	305-1, 305-2, 305-4, 305-5, 305-7, 306-3
	Promote just, peaceful, and inclusive societies	13, 48, 60, 62-63, 64, 65, 67, 113, 124, 149	2-9, 2-10, 2-11, 2-12, 2-15, 2-20, 2-23, 2-26, 2-27, 406-1, 408-1
	Strengthen the means of implementation and revitalise the global partnership for sustainable development	-	Not applicable

Independent Assurance Statement for the Lucky Core Industries Sustainability Report 2024

Scope

We have been engaged by Lucky Core Industries to perform an 'assurance engagement', as defined by International Standard on Assurance Engagements ISAE 3000 (Revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", hereafter referred to as the engagement, on the information included in the Sustainability Report 2024 ("the subject matter") referring to the period from July 01, 2023, through June 30, 2024. The report was co-reviewed by Muhammad Imran & Co., Cost & Management Accountants.

Assurance scope	Level of assurance	Assurance criteria
Lucky Core Industries' declared adherence to the GRI's Standards 2021 – In accordance	Limited assurance	Global Reporting Initiative's (GRI) Standards 2021
Review of the policies, initiatives, practices, and performance (qualitative and quantitative information) reported and referenced in the report	Limited assurance	Completeness and accuracy of selected reported policies, initiatives, and performance data
Lucky Core Industries' application of AccountAbility Principles of Inclusivity, Materiality, Responsiveness, and Impact	Limited assurance	The criteria set out in AA1000AP (2018) for the principles of Inclusivity, Materiality, Responsiveness, and Impact

Lucky Core Industries' Responsibilities

Lucky Core Industries' management is responsible for selecting the criteria and for presenting the Sustainability Report in accordance with that Criteria in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Corporate Social Responsibility Centre Pakistan's (CSRCP) Responsibilities

Our responsibility is to express a conclusion on the subject matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ISAE 3000 (Revised) and the terms of reference for this engagement as agreed with Lucky Core Industries. Those standards require that we plan and perform our engagement to obtain assurance in line with the assurance levels mentioned in the scope and to issue a report. The nature, timing, and extent of the selected procedures depend on our judgment, including assessing the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our assurance conclusions.

Statement of Independence, Impartiality, and Competence

CSRCP operates a strict conflict of interest check, confirming our independence to work on this assurance engagement with Lucky Core Industries. The review team has not provided consulting services and was not involved in preparing any part of the report.

CSRCP is a specialized sustainability consulting firm. The review team has the required combination of education, experience, training, and skills for this assurance engagement

Description of Procedures Performed

Our procedures were designed to obtain the required level of assurance on which to base our conclusion. Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on the effectiveness of internal controls.

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

Our procedures for this engagement included:

- Review adherence to the requirement of GRI Standards 2021;
- Review of the policies, initiatives, practices, and standard disclosures regarding the company's material sustainability topics contained in the report;
- Review of consistency of data/information within the report;
- Analysis of the report content against AccountAbility principles of Inclusivity, Materiality, Responsiveness, and Impact;
- Elaboration of the adjustment report; and
- Final review of the report content.

Use of GRI Standards 2021

Lucky Core Industries declares the report to be in accordance with the GRI Standards 2021. CSRCP reviewed the use of the GRI Universal Standards and the Topic-Specific Standards, considering those standards linked to the material topics. In case

of a lack of response, Lucky Core Industries provides omission statements in line with the requirements of GRI 1 Foundation 2021. Based on the analysis, minor recommendations to complete the content have been made. Lucky Core Industries has integrated our recommendations into the report.

Adherence to AccountAbility Principles of Inclusivity, Materiality, Responsiveness, and Impact

CSRCP reviewed the report to analyze adherence to AccountAbility Principles of Inclusivity, Materiality, Responsiveness, and Impact. The primary considerations of this analysis for this report were the following:

- The report addresses how the company identifies and engages with different stakeholders, including concerns raised by stakeholders and the company's response. The report also addresses how the issues emerging from stakeholders' engagement inform risk management to identify and mitigate risks.
- Lucky Core Industries has appropriate policies and external product and management systems certification, which involve a high-level analysis of risks, non-compliance with applicable laws and regulations, and corrective actions to resolve issues.
- Lucky Core Industries' sustainability management maintains high-level support in the form of the Sustainability Council, conforming to the Company's commitment to addressing sustainability challenges and stakeholders' concerns and promoting sustainable practices in its supply chain.
- Lucky Core Industries' absolute and intensity-based environmental impact increased in 2024. The company has made significant progress and neutralized over half of the 2030 target emissions through its implementation of efficiency and nature-based solutions in the Catalyst 2030 Climate Action Plan.
- The report demonstrates a significant decrease in training hours per employee and a recordable injury rate. However, there was a substantial increase in community support investments.

Limitations and exclusions

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

- Verification of financial figures and sustainability performance data;
- Positional statements (expression of opinion, belief, aim, or future intention of Lucky Core Industries and statements of future commitment).



Muhammad Arfan Nazir,
Director,
Corporate Social Responsibility Centre Pakistan.

Statement of conclusion

Assurance Scope 1 – Lucky Core Industries' declared adherence to the GRI's Standards 2021 – In accordance

Nothing has come to our attention that causes us to believe that the Sustainability Report 2024 is not prepared in accordance with GRI Standards 2021. The compliance with GRI Standards has been disclosed in more detail in the GRI Content Index, which provides omission statements in case data has not been provided.

Assurance Scope 2- Review of the policies, initiatives, practices, and performance (qualitative and quantitative information) reported and referenced in the report

Nothing has come to our attention that causes us to believe that the information in Lucky Core Industries' Sustainability Report 2024 is not fairly stated in all material aspects.

Assurance Scope 3 – Lucky Core Industries' application of AccountAbility Principles of Inclusivity, Materiality, Responsiveness, and Impact

Nothing has come to our attention that causes us to believe that all four AA1000 AccountAbility Principles are not fairly stated in the report content and elaboration.


However, we can appoint areas of improvement for the next reporting cycle:

- Lucky Core Industries is working to reduce its emissions through improvements in efficiency, technology, and nature-based solutions as part of its Catalyst 2030: Climate Action Plan. However, to effectively decrease the environmental impact of its operations, we recommend the company include climate science (science-based targets) in its plan.
- Lucky Core Industries promotes safety, health, and environmental practices in its supply chain and conducts HSE&S audits. In 2024, the company included aspects of social impacts and human rights in its vendor policy. We recommend showcasing the results of suppliers' assessments per the revised policy and the impact of these practices in future reports.
- In 2023-24, Lucky Core Industries assessed its impact on the Sustainable Development Goals (SDGs) and found significant contributions. We recommended that the company identify the core SDGs and highlight the impacts of its products and services on core SDGs.

Restricted use

This report is intended solely for Lucky Core Industries and is not intended to be and should not be used by anyone other than Lucky Core Industries. Any reliance placed on the report by any third party is entirely at its own risk.

Islamabad, August 19, 2024



Muhammad Imran,
Muhammad Imran & Co.,
Cost & Management Accountants Pakistan.
ICMAP Membership # 1382