

Sustainable Performance

# Possibilities to Create a Sustainable Future

Sustainability is at the heart of everything we do. Upholding our mission of Improving Lives, we are constantly working smarter and better to conserve our resources and protect our planet. We are driven to create a future that is more sustainable and equitable for the generations to come.

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









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# Message from the Chief Executive



## Dear Stakeholders,

In line with its mission statement of improving lives and brand promise of cultivating growth, ICI Pakistan Limited has always been a thought leader and innovator in the area of sustainability. The Company's values of Customer Centricity, Integrity & Responsibility, Innovation, Passion for People and Delivering Enduring Value are what

define the Company and ensure that it constantly strives to make the world more sustainable and equitable for the coming generations. It is our belief that sustainable development strengthens brand image and therefore ensures long-term success; attracts capital, drives business growth and attracts top talent.

Today, more than ever, when we are all living through these unprecedented times and battling the COVID-19 pandemic, the need for sustainable development is crucial. The COVID-19 outbreak has been a lesson on the interdependency between the different elements of sustainability – from ecosystem integrity to, health and wellbeing and responsible consumption and production. As leaders in the corporate landscape of Pakistan, it is our responsibility to look ahead and assess how the pandemic and the global recovery from it will impact the way we live and operate. From shifting workforces to work from home arrangements to locally sourced production owing to closed borders, the need for responsible consumption and production has accelerated. Employers – public and private – and individuals have now tested alternative ways of working and consuming at a scale that can lead to more responsible consumption and production.

As a growing and socially responsible business, I believe that ICI Pakistan Limited has a crucial role to play in promoting greater awareness and action about UN Sustainable Development Goals (SDGs), such as climate change, economic inequality, innovation and responsible consumption. The Company has made tangible progress in its commitments to becoming a more sustainable organisation. In June 2019, under the "SDG Leadership Programme" of Pakistan Business Council's Centre of Excellence in Responsible Business (CERB), ICI Pakistan Limited was nominated as an SDG Leader for United Nations Sustainable Development Goal 12 – Responsible Consumption and Production.

Roughly 11 years ago, ICI Pakistan Limited pioneered the voluntary adoption of sustainable reporting. The Company's sustainability reporting is now aligned with the GRI standards and UNSDGs. This year to further its focus on sustainable development, the Company reconstituted its Sustainability Council. Sustainability is a shared responsibility and through this Council, ICI Pakistan Limited will enhance focus and establish best practice in the area.

In line with its mission statement of improving lives and commitment to reduce its impact on the planet, ICI Pakistan Limited Polyester launched two products: Terylene Clean and Terylene Powered by CiCLO. These recycles products perform like virgin Polyester Staple Fibre whilst maintaining impact on the environment.

Further, I am pleased to announce that ICI Pakistan Limited has achieved the milestone of over 28 million safe man hours, which reflects the robustness of its Health, Safety, Environment & Security systems. To supervise containment measures at all locations, the Company has established the Pandemic Watch Committee which meets regularly. Safety remains ICI Pakistan Limited's top priority and there will be no compromise on this principle.

During this uncertain time where we have seen a rise in unemployment and inequality, the ICI Pakistan Limited employees continued their drive to give back to the community. Under the employee volunteer programme, Pehchan, employees collected funds and ran donations drives for those affected by the outbreak. This year, over 200 employees committed over 1,050 voluntary hours in 18 different activities which included tree plantation, blood donation drives and efforts to raise funds for The Citizens Foundation and NJV Government Higher Secondary School, Karachi. Therefore, in the truest sense, the Company's people have practiced Cultivating Growth outside the office space as well. The Company continues its CSR efforts focusing on health, education and women's empowerment in all the locations where it operates. The Company has contributed to establishing a state-of-the-art pediatric emergency at Lyari General Hospital, Karachi.

This year, the Company for the second consecutive year ran its employee intrapreneurship programme, Explore. Several ideas to adapt to the changing economic and social landscape following the COVID-19 outbreak, conservation of energy and water and initiatives and products to reduce environmental impact were submitted. This gives me confidence that if we all work together we can continue to have a positive impact on the planet.

This publication highlights how ICI Pakistan Limited is leading in sustainability and becoming a catalyst of change as a large manufacturing Company. This is critical for the long term sustenance of the Company and the community. As we all rethink the way we live, celebrate and operate, we promise to strive to stand by you during difficult times and create a world that is more sustainable.

I hope you find ICI Pakistan Limited's actions and vision for a more a sustainable world inspiring. Together, we all can overcome any difficulty and contribute to the SDGs to make this world a better place.

Warmest regards

Asif Jooma,  
Chief Executive

# Sustainability Performance 2019-20 Highlights



## Product Stewardship

2,597,000 kg of post-consumer recycled PET material converted into one of the finest polyester products.



**250,000+**

community members benefit directly and indirectly from Corporate Social Responsibility programmes each year.



## 100 m<sup>3</sup>/day Effluent Treatment Plant

commissioned at Hattar Industrial Estate to recycle water for irrigation.



**28+ million**

Safe man-hours



## Awards

- Received Pakistan Stock Exchange's (PSX) Top 20 Companies award
- Recognised as the Best Place to Work in the Manufacturing and Engineering Industry by Pakistani Society of Human Resource Management and Engage Consulting.
- ICI Pakistan Limited won an award at the #BetterNormalAwards in the category of 'Who knew our managers were this human?' which were organised by Disruptive HR, a UK based HR Consultancy.



## No occupational illness

reported in 2019-20



**24,000+**

man-hours invested in employee training on health and safety



## Occupational Health Manual

analysed based on global best practices



**477 tonnes**

of emissions eliminated due to conversion of post-consumer recycled PET material into fine polyester.



## Learning Event Dashboard

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



## ISO 45001 & ISO 14001 certifications:

The two manufacturing sites of the Pharmaceuticals Business: Hattar Industrial Estate & Hawkes Bay; obtained ISO 45001 & ISO 14001 certification in the year 2019-20.

# Creating Shared Value

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

## Key Inputs



### Social

- 1,600+ employees nationwide
- Pioneer in adopting principles of sustainability (Health, Safety and Environment)
- Employee and leadership development
- Partnerships with communities and universities
- PKR 30 million allocated to corporate social responsibility (CSR) programmes last year
- Strong culture of corporate governance and business ethics
- Reduced environmental impact of operations
- Tree plantation drives
- Improvement in biodiversity



### Environmental

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



### Economic

- Project investments
- Delivered strong and healthy return on equity
- 100,000+ vendors



### Supply Chain



### Manufacturing

- Project investments
- Delivered strong and healthy return on equity
- 100,000+ vendors

## Value Creation and Addition



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



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

## Key Outputs/Impact



### Social

- 28+ million safe man-hours
- Approximately 24,000 hours dedicated to learning and development of employees
- PSX's Top 20 Companies Award
- Farmer and customer awareness sessions
- Impact Women's Development Programme
- 250,000+ direct and indirect beneficiaries of CSR programmes
- 18 CSR projects funded in 2019-20 by the ICI Pakistan Limited Foundation



### Environmental

- Project Green (tree plantation drive in Khewra) covers 41.30 acres and has approximately 300,000 thriving plants
- 33% improvement in biodiversity as compared to 2003
- 2,113+ birds of 82 species and 293+ species of plants are found at the ICI Pakistan Limited site in Khewra, as per WWF Flora and Fauna Study
- 477 tonnes of emissions eliminated due to conversion of post-consumer recycled PET material into fine polyester at ICI Pakistan Limited Polyester Business



### Economic

- PKR 4.59 billion contributed to the national exchequer in taxes and duties
- 48.78% payout ratio to shareholders
- 100,000+ vendor relationships
- PKR 2.53 consolidated profit after tax



Distributors



Customers



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



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



# Sustainability Strategy

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

## Approach

Sustainability is integrated in all areas of the Company's operations – for the benefit of customers, shareholders, employees and, the world around it. The Company's sustainability strategy is simple and compelling. It is divided into the following underlying principles, which it aims to uphold and adhere to:

**Fostering a Culture of Excellence:** ICI Pakistan Limited aims to build an environment in which people constantly strive to deliver more and endeavours to achieve this through attracting and retaining the best talent. This mind-set encompasses sustainability-related practices and performance.

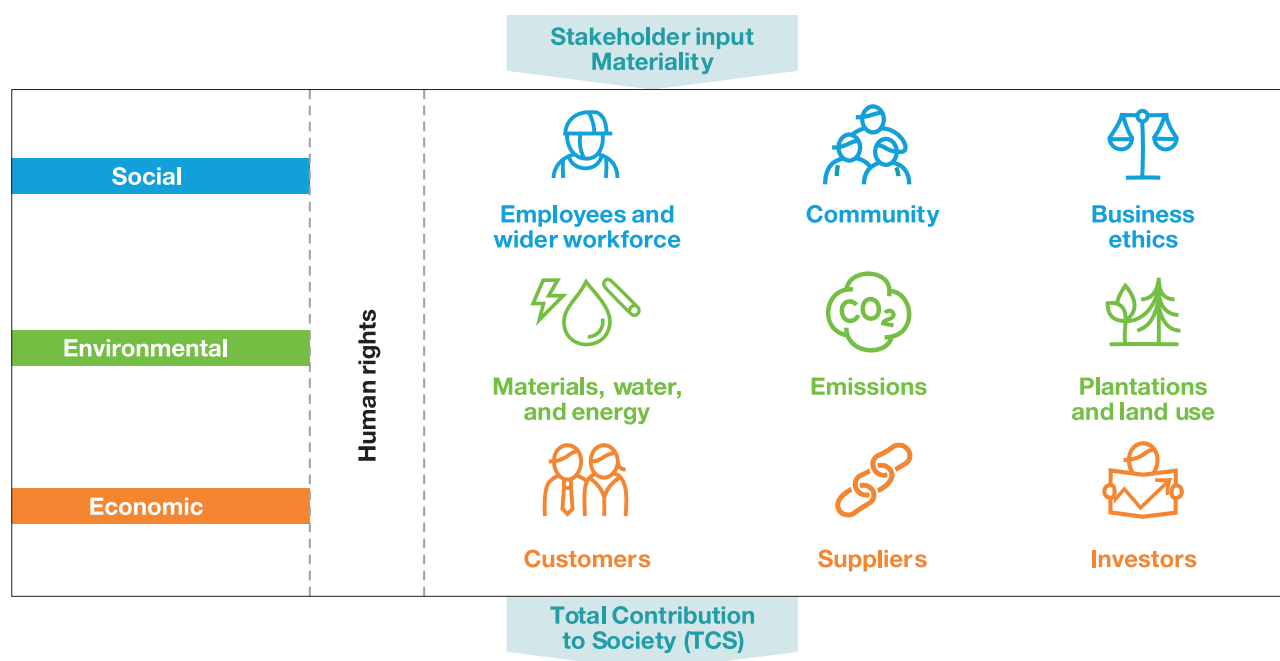
**Operating Responsibly:** ICI Pakistan Limited strives to operate with due respect and consideration for the environment, the communities in which it operates, and other stakeholder groups. It endeavours to create and put into practice processes which evolve with changing needs, while ensuring that it operates responsibly.

**Environmental Stewardship:** ICI Pakistan Limited is a leader in innovation and developing solutions for cleaner, greener systems to reduce its impact on the environment.

**Creating Socioeconomic Value:** ICI Pakistan Limited is working to create value in local communities by providing the

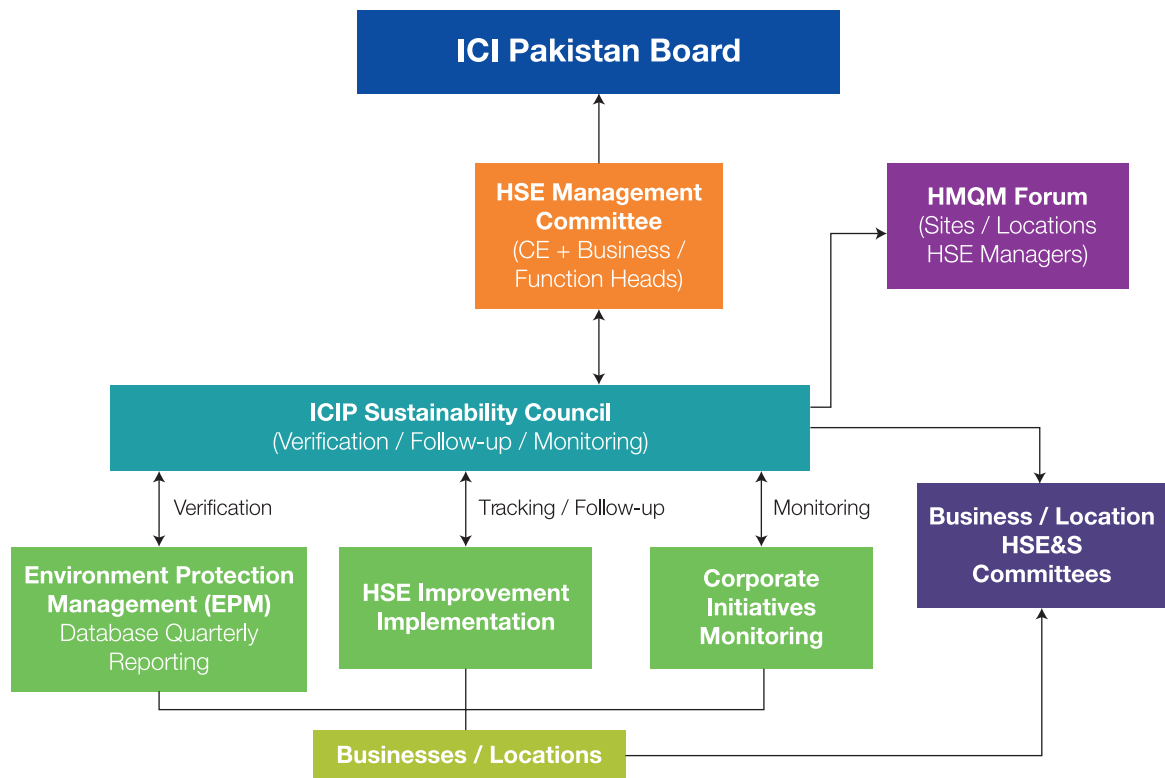
tools and assistance required for capacity building and improving quality of life.

**Transparency:** ICI Pakistan Limited ensures that processes and operations at its Businesses and functions are transparent. The Company believes that its stakeholders have a right to information; transparency in this regard promotes and increases trust.



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

## Structure and Operation of the Sustainability Process at ICI Pakistan Limited



### Sustainability Council

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

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

### Responsibilities of the Council

Within the overarching areas of Corporate Social Responsibility, environmental stewardship of operations and economic impact & growth, the Council will act to:

- Define sustainability KPIs, measurement matrices, and establish sustainability targets.
- Review partnerships and relationships, both current and proposed, with stakeholders, i.e., customers, regulators, communities, shareholders and suppliers.
- Formulate and execute communication strategies relating to the Company's sustainable growth.
- Introduce new and innovative technologies that will further the goal of sustainability within the Company and implement actions to promote such technologies.
- Set guidelines for managing sustainable change.
- Define broad parameters for enhancing product responsibility.
- Prioritise sustainability goals towards areas where the Company can make the most meaningful impact and

generate the biggest results.

- Evaluate to adopt global sustainable practices namely "LEED", "Energy Star", "Green Building", and UNFCCC Clean Development Mechanism.
- Review the environmental footprint and develop strategies to mitigate impact.

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

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

## Adopting the Sustainable Development Goals

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

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



# Demonstrating Leadership in Sustainability

## Implementing Sustainable Development Goals (SDGs)

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

In December 2019, the Corporate HSE&S team represented ICI Pakistan Limited in "Corporate Conversation on SDGs" conducted by FFC Limited in collaboration with UNDP, Planning Commission Government of Pakistan and CSRCP highlighting the need for alignment of business strategies with SDGs and reporting business contributions in meeting SDGs. The event

was themed on "Climate change SDG 13 and chemical sector SDG's" in line with World Business Council for Sustainable Development (WBCSD).

In February 2020, the Corporate HSE&S team of ICI Pakistan Limited also participated in the "HEED" conference arranged by Pakistan Society for Training and Development (PSTD) in Karachi. Mr. Arshaduddin Ahmed, Vice President Chemicals & Agri Sciences Business was a panelist at the conference.

The objective of this year's Health, Safety and Environment, Sustainable Development conference was to establish a platform where top HSE professionals from diverse sectors gather to share their success stories and inspire others to achieve and implement the latest HSE&S trends in their workplaces.



Participants at the UN SDG 12 workshop organised at the Marriott Hotel in Karachi.





Mr. Arshaduddin Ahmed, Vice President Chemicals & Agri Sciences Business, was a panelist at Heed2020- PSTD's annual HSE and Sustainable Development Conference.



Sabir Mahmood, Corporate HSE Manager, and participants from Lucky Cement, Pakistan Cables, and Industrial Steels, were part of the panel moderated by Fahad Yousaf, Operations Manager, Chemicals & Agri Sciences Business.

## ICI Pakistan Limited nominated as SDG leader for SDG-12

Under the "SDG Leadership Programme" of Pakistan Business Council's Centre of Excellence in Responsible Business (CERB)), ICI Pakistan Limited was nominated as an SDG Leader for SDG 12: Responsible Production and Consumption. The SDG Leadership Programme aims to invest in building business networks and a learning environment to encourage businesses to adopt sustainable business practices.

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

## ICI Pakistan Limited partners with CERB to highlight the importance of sustainability practices



ICI Pakistan Limited partnered with CERB to organise a workshop and panel discussion highlighting the importance of sustainability practices. The workshop was attended by participants from leading companies in Pakistan, including Lucky Cement, Pakistan Cables, Industrial Steels, Tundra Fonder and International Finance Corporation among others.

The workshop and panel discussion were the first of a series of workshops on UN SDG 12 that ICI Pakistan Limited will organise in collaboration with CERB over a two-year period.

## World Water Day

On March 22, World Water Day was celebrated under the slogan "Water & Climate Change". ICI Pakistan Limited celebrated World Water Day across all locations and conducted awareness sessions to reduce water consumption and to avoid water leakages. Pledges were taken by employees to save water.

ICI Pakistan Limited has undertaken various water consumption projects which are carried out at various locations across the Company.

## Participation in the 6th HSE Conference at Attock Refinery Ltd

The HSE department of ICI Pakistan Limited participated in the 6th HSE conference organised by Attock Refinery Ltd (ARL).

# About the Report

This is the twelfth annual Sustainability Report of ICI Pakistan Limited and has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. This report also contains a reference to the UN SDGs. ICI Pakistan Limited began the practice of voluntary sustainability reporting in 2008, and this continues to be an important part of the Company's commitment to sustainable practices and transparency.

## Report Boundary

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

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

## Reporting Period

The reporting period corresponds with the Company's financial year 2019-20 (from July 1, 2019 to June 30, 2020). The cycle of reporting is annual.

## Report Content

This report provides information on topics that have been assessed to be material to the Company, based on significance of impact on the economy, environment and society, and are significant for stakeholder interests and decision-making.

The content of this report has been developed keeping in consideration the GRI 101 Foundation (2016) Reporting Principles, which include principles that govern both the content and quality.

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

The five-year target will serve to guide the Company in its sustainability efforts going forward. However, given the Company's growth and expansion, as well as the changing economic and political landscape, these targets may be subject to review and revision going forward.

## Data Collection

The data to compile this report has been obtained from our financial management reporting systems, the Corporate

HR Information Management System, and the Company's Environmental Performance Management (EPM) database, which is a tool for the collection and reporting of Health, Safety, Environment & Security (HSE&S) parameters.

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

## Assurance

Independent review of this report was conducted by CSRCP, in accordance with GRI Standards, ISAE 3000 (Revised) standard and principles of inclusivity, materiality and responsiveness. A statement from the independent external reviewer is included at the end of this sustainability report, and outlines the scope of the assurance, activities carried out and opinion.

## Contact Us

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

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

# Materiality Assessment

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

Material topics for sustainability performance have been identified based on several factors, including alignment with the Company's strategy, objectives, vision, values and brand promise (Cultivating

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

The Sustainability Council reviewed the list of material topics and agreed to add disclosures on compliance, anti-competitive behaviour, child labour and freedom of association.

## List of Material Topics and their Boundaries

Area	Material Topic	Boundary
<b>Economic</b>	Economic Performance	ICI Pakistan Limited
	Indirect Economic Impacts	Local community
	Market Presence	ICI Pakistan Limited
	Compliance	ICI Pakistan Limited
	Anti-Competitive Behaviour	ICI Pakistan Limited
<b>Environmental</b>	Energy	ICI Pakistan Limited, our customers
	Water	ICI Pakistan Limited, our local communities, our customers
	Emissions	ICI Pakistan Limited, our suppliers, our local communities
	Effluents & Waste	ICI Pakistan Limited, our suppliers, our local communities
<b>Social</b>	Employment and labour relations	ICI Pakistan Limited
	Training and Education	ICI Pakistan Limited
	Occupational Health and Safety	ICI Pakistan Limited
	Diversity and Equal opportunity	ICI Pakistan Limited
	Non-Discrimination	ICI Pakistan Limited
	Freedom of Association	ICI Pakistan Limited
	Child Labour	ICI Pakistan Limited
	Local Communities	ICI Pakistan Limited, our local communities

## Relevance of Material Topics to ICI Pakistan Limited

### ECONOMIC

**Economic Performance:** Deemed to be material as disclosures under this topic relate directly to the Company's value creation agenda as embodied by our vision, values, and brand promise of Cultivating Growth. ICI Pakistan Limited is committed to providing enduring growth and value for the stakeholders, and this growth and value can be quantified and assessed accurately through

complete, audited financial statements of the Company, which are attached with this report. In addition, economic performance carries implications for all other material topics reported upon.

**Indirect Economic Impacts:** Disclosures under this topic illustrate the Company's economic impact on a wider socio-economic front than if it were simply to take the customers and suppliers into consideration. ICI Pakistan Limited's intent to support growth and development is not limited to the Company. Additionally, the Company considers itself as a

responsible corporate citizen and, therefore, it is important to monitor and measure its ongoing indirect economic impact in the wider context.

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

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

**Anti-Competitive Behaviour:** Anti-Competitive Behaviour is a material topic due to its significance on license to operate and economic impact in form of fines and penalties in the case of violation. Non-compliance also negatively impact brand image.

## ENVIRONMENTAL

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

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

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

**Effluents and waste:** As a manufacturing concern, this is an important topic as it has an impact not only on the Company's operations, but also on local communities where waste is generated and disposed of. The management and minimisation of waste materials is also important with respect to biodiversity of the relevant areas.

## SOCIAL

**Employment and labour relations:** The employment topic is critical to ICI Pakistan Limited and is driven by its core value of Passion for People. ICI Pakistan Limited aspires to be an employer of choice and recognises that development of employees in terms

of training and education, growth opportunities, compensation and benefits are of utmost importance. The Company maintains a strong focus on providing skills and value to employees, while its policies and employment practices ensure an environment that encourages diversity, engagement, personal growth and professional development. To attract, retain and bring out the best in its people, ICI Pakistan Limited invests in leadership and development training and offers rewarding careers where employees can continuously learn and grow.

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

**Occupational Health and Safety:** This topic carries tremendous significance in relation to ICI Pakistan Limited as health and safety are a primary concern and an overarching responsibility of the Company under its values (Passion for People; Integrity and Responsibility) and the HSE&S policy. The topic affects not only employees of the Company, but also service providers, contractors, suppliers and members of the communities. ICIP also focus on customer Health & Safety and provide trainings sessions to their customers covering aspects of products safety, environmental compliance & general health and safety orientation.

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

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

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

**Freedom of Association & Child Labour:** Upholding international proclaimed human rights is the cornerstone of ICI Pakistan Limited's values and code of conduct. The Company supports and abides by international charters on freedom of association, ILO Conventions and local regulations in its sphere of influence.



# Stakeholder Engagement

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

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

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



## Shareholders/Investors

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



## Employees

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



## Customers

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



## Local community

In 2019-20, new projects were launched in addition to the ongoing, longstanding initiatives that benefit local communities, particularly in the areas of healthcare provision, education/ vocational training and women empowerment. Throughout the year, employees continued to take part in various activities organised under the Pehchan Volunteer Programme. Some of these activities included tree plantation in Sheikhpura and Khewra, blood donation drive and generation of funds for schools in underprivileged areas.

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

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

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



### Government and other regulatory bodies

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



### Media

During the year, wherever possible, ICI Pakistan Limited entertained media requests to interview the Chief Executive about the Company's operations, plans, future outlook and economic prospects. A streamlined process is also in place to share timely and prompt updates on the Company website regarding any disclosure of material information, such as financial results, acquisitions, expansions, or new partnerships and product launches. The channels of communication open to media and the general public include email, as well as social media platforms. The Company significantly leveraged its social media presence in 2019-20 to better inform the media and the general public about its operations and key initiatives.



### Civil Society/NGOs

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



### Academic Institutions

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

## Key Stakeholder Groups

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

# Customer Engagement 2019-2020:

Customer engagement is vital simply because customers create value for a business. ICI Pakistan Limited recognises the importance of retaining customers and thus, identifies 'Customer Centricity' as a core value.

## Soda Ash Business:

During 2019-20, the Soda Ash Business continued to engage with customers through regular meetings and provided technical assistance and advisory services to its customers. In addition, the Business took multiple initiatives in order to enhance customer engagement and build and retain strong relationships.

- In the year under review, the Business organised visits and meetings with the distributors in Sindh and shared the Company's best practices concerning product stewardship, HSE&S etc.
- In September 2019, customers were invited to the inauguration ceremony of the manufacturing facility of NutriCo Morinaga (Private) Limited in Sheikhpura (collaboration of Morinaga Milk Industry Co. Ltd., Unibrands (Private) Limited and ICI Pakistan Limited.
- In November 2019, ICI Pakistan Limited launched the Soda Ash corporate film to mark the Company's 75th anniversary. The film provided an overview of the Company's history, the businesses, development of the Khewra community etc. but most importantly, it featured the testimonials of its long-standing customers and distributors.
- Striving to provide bespoke solutions, the Business on request of its customers created new forms of packaging i.e. the 750 kg bags of soda ash light, 1,200 kg and 1,250 kg bags of soda ash dense.
- Distributor Conferences are held every year whereby the distributors are taken on international trips. In April 2019, the Distributor Conference was held in Ho Chi Minh City, Vietnam. However, the Conference was cancelled in 2020 owing to the COVID-19 outbreak.

## Customer Testimonials:

"We are in the business of glass manufacturing for almost the last 35 years. We have been associated with ICI Pakistan Limited from the very first day and have never had a problem with their quality. The quality is consistent, and they go all the way to make us comfortable."

**Mr. Omar Baig**

Managing Director – Tariq Glass Industries Limited

"I am a distributor of ICI Pakistan Limited. We have been in this business for more than 60 years and I am the third generation. Our business relationship is based on trust and even today, our core business is with ICI Pakistan Limited."

**Mr. Khawaja Adnan Vanood**

Distributor – Khawaja Abdul Hafeez & Sons

## Polyester Business:

In 2019-20, ICI Pakistan Limited Polyester Business in line with its customer centric approach continued to work to ensure effective customer relationship management.

- The Polyester Commercial Team continuously engages and visits customers to gauge their requirements and address any concerns or queries about the product. The visits and interactions are planned in a manner that within customer organisation, each hierarchical level is engaged to ensure customer satisfaction and attain candid feedback.
- On a daily and monthly basis, reports (Terylene Talk and Terylene Express) are sent to customers to ensure that they have information on feedstock and downstream market conditions.
- To protect customers and their families following the COVID-19 outbreak, the Polyester Business made antimicrobial towels and socks from its own Terylene Powered by SILVERbac and distributed them.
- In line with emerging digital trends, the Polyester Business introduced Terylene App for its customers to ensure convenience and comfort. The app allows customers to easily access their consumption patterns, market information & trends, register their concerns and access any information about ICI Pakistan Limited's product portfolio.





- Once every two years, the Polyester Business plans a Customer Conference that is attended by the directors of textile mills across Pakistan. The customer conference is a great platform for the textile industry to come together and have open informal discussions.

### Pharmaceuticals Business:

The Pharmaceuticals Business' engagement model for healthcare professionals is built on three foundational pillars: (i) Advocacy Mobilisation, (ii) Scientific Cascade, and (iii) Public Awareness. Despite the standstill and halt in activities due to the COVID-19 pandemic, ICI Pakistan Limited Pharmaceuticals Business ensured that its engagement with healthcare professionals remained sustainable and took the following steps:

To support and protect the front-line healthcare workers, the Pharmaceuticals Business, in partnership with AstraZeneca, donated 10,000 KN95 masks to the Ministry of National Health Services for COVID-19 relief. Additionally, the Pharmaceuticals Business donated Personal Protective Equipment (PPE) to various healthcare institutions nationwide.

Driving scientific exchange and advocacy amongst healthcare professionals remained a key pillar of the Pharmaceuticals Business' strategy in order to serve the patients better. Despite the COVID-19 pandemic, the advocacy mobilisation and scientific cascades continued through digital channels.



Esteemed faculty comprising of international and local experts were engaged to facilitate scientific discourse with the healthcare community through webinars, where over 1000 attendees were engaged. During

COVID-19, the Business remained active to spread awareness among the public and drive positive changes in lifestyle.

The Business' multichannel engagement strategy has been a key driver in staying connected with the healthcare community during the pandemic. The Business intends to expand its digital footprint, with the aim of delivering exceptional customer experience to healthcare professionals, in line with the need of serving their patients better.

### Chemicals & Agri Sciences Business:

Upholding the core value of Customer Centricity, the divisions and sub-segments of the Chemicals & Agri Sciences Business undertook various steps during the year under review to strengthen their relationships with customers and remain a partner of choice.

### Specialty Chemicals Division:

- The Specialty Chemicals Division demonstrated its commitment to customer centricity by conducting HSE&S trainings at Diamond Paints, General Tires and Allied Paint Industry. The focus of the sessions was to outline chemical handling best practices.
- The Textiles sub-segment facilitated visits of global technical experts from Huntsman Textile Effects at

key customer sites. The experts advised on important technical aspects like trials, and optimal product usage. Moreover, with their firm grip on global best practices, they were able to add significant value to customers by advising on production processes.

- Over the year, the Crops sub-segment continued to stand out amongst its competitors by being a source of technical support to its customers. By leveraging the facilities and knowledge at the Chemicals Technical Centre, the Chemicals Business aided in recipe development for customers across Pakistan.

### Polyurethanes (PU) Division:

- Following the outbreak of COVID-19, the PU Division distributed hygiene kits to all major customers. The response was excellent, as the customers acknowledged this initiative and recognised themselves as valued partners of ICI Pakistan Limited.
- Further, the Division arranged a full-day Technical Training session in the South region for two key accounts, which resulted in the strengthening of existing relationship and development of further business with them.

### Masterbatches Division:

- Throughout the year, the Masterbatches team carried out various customer engagement initiatives, across multiple touch points. These included multiple customer visits to our newly constructed Masterbatches facility throughout the year. The customer visits were characterised by a hands-on experience at the facility, briefing of our best practices along with state-of-the-art equipment and testing standards which are practiced by ICI Pakistan Limited based on benchmarking with the international community.
- Co-sponsored the 6th PAKPLAS**  
The Masterbatches Team co-sponsored the 6th PAKPLAS – international plastics, chemicals, rubber & machinery expo which was hosted by PPMA (Pakistan Plastic Manufacturers Association). The theme of this year's event was responsible consumption of plastics while setting a path for the future of plastics in Pakistan. The event served as a great opportunity for ICI Pakistan Limited to interact with key stakeholders, broaden customer base, display the Company's manufacturing, technical and commercial capabilities and showcase the entire product ranges.
- A two-phased Customer Satisfaction Survey was also conducted to better understand and cater to the needs of our customers.
- During the unprecedented times of COVID-19, the team held regular virtual connects with the customers updating them about the current situation and ensuring that products are delivered safely to them while taking every precaution and complying with Government directives.

# Employee Engagement Activities

ICI Pakistan Limited is the only organisation in Pakistan to be named amongst the winners of the Gallup Great Workplace 2018 and 2019 Awards, and Asia's Most Influential Companies at the Asia Corporate Excellence and Sustainability Awards 2019, organised by MORS Group. ICI Pakistan Limited has also been recognised as the Best Place to Work in the Manufacturing and Engineering Industry by PSHRM and Engage Consulting.

- To continue our tradition of having a highly engaged workforce and raising the bar with real-time insights, this year ICI Pakistan Limited partnered with Butterfly AI to introduce 'iMPower – our employee feedback and engagement tool. Through this, we aim to give our employees a voice and obtain real-time feedback on a monthly basis. Butterfly is an anonymous employee feedback tool.

## iMPower

- In order to create employee engagement and familiarise the new employees with ICI Pakistan Limited's rich legacy and growth story, the Company marked its 75th Anniversary by hosting exhibitions across all locations. Lunch and hi-tea were organised at all locations after the exhibition, giving employees the opportunity to mingle and socialise.
- Gender Diversity and Sensitisation within our workforce is a vital facet in our diversity agenda. In order to focus on this, the Company has championed various programmes to support the long term diversity strategy (for more details, please refer to page – social management approach diversity and inclusion). One such programme is the Impact Circles, a session with 8–12 employees who meet regularly to discuss diversity and inclusion. (For more details, please refer to page on diversity in SR)
- This year ICI Pakistan Limited worked on the second cycle of the Explore Challenge, a company-wide team-based idea generation competition. By cultivating an entrepreneurial mindset and skill set from within the organisation, our employees are provided a platform to develop and work on business ideas with the support from the organisation. (for more details, please refer to page – Innovation section in Annual report).
- In line with its core value 'Passion for People', ICI Pakistan Limited's Workplace Wellness Programme (WWP) focuses on the mental, physical, and social wellbeing of its employees. WWP has provided a platform



Employee Engagement Activity conducted by the Soda Ash Business, Khewra



New Year Hi-Tea





**Company's 75th Anniversary Exhibition, Polyester office, Sheikhpura opening.**

for developing activities that encourage a healthy lifestyle and keep the employees engaged at the same time.



### Workplace Wellness Programme

This year, our wellness committee reinforced the culture of care and engagement by conducting various social activities such as New Year's Hi-tea, bowling night, musical night, Mother's Day, Father's Day and Children's Day. WWP also conducted activities encouraging physical wellbeing such as, throw ball match, badminton match, cycling and flu camp.

Special focus was given to the mental wellbeing of the employees during the COVID-19 pandemic. Stress reduction activities such as mindful breathing, painting/ cooking/DIY competition were conducted to help employees cope with stress. All the activities during COVID-19 were conducted

virtually to adapt to the new work from home arrangement. encourage people to share their views on key issues and engagement levels. This ensures alignment and helps create a culture of engagement.

- Our leadership team reinforces our caring culture and drives employee well-being through supporting initiatives like bake sales, Women's Day, health & fitness programmes, HSE&S etc. to make ICI Pakistan Limited a caring and fun place to work. Our Business Heads connect with employees through town hall meetings to discuss strategic direction, business updates and key people agenda. They also conduct skip level meetings with employees who fall a step below in their reporting line to encourage people to share their views on key issues and engagement levels. This ensures alignment and helps create a culture of engagement.



**Company's 75th Anniversary Exhibition, Polyester office, Sheikhpura opening.**



**Beach Day**



**Certificates were distributed to top performers**



# Economic Performance: Management Approach

Management approaches for the following material topics are covered in this section: Economic Performance, Indirect Economic Impacts, Market Presence, Compliance and Anti-competitive behaviour. Other disclosures for these topics are presented in the GRI Content Index, and/or in the Company's Financial Statements 2019-20.

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

relevant stakeholders across the organisational hierarchy. The Company continues to demonstrate its commitment to fulfilling its promise of value creation and sustainable growth.

The overall responsibility of governing the organisation, along with driving its economic performance, lies with the Board of Directors. [For details on how the Board functions, please turn to Page of the Annual Report].





# Integrity Management

## Key Performance Indicators

Integrity Management		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 Target
<b>Code of Conduct confirmed incidents</b>	number	1	0	3	5	4	1	0
<b>Code of Conduct acceptance</b>	% employees	100	100	100	100	100	100	100
<b>Management audits including reassurance audits</b>	number	0	6	0	6	6	6	6
<b>Serious Incidents - Level 3</b>	number	0	0	1	1	0	0	0
<b>Serious Incidents - Level 1, 2</b>	number	0	0	4	2	2	4	0
<b>Serious loss of containment - Cat D</b>	number	0	0	0	0	0	0	0
<b>Regulatory action - Level 3</b>	number	0	0	0	0	0	0	0

### Overview 2019-20

Code of Conduct is a significant part of the employee induction at ICI Pakistan Limited. Upon joining the Company, all new hires are provided with an ICI Pakistan Limited Code of Conduct document and are required to sign a declaration after having read and understood the Code of Conduct as part of their onboarding process on Success Factors. The Company also has an e-module for the Code of Conduct and Health Safety Environment (HSE) & Security training e-module that is mandatory for all employees to go through and be well versed at.

The Company also has a whistleblowing policy, known as Speak Up, through which all employees can confidentially report any Code of Conduct violations. This programme ensures that all checks and balances are in place with regards to, not only the discriminatory practices, but also any other sort of violations of the Code. In 2019-20, one case was reported against Code of Conduct violations. The complaint was dealt with in line with the Speak Up policy.

The frequent site audits and communication of Corporate HSE&S with all businesses ensures company-wide implementation and compliance of the ICI Pakistan Limited HSE&S Management System. Quarterly review of all businesses is based on the assessment of hazards, and the recommendations from the previous review. (For details, please refer to the Occupational Health and Safety KPI overview section of this report).

This year, 4 incidents of level 2 were reported. (For details, please refer to the Occupational Health and Safety KPI overview section of this report on page no 170.

### Socio-Economic Compliance

ICI Pakistan Limited has zero tolerance towards corruption. ICI Pakistan's business operations are subject to various domestic federal and provincial laws and regulations. It is a core principle of the Company, enshrined in its Code of Conduct that it will comply with all applicable laws.

### Freedom of Association & Child Labour

ICI Pakistan Limited respects the freedom of association right of entitled employees. There were no cases in which freedom of association, or the right-to-collective bargaining were endangered or breached during the year under review. ICI Pakistan Limited rejects any form of child labour, forced labour or slavery and strictly complies with local regulations concerning legal minimum age requirements for work permits.

# Sourcing



Excellence in supply chain management remains a key focus area for ICI Pakistan Limited. Our objective is to secure competitive advantage for ICI Pakistan Limited through professional procurement structures. Our suppliers are an important part of our value chain. Together with them, we aim to create value and minimize risks. The Company's supply chain network includes the respective supply chain managers of each Business, along with their teams. The supply chain network aims to enhance the effectiveness of procurement practices and material handling processes. This is done by actively seeking out and applying best practices, and by capitalising on opportunities for synergy between Businesses.

We believe in the cradle to grave approach, ensuring our products are compliant with the ICI Pakistan Limited HSE&S Management System at all stages of the life cycle. With respect to

supplier evaluation and selection, we have stringent procedures in place to ensure that only high-quality raw materials are purchased through our local and international suppliers.

Through the ICI Pakistan Limited Vendor Policy, we continue to engage new suppliers and communicate our expectations that all suppliers are compliant with applicable laws and regulations and ICI Pakistan Limited values. The Vendor Policy covers compliance with human rights, labour and social standards, and anti-discrimination and anti-corruption policies in addition to protecting the environment. We also continually review and refresh the Vendor Policy for Suppliers, completing a full analysis of our current standards and industry best practices to ensure that we are holding our suppliers to the highest standards regarding sustainability, human rights, labour & social standards and environmental health and safety.

## Key Performance Indicators

Sourcing		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 Target
<b>Vendor Policy signed by key suppliers</b>	%	94	87	91.3	98	99	96	96
<b>Vendor Policy signed by Central NPR Suppliers*</b>	%	63	40	80.8	83.3	83	84	-
<b>Supportive Supplier Visits</b>	number	92	-	30	48	131	165	146

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

### Overview 2019-20

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

ICI Pakistan Limited's defined target is 96% compliance to its vendor policy and in 2019-20, the Company was able to achieve the target along with the integration of suppliers of the Pharmaceutical Businesses (including Cirin Pharmaceuticals) (The Company was not able to reach 100% majorly due to the process of amalgamation of Cirin Pharmaceuticals into ICI Pakistan Limited's Pharmaceuticals Business, which took place in March 2020).

ICI Pakistan Limited further increased its engagement with key suppliers of its Pharmaceuticals Business so that they are well-versed with our vendor policy. As our businesses are continuing to grow and expand, there has been a significant increase in the percentage of key suppliers who are compliant with our vendor policy. ICI Pakistan Limited's programme of on-site visits to critical suppliers aims to identify and develop critical suppliers as sustainable business partners. Through formal feedback and

follow-up visits, we work together with our suppliers to improve their overall sustainability.

The percentage of supportive supplier visits have increased by 25%. Although we planned for more, due to the COVID-19 outbreak in Q3 of 2019-20, we were unable to do so. In Q4, focal points of discussion with key suppliers and non-product related suppliers (services) was sharing of best practices and SOPs implemented at our and supplier end in the wake of COVID-19.

ICI Pakistan Limited is constantly pushing and enabling its suppliers to eliminate the mutual carbon footprint by recycling waste and adopting non-fossil based energy systems. ICI Pakistan Limited's HSE&S Team collaborates with their suppliers in planting trees together in the communities where it operates.



25%

increase in supportive supplier visits

Under ICI Pakistan Limited policies, the Company does not employ child or bonded labour and it does not engage with suppliers who cannot provide the same assurance. By visiting our suppliers frequently, we ensure no such malpractice is taking place. In addition to this, ICI Pakistan Limited is also providing pro-bono trainings on HSE&S best practices in warehousing, transportation and logistics, mainly in view so that none of our suppliers face a loss-time injury or worse, a fatality.

In addition, HSE audits of supplier workplace are regularly conducted and improvement plans are shared. Traditional dimensions such as price, cost, time, delivery, punctuality, and product quality no longer define a sustainable business. Our vendor partnerships are linked to suppliers and vendors accepting a code of behaviour similar to ours. Breaking this Code of Conduct jeopardises future relationships and agreements. Our efforts for the future entail continuing to bring all our direct suppliers, both product and non-product related, under the umbrella of our sustainability efforts.

In 2019-20, a significant change to the organisation and its supply chain occurred following the amalgamation of Cirin Pharmaceuticals (Private) Limited into ICI Pakistan Limited. This

increased the number of the Company's manufacturing facilities in the country. The impact of this development on the Company's supply chain was the addition of several new suppliers, primarily for raw material procurement, and in some cases for packaging. For the rest of the Company's operations, no significant changes occurred in the structure or location.

### Spend Analysis

Through our Businesses -- Polyester, Soda Ash, Pharmaceuticals, Animal Health and Chemicals & Agri Sciences, we deal in a vast portfolio of products, including light and dense soda ash, refined sodium bicarbonate, polyester staple fibre, a wide range of general and specialty chemicals, pharmaceuticals, nutraceuticals, animal health products, and agricultural products. Our supply chain operations are therefore complex and cover many suppliers, across the country as well as internationally.

Our partnerships with suppliers are based on mutual value creation, as well as a reliable supply of raw materials, technical goods and services at competitive prices. We work together in an open and transparent way to generate long-term benefits for both sides. In doing so, we create value addition that goes above and beyond procurement alone.

## ICI Pakistan Limited Spend Data

S. No	Business	Procurement spend(pkr million)				
		Local	Import	Total	Local	Import
1	Polyester	7,716	6,970	14,687	53%	47%
2	Soda Ash	2,689	5,647	8,336	32%	68%
3	Chemicals & Agri	820	6,060	6,880	12%	88%
4	Pharma	961	2,424	3,385	28%	72%
5	Animal Health	1,862	1,017	2,879	65%	35%
	Grand Total	14,048	22,118	36,167	39%	61%

### Transportation

ICI Pakistan Limited is operating diverse businesses having different transportation requirements for inbound and outbound materials. On one hand there is a requirement for the transportation of material in bulk like Lime Stone, Salt, Coal, Met Coke, PTA, MEG, VAM, Polyol and Finished Goods and on other hand, there is a requirement for the transportation of temperature sensitive pharmaceutical raw materials and finished products.

To reduce our carbon footprint, special efforts are made to transport materials through railways. This year, 95% of

coal used at our Polyester Plant and 12% coal used at our Soda Ash Plant has been transported through Pakistan Railways. A total quantity of 83,000 metric tonnes of materials mainly coal has been moved through Pakistan Railways. We will work towards increasing Soda Ash coal transportation through Pakistan Railways by at least 15%. To move 83,000 metric tonnes of material through train, we used 53 train racks. To move this material by road we would have needed 1,766 trailers (22 wheelers).



**1766**

trailers (22 wheelers)



**53**

train racks

# Environmental Performance Management Approach

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



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

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

ICI Pakistan Limited has in place an integrated HSE&S policy, that governs all HSE&S-related matters, providing clear provisions for environmental performance management. The Corporate HSE department is responsible for overseeing HSE&S for the Company. Along with this, each Business has its own HSE&S department, which handles more Business-specific, localised environmental and other HSE&S-related matters. HSE&S is at the core of the Company's operations, and every employee or any person entering ICI Pakistan Limited premises, is responsible for complying with HSE&S

policies and procedures and is held accountable accordingly.

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

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

The management of vital environmental performance parameters is carried out not only in line with regulatory compliance requirements such as NEQS, but also based on best global practices and the Company's belief in sustainable development and growth, consistent with its vision and brand promise. The environmental performance is monitored and reported regularly (internally on a quarterly basis, while



Tree Plantation Drive 2020 – Soda Ash Khewra



Tree Plantation Drive 2020 – Soda Ash Khewra





**CE Asif Jooma, CFO Muhammad Abid Ganatra, General Manager Strategy Business Development & Innovation Eqan Ali Khan, Works Manager Umar Mushtaq and General Manager Human Resources & Admin Fariha Salahuddin at the kick off of the Water Conservation Drive initiated in Khewra**

externally on an annual basis), through use of the state-of-the-art Environmental Performance Management (EPM) Database, an application for the collation and analysis of the Company's HSE&S data, and the reduction of the Company's operational eco-efficiency (OEE) footprint. The data collected via the EPM Database is studied against relevant sustainability parameters and utilised in various ways, including the analysis of each Business's sustainability performance and to set the goals and targets for future sustainability performance.

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

For the grievance and reporting mechanisms, ICI Pakistan Limited has a guideline titled "Information Notes for Managers: HSE 003 Arrangements for Reporting Health Safety Environment and Safety performance to Corporate HSE." This is a reporting guideline for any HSE-related issue, such as injury and illness reporting, motor vehicle and distribution incidents,

occupational health performance reporting, environmental reporting, product stewardship reporting and community involvement reporting. It outlines the procedure for reporting HSE&S violations and is available for all internal stakeholders. The ownership of this mechanism lies with the Corporate HSE Department and is intended for use by the HSE departments of individual Businesses. The reporting guidelines are revised regularly with the most recent revision in March 2018.

The Corporate Engineering Procedures (CEPs) based on the international standards are guidelines for all hazardous activities. The responsible Engineers for each of the procedures ensure compliance to these guidelines for monitoring related to energy, emissions, water and waste. Based on technological changes globally, the responsible Engineers review their area procedures and implement the changes. The Corporate HSE department, which is the custodian of these CEPs, organises trainings for the Responsible Executives and Engineers after every two years to enhance their knowledge and competency. The Company remains focussed on assessing the effectiveness of existing regulatory HSE&S frameworks and methods on an ongoing basis. This helps it to ensure that the systems are sufficiently robust to safeguard both the people and the environment.



## ISO 14001

The Hattar and Hawkes Bay Plants were audited and certified for ISO14001 – Environmental Management System by Ace Management System Consultants.



# Product Stewardship

Product Stewardship is an environmental management strategy that means whoever designs, produces, sells, or uses a product takes responsibility for minimising the product's environmental impact throughout all stages of the products' life cycle, including end of life management. Product Stewardship integrates all aspects of a product's health, safety and environmental management through its life-cycle, taking into account existing and emerging regulatory requirement, societal pressures and best business practices. An integral part of the Sustainability, product stewardship provides a valuable framework to improve on chemicals management.

ICI Pakistan Limited has been a strong advocate and proponent of Product Stewardship since commencement of operations in 1940s. At ICI Pakistan Limited, we act responsibly to minimise the human health and environmental impacts of our products throughout their complete life cycle.

## Reducing Environmental Footprint

Our Polyester Business has been a great proponent of Product Stewardship and has recently developed and launched recycled Polyester Staple Fiber (PSF) for the first time in Pakistan.

The Animal Health Business launched a number of initiatives to improve lives across the socio-economic fabric. At the compound feed plant, the Animal Health Business increased the efficiency of the boiler through improved controls on steam wastage, recycling water and developing a strict compliance criterion on furnace oil quality. As a result, the Business was able to reduce furnace oil consumption by 27% and water consumption by 30.7%, creating a product that is more affordable and environmentally friendly.

## Sharing of Best Practices

As part of the Product Stewardship plan, every Business is encouraged to share best safety, health and environment practices with their customers. The purpose is to increase knowledge in this domain by learning from each other and incorporating best industry practices.

The Soda Ash Business hosted representatives of the glass and detergent powder industry at Khewra for a candid discussion of HSE and Product Stewardship. The customers were given a tour of the factory premises allowing them to witness HSE policies in practice.

Our Agri Business continued to stand out amongst its competitors by being a source of technical support to its

customers. By leveraging the facilities and knowledge at the Chemicals Technical Centre, the Business aided in recipe development for customers across Pakistan.

## Moving Towards a Paperless Environment

At ICI Pakistan Limited we are making a coherent move towards going paperless. In line with our goal to adapt a green supply chain strategy, our supply chain and sales administration teams have introduced digital invoicing to replace paper.

Previously, invoices were sent to suppliers and customers in hard copy through courier services, which resulted in unnecessary wastage of paper and usage of fuel during transport of the documents, resulting in emission of greenhouse gases. Going paperless is more environmentally friendly, reduces paper wastage, reduces our CO<sub>2</sub> emission by an estimated 37 tonnes and reduces water usage by an estimated 240,000+ liters.

## Recycle, Reduce & Reuse

In 2019-20, ICI Pakistan Limited Polyester Business in line with its value-added specialty fibers strategy expanded its product portfolio based on four key elements: Health & Hygiene, Sustainability, Versatility and Traceability. This allowed the business to continue its operations and make a positive and significant impact on the environment.

ICI Pakistan Limited Polyester Business in collaboration with Intrinsic Advanced Materials USA introduced Terylene Powered by CiCLO for its domestic and export customers. Products made with CiCLO® fibre effectively reduce the microfiber pollution and synthetic textile accumulation in oceans and landfills.

Terylene powered by CiCLO, is an easy to implement solution that allows synthetic fibre to behave more like natural fibre leaving less waste behind to create a more healthy and happy planet.

Textile products made with CiCLO® fibre have been tested to show rapid decomposition as compared to no or minimal decomposition for textile products without CiCLO technology. Microbes assimilate the CiCLO textile material releasing gases (such as methane) into the atmosphere. Methane gas can be collected and can be used for electricity generation. With Terylene powered by CiCLO, the textile industry and the end-consumer can continue to play their part in protecting the environment without compromising on the quality of the product.



**27%**

reduction in furnace oil consumption  
at Animal Health Business



**48 million**

PET bottles consumed  
to produce Terylene Clean



ICI Pakistan Limited Polyester Business has continued to pursue its sustainability goals by increasing the footprint of its two other specialised variants: Terylene Clean and Terylene Powered by SILVERbac.

- Terylene Clean is a Global Recycled Standard (GRS) certified Recycled Polyester Staple Fiber salvaged from 40% PET Bottles. 30 PET bottles are consumed to produce one kilogramme of Terylene Clean. In FY 2019-20, for its Terylene Clean product, the business consumed 48 million PET bottles and aspires to consume an additional 100 Million by 2021.
- Terylene Powered by SILVERbac is a patented technology in which silver ions are encapsulated into the base of the polymer making the fibre inherently anti-microbial and odour- reducing. Hence, with SILVERbac, there is product protection for life. Textile products made with Terylene Powered by Silverbac need fewer washes and are washed at significantly lower temperatures hence saving on both, water and energy consumption by 20-30%.

SILVERbac has been approved by the Environment Protection Agency (USA) and in these unprecedented times, it has become paramount for infection control to protect against harmful pathogens in an environment friendly manner.

The Polyester Business is focused on converting its waste into recyclable material called "popcorn". This material is sold to customers who convert it into low grade PSF, thus replacing virgin fiber with a low-cost substitute material. In 2019-20, a total of 430,700 kilogrammes recyclable raw material was produced by recycling polyester waste.

ICI Pakistan Limited Polyester Business's contribution towards

environment is not limited to its product offerings. In 2019-20, ICI Pakistan Limited Polyester Business took the initiative to improve the quality of the PET flakes available in the market. Historically, Pakistan's domestic industry used to lose its export orders to regional competition on the quality of recycled products. There was no option available to fulfil the demand of the leading sustainability-driven fashion brands that required high quality recycled content.

ICI Pakistan Limited Polyester Business collaborated with small domestic PET flakes vendors who had the passion to bring change but lacked technical expertise. ICI Pakistan Limited unleashed new opportunities for the vendors by sharing technical knowledge capital which ensured that the vendors were able to invest in the right processes and machinery. The vendors were then able to successfully upgrade assets and produce high quality PET Flakes, one-of-its-kind for the Pakistani market.

With the availability of high quality PET flakes, ICI Pakistan Limited Polyester Business helped the downstream textile players who wanted to shift their partial consumption on recycled content without losing on product efficiency and quality. This development set the right tone for the recycled polyester fibre customers to grow in the export market. As the segment grows, there will be growth in job opportunities and more PET bottles will be recycled to fulfil the growing demand.



**20-30%**

Terylene Powered by Silverbac saves, water and energy consumption by 20-30%



**430,700 kg**

recyclable raw material was produced by recycling polyester waste

# Energy

## Key Performance Indicators

Energy Usage		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 Target
<b>Total energy consumption</b>	1000Tj	5.7	6.5	8.2	6.75	7.6	7.79	<b>7.4</b>
<b>Per tonne production</b>	GJ/te	13.03	13.86	17.09	12.88	13.66	15.65	<b>15.38</b>

### Overview 2019-20

ICI Pakistan Limited is focussed on reducing its energy consumption by electronically monitoring it through the EPM database. Any deviation in consumption is immediately noted and conveyed to the relevant Business. Keeping in view the energy crisis in the country, the Sustainability Council proposes projects that reduce energy consumption, and this can be seen in various energy reduction projects.

At the Soda Ash site, energy consumption was high due to launch of new projects and unsteady plant operations owing to the COVID-19 outbreak in Q4 of 2019- 20.

At the Polyester Business, energy consumption was higher in 2019-20 mainly due to usage of coal for electricity and steam generation at the recently re-commissioned CFB plant. Coal is a less efficient fuel than HFO/gas so its consumption is high and index is high as well. In addition to this, the Polyester Plant remained shut down for around 45 days during COVID-19 lockdown with idle load energy consumption.

The Chemicals Business was also shut down and underwent unsteady plant rates due to the COVID-19 lockdown leading to high energy consumption.

However, energy saving initiatives were continued by each Business.

### Soda Ash:

The Soda Ash Business in addition to its other initiatives, focussed on reduction in steam usage by optimising its processes and replacing cooling water with low temperature recycled condensate in various heat exchangers. An insulation survey of all the high temperature process lines was conducted and immediate actions were taken to replace weak insulations.

### Polyester:

At the Polyester Plant, Variable Frequency Drives (VFDs) were installed on equipment to reduce energy consumption. Thermographic audits of the Polyester Plant were also conducted to reduce heat losses which leads to lower steam consumption and prevents compressed air leakages hence avoiding power consumption.

### Pharmaceuticals:

Process optimisation at the Hawkesbay Plant and Hattar Plant helped in substantial reduction of energy consumption. This included replacement of equipment of higher rating with low rating and replacement of conventional tube lights with LED lights.

## Energy Conservation

Energy efficiency is a phrase we come across all the time these days. Climate change and global warming has dawned upon humanity and its role in the warming trend of the globe has created a sense of realisation with an urgency in all walks of life. In this context, governments and organisations are focusing not only on cleaner fuels, but also on ways to reduce energy consumption. Most companies that are environmentally aware and take sustainability seriously are making conscious efforts to move towards a greener and better tomorrow.

Energy efficiency, is a vital part of the Sustainability Framework followed by ICI Pakistan Limited and it is taken extremely seriously in all day-to-day operations. As an embodiment of this commitment, the Polyester Business has been taking various initiatives in order to make a tangible impact on the sustainability front.



**3290 KJ/tonnes**  
total saving

Optimisation projects majorly covered installation of variable speed drives, insulation improvement and reduction in compressed air wastages. Reviewing and optimising design of the raw water network from process as well as electrical point of view enabled us to realise a CO<sub>2</sub> footprint reduction of 59.79 tonnes. Optimisation of processes where compressed air consumption was high, led to a reduction in load at the source, hence bringing the CO<sub>2</sub> footprint down by 199.30 tonnes. Insulation improvement projects further resulted in a reduction of CO<sub>2</sub> footprint by 33.22 tonnes.

As cost of energy for producing Soda Ash accounts for almost 55% of variable cost of manufacturing, the Soda Ash Energy Conservation Team continued its efforts in ensuring the most optimum operating scenarios are always run.

In order to achieve these milestones, various energy conservation projects were implemented including:

In FY 2019-20, multiple energy saving and optimisation projects were identified and executed that resulted in gas and coal consumption reduction, thereby reducing CO<sub>2</sub> footprint by a total of 292.42 tonnes.

Optimisation projects majorly covered installation of variable speed drives, insulation improvement and reduction in compressed air wastages. Reviewing and optimising design of the raw water network from process as well as electrical point of view enabled us to realise a CO<sub>2</sub> footprint reduction of 59.79 tonnes. Optimisation of processes where compressed air consumption was high, led to a reduction in load at the source, hence bringing the CO<sub>2</sub> footprint down by 199.30 tonnes. Insulation improvement projects further resulted in a reduction of CO<sub>2</sub> footprint by 33.22 tonnes.



**2600 kWh/month**  
reduction in  
power consumption

- Installation of moisture separators & duplex strainers
- Process optimisation to reduce steam consumption during calcination

In addition, the Pharmaceuticals Business undertook projects which helped to reduce energy consumption.

- At the Hawkesbay plant, the installation of 37 KW Variable Frequency Drive on the blower motor of air handling unit to reduce frequency from 50 Hz to 45 Hz, resulted in approximately 1000kWh/month reduction in power consumption.
- At the Hattar plant, 122 LED lights were installed in place of florescent tubes. For 12 hour operations, resulting in saving of up to 1600 kW / month.

# Water

## Key Performance Indicators

Water Usage		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 Target
<b>Total fresh water use</b>	million m3	3.73	4.22	4.83	5.4	5.5	5.3	<b>4.35</b>
<b>Per tonne production</b>	kg/te	8.47	8.91	10.01	10.48	9.78	10.62	<b>8.9</b>
<b>% of sites with sustainable fresh water</b>	%	33	33	33	25	17*	66*	<b>100</b>

\*Newly acquired Cirin and Hawkes Bay Plants

### Overview 2019-20

Water consumption is slightly on the higher side as compared to last year mainly due to expansion projects carried out in the Soda Ash Business. Steam consumption increased at the Soda Ash Plant due to Dense Ash Plant 3 and 75 KTPA expansion project. Frequent plant start up and shut down due to COVID-19 situation also led to a higher consumption of water.

At the Polyester Plant, water consumption was higher due to the operation of an additional Polyester Staple Fiber (PSF) manufacturing section of the Plant.

Going forward initiatives are underway that will optimise the consumption of water.

During the year, a water saving awareness campaign was launched companywide and employees were encouraged to come up with water conservation initiatives. Multiple projects at various sites resulted in substantial savings. The break down of these initiatives at each of our sites is as under:

### Every Drop Counts!

The Soda Ash Business purposes potable water for watering of plantation. In order to optimise water utility, a scheme for the collection of recyclable water was devised and implemented. Recyclable water mainly includes kitchen wastewater from all houses in the residential estate. Water collecting pits with pumping arrangements were established at five different locations. All recyclable water is routed to these pits and collected water is being used for watering of plantation in Project Green, Management and Non-

management states, Winnington Hospital and Winnington School. This initiative has resulted in conservation of millions of litres of drinkable water.

The Pharmaceuticals Business successfully concluded projects to conserve water which are as follows:

- At the Hawkes Bay Plant, recovery of relinquished water of RO stage 1 of purified water (PW) plant was transferred to the main water tank for usage. On average, 450 gallons/day is reused by the purified water plant.
- At the Hattar Plant, 100 cubic meter/day ETP (Effluent Treatment Plant) was installed in 2018-19 and this year treated water is being used to wash cars and for gardening purposes. 650 gallons/week of water were conserved which subsequently reduced the load on ground water.

At the Chemicals Plant, average make up water for cooling tower was 130 m3/month. To avoid this excessive leakage, recycling of water in jacket of vessels took place and reduced the water consumption by up to 23% (bringing the total water consumption to 100 m3/month).

At the Masterbatches Plant, a freshwater cooling system was used for cooling purposes which resulted in wastage of water. After modification, a closed-circuit cooling tower along the inline filtration system was installed which led to 6,600 tonnes of water being saved annually.



**100 m3/day**

Effluent Treatment Plant  
commissioned at Hattar Industrial  
Estate to recycle water for irrigation



**650 gallons/week**  
of water conserved at Hattar Plant  
after commissioning of ETP



# Emissions

## Key Performance Indicators

Emissions Control		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 Target
<b>Total COD emissions</b>	metric te	18.05	15.99	20.04	26.90	29.72	24.73	<b>16</b>
<b>Per ton production</b>	kg/te	0.04	0.03	0.04	0.05	0.05	0.05	<b>0.03</b>
<b>Total VOC emissions</b>	te	3.45	3.56	3.52	3.31	3.22	2.85	<b>3.20</b>
<b>Per ton production</b>	kg/te	0.01	0.01	0.01	0.01	0.01	0.01	<b>0.01</b>
<b>Total NOx emissions</b>	te	1209.18	1611.00	2387.27	2017	2527.40	2878	<b>2150</b>
<b>Per ton production</b>	kg/te	2.75	3.40	4.95	3.84	4.49	5.77	<b>4.40</b>
<b>Total SOx emissions</b>	te	3091.74	3562.32	4251.98	3438	3454.29	3680	<b>3827</b>
<b>Per tonne production</b>	kg/te	7.02	7.53	8.82	6.55	6.14	7.38	<b>7.91</b>
<b>Total Direct CO<sub>2</sub> emissions ( Scope 1)</b>	metric te	520,000	620,000	890,000	650,000	800,000	845720	<b>800,000</b>
<b>Per ton production</b>	kg/te	1196.13	1318.70	1854.07	1247	1424.41	1696	<b>1670</b>
<b>Total indirect CO<sub>2</sub> emissions (Scope 2)</b>	te	2384.20	1501.56	1275.63	1864	1938.22	2213	<b>1123</b>
<b>Per ton production</b>	kg/te	5.42	3.17	2.64	3.55	3.44	4.44	<b>2.40</b>

### Overview 2019-20

In 2019-20, one of the top priority deliverables of the Sustainability Council was to monitor and control emissions related KPIs to ensure that they remained within the National Quality Environment (NEQS) and global requirements. At ICI Pakistan Limited, emissions are controlled through robust Electronic Management System (EPM).

NOx, SOx & CO<sub>2</sub> emissions of ICI Pakistan Limited remained within the NEQs but slightly showing an increasing trend due to the higher consumption of coal per unit production for electricity and steam generation at two of ICI Pakistan Limited's major manufacturing sites -- the Soda Ash and Polyester. Steam requirements increased at the Soda Ash Plant due to Dense Ash 3 plant expansion project which resulted in high consumption of coal. Due to COVID-19, at the end of March 2020, the unplanned plant shut down and low plant rate also led to higher emissions.

At the Polyester Business, a CFB Plant was re-commissioned in the current year which resulted in increased emissions during the year. Last year, HFO and gas were being used for power and steam generation, which are much cleaner fuels and produce less emissions as compared to coal.

ICI Pakistan Limited's focus on the reduction of operational eco-efficiency KPIs and in order to control these emission

levels within NEQS, ICI Pakistan Limited is now using low-sulphur-content coal. Process conditions / combustion ratios were also optimised to reduce SOx and NOx emissions.

However to reduce CO<sub>2</sub> emissions, energy audits were conducted across all sites and sources of inefficiencies and loss were removed.

The manufacturing sites have taken the initiative to monitor insulation surface temperature and wherever it was higher than the standard temperature, the weak insulation was replaced. Indirect CO<sub>2</sub> emission is higher this year due to high production volumes of businesses and high usage of electricity across the businesses. Various projects were conducted to reduce the carbon footprints as mentioned below:



**326 Tonnes**  
reduction in CO<sub>2</sub> footprint

# Effluents and Waste

## Key Performance Indicators

Waste Management		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 Target
<b>Total waste</b>	kte	22.2	28.94	8.86	40.83	34.19	37.5	<b>8</b>
<b>Per ton production</b>	kg/te	50.44	61.13	18.38	77.88	60.74	75.2	<b>16.4</b>
<b>Total hazardous waste</b>	kte	0.24	0.006	0	0.20	0.028	0.024	<b>0</b>
<b>Per ton production</b>	kg/te	0.001	0.013	0	0.38	0.05	0.05	<b>0</b>
<b>Total non-reusable waste</b>	kte	0.24	4.03	4.11	0.20	0.028	0.047	<b>3.8</b>
<b>Per ton production</b>	kg/te	0.001	8.76	8.53	0.38	0.05	0.094	<b>8</b>
<b>Total non-reusable hazardous waste</b>	kte	0.24	0.006	0	0.20	0.028	0.024	<b>0</b>
<b>Per ton production</b>	kg/te	0.001	0.013	0	0.38	0.05	0.05	<b>0</b>
<b>Total hazardous waste to landfill</b>	kte	0	0	0	0	0.00	0.00	<b>0</b>
<b>Per ton production</b>	kg/te	0	0	0	0	0.00	0.00	<b>0</b>

### Overview 2019-20

Waste management and its control has been one of the biggest challenges for each of the businesses. To control waste, teams have been nominated on all sites.

This year, an increase in waste figures has been noted mainly due to the amalgamation of Cirin Pharmaceuticals (Private) Limited into ICI Pakistan Limited. On July 2019, the Life Sciences Business was split into two parts: Pharmaceuticals and Animal Health respectively. Previously, the sustainability KPIs data of the Pharmaceuticals and Animal Health Businesses was not incorporated in the Electronic Performance Management System (EPMS) but from this year (2019-20), data was regularly incorporated, monitored and analysed.

The other main reason for high waste figures is that ICI Pakistan Limited's two major manufacturing sites of Polyester and Soda Ash Businesses are using large amounts of coal as fuel for their steam and power generation which generates fly ash and slag as a by-product of the process. Fly ash by-product is normally sold to its respective consumers, but slag is not saleable yet. However, the Businesses are taking initiatives to reuse the slag and fly ash to reduce their overall waste.

Further, the unplanned shutdowns and inefficient scenarios of plants owing to the COVID-19 outbreak and resultant lockdowns also contributed to high waste.

In 2019-20, the Soda Ash Business optimised the utilisation of waste at its site by reusing coal waste generated onsite as fuel

for two of its other coal-fired boilers. This allowed the Business to extract the maximum possible energy from the existing waste, thus reducing fresh coal consumption. The Business opted to use better quality coal and utilised a mix of low and high ash coal which resulted in significant reduction in waste. The Company is striving to reduce its wastage through various initiatives which are as follows:

**Reuse of Waste and Scrap:** The Pharmaceuticals Business actively worked to reduce waste and recycle waste products for beautification and cost-effective solutions at its manufacturing sites. This is in line with the United Nations Sustainability Development Goals (SDGs) for responsible manufacturing and consumption practices.

**Guard Huts:** During the year, scrap wooden pallets and drums were used for fabrication of guard rooms.

**Foot Operated Dispensers:** Using metal scrap, foot operated sanitiser dispensers were fabricated to avoid transmission of germs by hand contact.

**Process Chiller for Blister Machines:** Utilised discarded split AC parts to fabricate mini process chillers for blister machines.

**Lifting Pulley:** Fabricated manual pulley from scrap material to lift bore water motor for maintenance.

# Biodiversity at ICI Pakistan Limited



## Challenges

Biodiversity is under continuous pressure because of human behaviour, overpopulation, pollution, climate changes degradation and destruction of habitats is killing many species or creating an invasion of alien species. Uncontrollable increase of population means man needs more land and resources.

Agriculture is an expanding land use in about 70% of countries, generally at the expense of biodiversity. According to the World Health Organisation (WHO), many of the global health challenges that we face today, including infectious diseases, malnutrition and non-communicable diseases, are all linked to the decline of biodiversity and ecosystems.

The challenge to biodiversity is also pertinent to Pakistan. According to a study conducted by the UN, Pakistan is one of the most vulnerable countries to the impact of climate change, because of environmental degradation and loss of biological diversity. A growing number of analysts consider climate change a major security threat for Pakistan.

## How ICI Pakistan Limited is helping in the biodiversity crisis

As a responsible corporate citizen of Pakistan, the Soda Ash Business of ICI Pakistan Limited continuously endeavours to play a positive role in protecting and enhancing the biodiversity of our country. The Soda Ash Plant is in a remote area called Khewra in District Jehlum of Punjab. Khewra, also known as the 'City of Salt', is located 250 kilometres north of Lahore. The Soda Ash Business of ICI Pakistan Limited started commercial operations in 1945. Due to abundance of salt deposits in the area, Khewra was mostly a barren area when ICI Pakistan Limited first started operations in the locality. Over the years, ICI Pakistan Limited has undertaken various initiatives to improve the biodiversity in the area. Before initiating

plantation, the Company had to undertake an extensive exercise of replacing the top surface of the land with more fertile soil in order to facilitate plantation. As they say, what cannot be measured cannot be improved. Hence, in order to monitor the change to biodiversity over the years, the Company carries out regular surveys through the World Wildlife Fund (WWF), who are experts in the field of quantifying biodiversity.

With all these efforts, beginning from importing the most fertile soils from different parts of the country to building a healthy and fresh society, the Company fostered many species of animals and birds of Khewra to not only survive but also grow in a healthy environment.

During the year under review, the Soda Ash Business undertook various initiatives related to promoting biodiversity at Khewra, some of which are as follows.

## Tree Plantation Drive:

In line with the Federal Government's Ten Billion Tree Tsunami Programme (TBTP) and Prime Minister's Green Initiatives, ICI Pakistan Limited embarked upon an aggressive tree plantation drive in and around Khewra. The Tree Plantation Drive 2020 was initiated by the Soda Ash Business in March this year. The Business did not limit the tree plantations to factory premises, but also involved the local community by planting trees at local 1122 station, Government School Khewra, Civil Hospital Khewra and Town Committee Khewra.

A total of 10,824 saplings were planted in 2019-20. These plantations covered 29 different plant species, including Arjuna Plant, Conocarpus, Moringa, Marva, Mitha, Mango, Sukh Chain, Pilkhan and Ficus.



## 10,824 saplings planted in 2019-20 in Khewra

**Project Green:** Project Green is a one-of-a-kind project that converted the Company's by-product area to a manmade jungle. This is an ongoing initiative by the Soda Ash Business aimed at the expansion of the plantation footprint on pieces of land.

Through a detailed WWF survey on flora and fauna in 2018, it was established that Project Green has helped attract birds of different species to Khewra. The jungles established through Project Green provided the ideal habitat for birds which were otherwise never seen in Khewra.

- 82 species of birds, 8 species of mammals, 2 species of reptiles and 12 species of butterflies were recorded from ICI Pakistan Limited Soda Ash Works, Khewra.
- Over 293 plant species were reported from different locations of ICI Pakistan Limited Soda Ash Works' residential and other allied areas. It was noted that the floral diversity in the area has increased over the period and marks a praiseworthy contribution by the Company.



## 82 species of birds recorded at Soda Ash Plant

- More than 160,000 trees of different species have been planted in adjoining areas.
- A fruit garden was inaugurated at the Pharmaceuticals Business Hattar Plant with fifteen different varieties of trees.



More than 300 volunteers participated in the Pehchan Tree Plantation drive



## 293+ species of plants reported at Soda Ash Plant

### **Pehchan Volunteer Programme:**

Under the umbrella of ICI Pakistan Limited's employee volunteer programme, Pehchan, employees and members of the community are encouraged to participate in activities to support the communities in the areas where it operates (for more details, please refer to Page of the Sustainability Report). Tree plantation drives at Company sites are one of the most popular and frequently held activities engaging hundreds of employees every year and leading to hundreds of trees being planted. The Company does not, however, limit itself to annual tree plantation drives across all sites, but also inspires people to make it a habit.

### **Celebrating biodiversity:**

The Company celebrates important landmark days like Earth Day, World Environment Day and Earth Hour to enhance awareness on these important topics. To mark these occasions, families assemble and light candles whereas children write essays and participate in discussions on environment, conservation, ethical consumption, biodiversity and much more.

### **What can we do?**

There are many things what we can do. On a personal level, we can fight atmospheric and hydrologic pollution if we start recycling, conserving energy at home and using public transportation. This way we can save our environment for our future generations.

We have a duty to preserve what we have for our future generations.



Tree Plantation Drive at the Animal Health Plant.



# Social Performance Management Approach

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



As an employer of over 1,600 people across Pakistan, ICI Pakistan Limited has a significant impact on livelihoods, opportunities and growth prospects for the people who work for the Company. As such, it is important to the Company to monitor and share information on these aspects.



Social performance at the Company is the joint responsibility of three stakeholders, each responsible for their own specified area; HSE&S, Corporate Social Responsibility (CSR) and Human Resources.

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

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

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

Guided by the Company's CSR Policy, which was approved by the Board of Directors in January 2017, the Foundation's initiatives (under the umbrella of the Hamqadam Programme) focus primarily on the following broad areas: education, health, community and environment. Through the Foundation,



Driving and Road Safety Awareness session at Animal Health Plant.



Risk Assessment session at Karachi Head Office for Chemicals & Agri Sciences team.





**Health Safety and Environment Awareness session at Soda Ash Plant, Khewra.**

ICI Pakistan Limited also supports civic development by investing in community projects, disaster relief and rehabilitation activities as needed.

For the Human Resources department, practices and policies are governed by the Company's Code of Conduct and applicable laws and regulations. Depending on the nature of the HR initiative, approval is given by either the Board of Directors or the Executive Management Team of the Company.

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

Overall, voluntary targets for each of these areas of operation are set by the heads of the respective departments, in consultation and agreement with the Chief Executive, Executive Management Team or Board of Directors, as and where applicable. In addition to these stakeholders, specific governing bodies / management teams (such as the Sustainability Council)) are also responsible for approving and



**Incident Reporting training conducted at the Karachi Head Office for Chemicals & Agri Sciences team.**



**An industrial fire-fighting training session was conducted at the Head Office**

setting targets in collaboration with other key stakeholders.

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

ICI Pakistan Limited has a robust policy enshrined in its Code of Conduct which prohibits child labour and any form of forced or compulsory labour.

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



**Health Safety Environment & Sustainability Forum Meeting at Mozang Office, Lahore.**

# Occupational Health and Safety

## Key Performance Indicators

Health, Safety and Security		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Total reportable injury rate employees/supervised contractors</b>	\million hours	0.16	0	0.44	0.10	0.10	0.47	<b>0</b>
<b>Occupational illness rate employees</b>	\million hours	0	0	0	0	0	0	<b>0</b>
<b>Total illness absence rate employees</b>	%	1.23	1.17	1.43	1.51	1.28	1.28	<b>1.15</b>
<b>Fatalities: employees, supervised and independent contractors</b>	number	0	0	1	1	0	0	<b>0</b>
<b>Total reportable injury rate independent contractors</b>	\million hours	0	0	0.33	0.45	0.28	0	<b>0</b>
<b>Lost time injury independent contractors</b>	number	0	0	0	2	1	0	<b>0</b>
<b>% sites with BBS programme</b>	%	100	100	100	100	100	100	<b>100</b>
<b>Distribution incidents</b>	number	0	0	1	2	1	0	<b>0</b>
<b>Motor vehicle incident with injury</b>	number	1	0	2	0	0	0	<b>0</b>

### Overview 2019-20

In 2019-20, there were four reportable injuries to permanent employees. Service providers providing services at ICI Pakistan Limited locations had no reportable injury.. The total reportable injury rate of employees was 0.47.

The incidents of reportable injuries were investigated, and action plans were formulated and implemented against each finding to avoid recurrence.

Collectively, ICI Pakistan Limited recorded 28 million safe man-hours with Soda Ash at 22.04; Chemicals & Agri Sciences at 3.07;

Pharmaceuticals at 0.58 and the Animal Health Business at 2.10. The Health & Hygiene Assessment and Monitoring Programme was fully complied and practised in true sense across the Company resulting in zero reportable occupational illnesses. Furthermore, with the availability of the Occupational Health Manual, more significant improvements are expected in workplace safety and occupational health of employees. The training of employees on vital HSE&S topics remained a key strategic item on the corporate agenda this year.



**28 million**  
safe man-hours completed



**0 reportable**  
occupational illnesses

# Training and Education

## Key Performance Indicators

Training and Education		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 Target
<b>Average hours of training per employee (gender and grade)</b>				Male: 38.1, Female: 30.5 G30: 28.9; G31: 36.8; G32: 29.8; G33: 46.9; G34: 44; G35: 39.6; G36: 57.6; G37: 57.3; G38: 26.3; Trainee: 40.9; WL-4: 19.6	Male: 14, Female: 28 G30: 15; G31: 37; G32: 5.46 ; G33: 18.08; G34: 23.11; G35: 38.13; G36: 41.48; G37: 24.4; G38: 7.75; Trainee: 36.09; WL-4: 3.3	Male: 86.7, Female: 13.2 G30: 6.34; G31: 4.52; G32: 9.06; G33: 18.23; G34: 20.09; G35: 32.31; G36: 27.35; G37: 60.62; G38: 16.00; G39: 50.00 G40: 37.00 Trainee: 41.47; WL-4: 42.00	Male: 6.8, Female: 8.4, G30: 2.04 , G31: 5.1, G32: 2.9, G33: 6.18 G34: 7.12 G35: 18.5; G36: 25.8; G37: 44.1; G38: 46.5; G39: 30.8 G40: 24 Trainee: 6.2; WL-4: 40	<b>43.5</b>
<b>On-line P&amp;D Discussion participation</b>	%	98	98	98.5	98.5	85	98	<b>100%</b>
<b>Management Development Programme</b>	NO. of Managers	NR	572	743	643	238	439	<b>90%*</b>
<b>Employee engagement index</b>	%	35	58	68	82	NR	NR	<b>75</b>

\* Percentage of total managers

### Overview 2019-20

Employee training and development holds paramount importance for ICI Pakistan Limited. Building on our value of Passion for People, a renewed focus on learning and development prevailed in the year 2019-20 - both through digital as well as face-to-face blended trainings. In line with ICI Pakistan Limited's commitment to nurture and develop employees, a new platform, the ICI Pakistan Learning Academy, was introduced in October 2019, that centrally organises all the Company's learning and development needs and interventions.

The ICI Pakistan Learning Academy is a platform for the capability building bespoke learning solutions for all levels based on individual development plans of each employee and the organisational capability needs. Under ICI Pakistan Learning Academy, a variety of programmes are offered which can be divided into the following streams:

1. Leadership/Personal Effectiveness
2. Commercial
3. Technical
4. Organisational Development
5. Employee, Health & Safety

Learning interventions driven under the ICI Pakistan Learning Academy are delivered through various platforms such as face-to-face, instructor led, virtual, or blended. For the leadership / personal effectiveness stream, subject matter experts used the capability requirement of the current strategy of 2025 and developed a leadership framework: Enable to Achieve. In order to embed our leadership framework, we developed bespoke interventions and designed a leadership growth journey. The Leadership growth journey was divided into three phases.

- (i) Organisational Capability draws on the capabilities required to deliver the strategic intent for 2025. We



conducted sessions on the following to help develop employee capability:

1. Lean Six Sigma
  2. Analytics
- (ii) For the technical stream a team of subject matter experts of the technical stream were brought together to develop a curriculum for the technical stream. The Core Development Programme for Engineers (CDP) acts as a building block for future competence
- (ii) The Commercial Competency Framework acts as a development tool for our Commercial Stream. It aims on mapping out current skillset and enables to identify the right development plan to build onto the current capabilities of the Commercial Team. Corporate HSE&S has developed a curriculum by training our employees on the subject of health, safety, environment and sustainability in the corporate world. These trainings will be run across the organisation providing employees the knowledge on the laws of HSE&S.

**enable to  
achieve**

In June 2018, the iLEARN platform powered by SAP Success Factors was launched which provided employees with an internal library of courses from Coursera along

with e-books, podcasts, webinars, YouTube videos, infographics, white papers etc These courses ranged from finance, supply chain, strategy, leadership, HR, sales and marketing to soft skill trainings by renowned professionals. Moreover, additional in-house e-modules regarding Code of Conduct and HSE were developed and assigned as mandatory to all employees.

A total of 24,998 man-hours (face-to-face) were invested in employee training, focusing on soft skills, functional and leadership development.



Furthermore, to build on and sustain successful training and development of employees – a robust performance management and feedback system plays a very significant role. Our Performance and Development Discussion (P&DD) process, accessed via an online application, continues to be an essential tool in providing constructive and regular feedback to employees at all levels. This comprehensive measurement system allows employees and their managers to assess performance against set targets and objectives, gauging Company's overall performance. We achieved an 98% participation rate for this process in June 2019-20, and hope to raise this number even higher going forward.



**Define**  
the problem



**Measure**  
Quantify the  
problem



**Analyse**  
Identify the cause  
of the problem



**Improve**  
Implement and  
verify the solution



**Control**  
Maintain the  
solution



**24,000+**  
man-hours invested in  
employee learning and  
development



# Diversity and Equal Opportunity

## Key Performance Indicators

Diversity and Equal Opportunity	2017-18	2018-19	2019-20
<b>Percentage of governance body by gender</b>	Male 6, Female* 2 (75%M,25%F)	Male 6, Female 2(75%M,25%F)	Male 6, Female 2 (75%M,25%F)
<b>Percentage of employees by gender</b>	Management – Male 1154, Female 49 Trainees - Male 26, Females 21 94.4% M 5.6% F	Management – Male 1351, Female 88 Trainees – 29 Male, 25 Females 93.88 M 6.12 F	Management – Male 1520, Female 92 Trainees - Male 27, Females 13 M 93.6%, F 6.3%
<b>Percentage of Governance body by age</b>	30-50:62.5% (5) Above 50 37.5% (3)	30-50:62.5% (5) Above 50 37.5% (3)	Between 30 - 50 - 38% (3) Above 50 - 63% (5)
<b>Percentage of Employees by age</b>	Under 30: 384 (30.7%), 30- 50: 660(52.8%) , Above 50: 206 (16.5%)	Under 30: 426 (29.60%), 30- 50: 850 (59.07%) , Above 50: 163 (11.33%)	Less than 30 - 483 (29.2%) Between 30 & 50 - 1025 (62.0%) Above 50 - 144 (8.7%)

\*As of June 30, 2020

### Overview 2019-20

ICI Pakistan Limited is committed to promoting diversity in the workplace and equal opportunities for all, based on merit and suitability. Our Code of Conduct and core values (Passion for People; Integrity and Responsibility) clearly inculcate these principles and are followed by everyone associated with ICI Pakistan Limited.

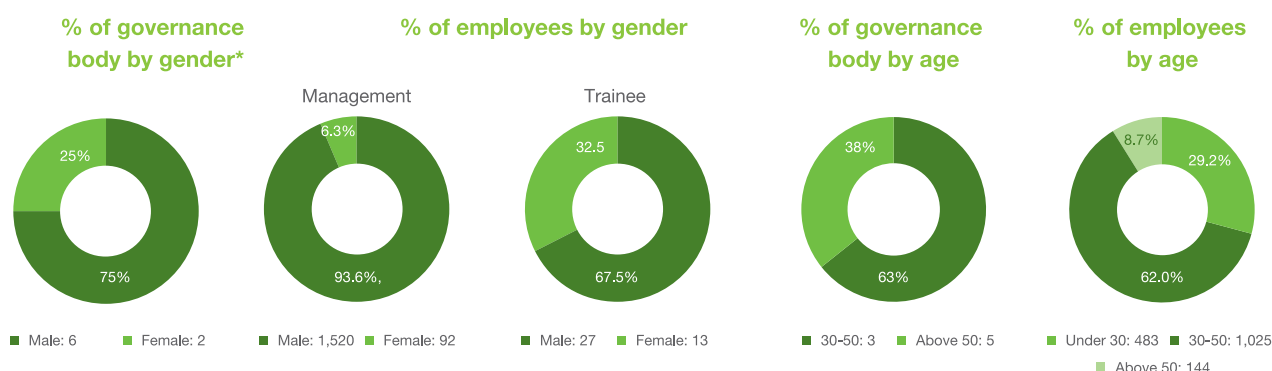
Gender diversity as well as gender sensitisation within our workforce is the growing demand of our diversity agenda. Today, the Company has 25% female representation in its Executive Management Team (EMT), the body responsible for the management of the organisational affairs on an ongoing basis. While the percentage of women in our overall workforce is still relatively low (at 6%) it has increased from the year before.

The iMPACT Scholarship Programme aims to provide scholarship opportunities to females with financial limitations to pursue their undergraduate degree from prestigious universities of Pakistan.

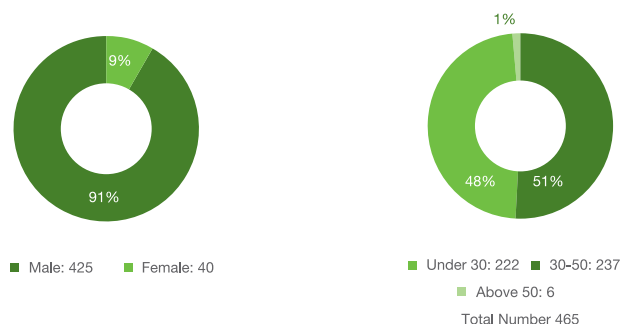
The iMPACT Women's Development Programme (WDP) WDP is a 4-week internship programme for female students from diverse backgrounds. The aim of the programme is to provide high calibre students an opportunity to gain direct exposure to a wide range of opportunities for learning, networking and first-hand corporate exposure.

ICI Pakistan Limited conducts Impact Circles which is a session with a small group of about 8–12 employees (men and women both) who meet regularly to brainstorm and discuss diversity and inclusions, support one another and learn new skills. The objectives of the circle are:

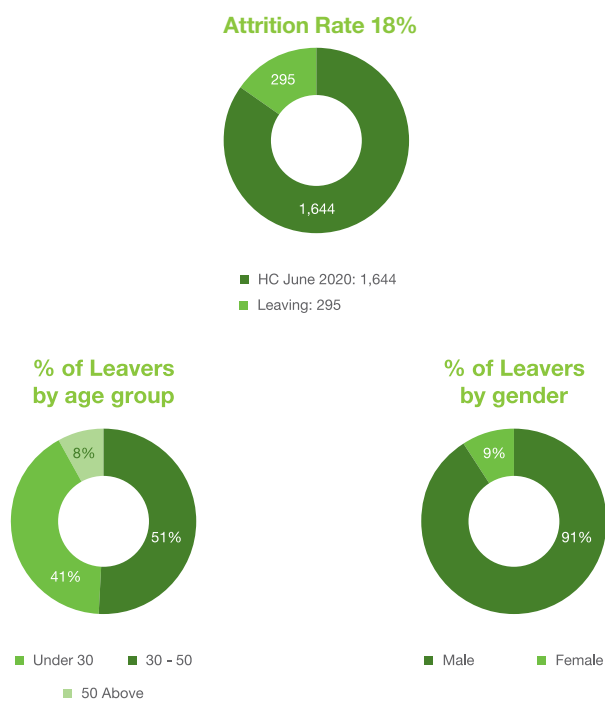
- make ICI Pakistan Limited D&I friendly in terms of hiring, performing, and interacting,
- create a personal bond and trust amongst employees through team building activities and open discussions, and
- create think tanks where employees can share their ideas, thoughts, and solutions on the discussion topic.



a. Total number and rate of new employee hires during the reporting period, by age group, gender and region.



b. Total number and rate of employee turnover during the reporting period, by age group and gender.



### Anti-competitive behaviour

There are no legal actions initiated or pending against the Company during the reporting period before the Competition Commission of Pakistan.

All ICI Pakistan Limited personnel are expected to conduct company business in compliance with applicable competition laws. As such, compliance with competition laws falls within the framework of the Company's Code of Conduct and is dealt with, in a detailed section. The Code is accessible to and read by every employee of the Company.

The Company conducted an interactive training session in October 2019 led by a renowned law firm from Karachi, which was attended by managers and business heads from across Pakistan. During the session, the participants were informed/refreshed about the fundamental principles of competition law, prohibitions under the Competition Act 2010 and the consequences for non-compliance. The Company conducts trainings on competition law on a periodic basis.



Interns of the Impact Women's Development Programme at Soda Ash, Khewra

## Non-Discrimination

### Key Performance Indicators

Non-Discrimination		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 Target
<b>Total number of Incidents of discrimination</b>	No.	NR	NR	NR	0	0	0	0

#### Overview 2019-20

Non-Discrimination is an integral part of our Code of Conduct and Values. The Code explicitly states that suitability of candidates for job opportunities depends solely on the basis of objective and non-discriminatory criteria. Moreover, ICI Pakistan Limited also has a whistleblowing policy in place known as Speak Up - open to all employees for confidential reporting of any Code of Conduct violations. This programme

ensures that all checks and balances are in place with regards to, not only the discriminatory practices, but also any other sort of violations of the Code. In the year 2019-20 there were no reported incidents of discrimination at the Company. Our target is to maintain this status quo, which we will aim to strengthen our ongoing focus on ethical and responsible behaviour in our organisation.



No case of  
discrimination  
reported in 2019-20

# Local Communities

## Key Performance Indicators

Community Investment	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 Target
Community programme investment	PKR Million	20	20	20	30	30	30



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

Under the umbrella of Hamqadam Programme, the Company embraces its corporate citizenship by focussed community investment activities that are managed through the ICI

Pakistan Limited Foundation. The Foundation's philosophy focusses on four main areas: education, health, community and environment, while also supporting civic development through investment in community projects, disaster relief and rehabilitation activities. (For more details, refer to page of Director's Report).

ICI Pakistan Limited donated PPEs to non-profit organisations and district hospitals in Sindh and Punjab to assist health workers who are in the front line fighting COVID-19.



Education



Health & Welfare



Community



Women's Empowerment



Environment

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



**PKR100**

million committed to community investments over the last five years



**18**

projects were funded under the community investment programme in 2019-20



**250,000+**

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



# Pehchan Volunteer Programme

To engage ICI Pakistan Limited's employees in various community-based CSR initiatives, the Pehchan Volunteer Programme was launched in June 2018. The programme is guided by the Company's CSR policy. Under the Pehchan programme, and in line with the Company's culture, values, and brand promise of Cultivating Growth, the Company enables employees to devote up to two working days (or 16 working hours) annually on Company time in pursuit of volunteer work. The Pehchan activities organised this year include tree plantation drives, blood donation camps, Independence Day celebrations at SOS Village and The Citizens Foundation, Rehbar programme. Nearly 2000 saplings were planted during the year in Khewra, Sheikhupura and Karachi.

During the year under review, employees overwhelmingly participated in the Pehchan Volunteer activities. During the year, over 200 employees spent more than 1050 hours in 18 different activities. So far, a total of 560 employees have dedicated 1780 volunteer hours in 25 various activities.



**1050 hours**

dedicated to community  
service by over 200  
employees



## Testimonials

### Murshid Hospital School of Nursing & Midwifery

"As we all know that there is limited access to skilled birth attendants in the underprivileged areas of Pakistan. The Company's contribution to award scholarships to community midwifery students will help them serve ailing humanity and is a step towards accessible maternal care in Pakistan."

**Dr. Usman Mahmood Khan**  
Deputy Administrator

#### Murshid Hospital and Healthcare Centre



In line with its commitment to promoting education and women's empowerment, ICI Pakistan Limited in 2017 provided funds to upgrade the Karachi-based Murshid Hospital School of Nursing and Midwifery's Nursing Skills Lab, with sophisticated training equipment, which includes life-sized working models that enable nursing students to practice vital medical techniques. The Company's support also upgraded the school's library and faculty computer lab. These improvements have now allowed the Nursing School to upgrade its three-year diploma programme to a college-level, four-year degree programme; raising education standards for future nurses.

In continuation of the engagement with Murshid Hospital School of Nursing and Midwifery, the Company in 2019, awarded 16 merit-based scholarships to deserving students enrolled in the two-year Community Midwifery Diploma programme.

### ChildLife Foundation

"ChildLife Foundation has been able to further its mission by partnering with ICI Pakistan Limited. By supporting the fast track block of ChildLife Foundation ER at the Lyari General Hospital, providing technological advice from their IT experts

and providing personal protective equipment to healthcare workers during COVID-19, ICI Pakistan Limited has been an active supporter of the cause of saving innocent little lives. More than 50,000 patients have benefited from this partnership and we hope and pray that this partnership will continue to flourish in the future."

**Tabish Shahzad**  
General Manager Communications

### ChildLife Foundation

ICI Pakistan Limited in 2016 made a three-year pledge to the ChildLife Foundation, a non-profit institution which operates and manages the Paediatric Emergency wards in both Civil and Jinnah Hospitals, Karachi. This pledge contributed in the establishment of three additional pediatric emergency facilities to the Child Life Foundation's network, one at the Lyari General Hospital, one at Korangi 5, and one at the Abbasi Shaheed Hospital, totaling five state-of-the-art PEADS ER units in Karachi.

In 2019, ICI Pakistan Limited signed a Memorandum of Understanding (MoU) with the Child Life Foundation (CLF) through which it is partially sponsoring the Fast Track OPD (FTO) Block in the Sindh Government Lyari General & Teaching Hospital Karachi's new Children's Emergency.

### Marie Adelaide Leprosy Centre (MALC)

"The Khewra community had limited access or awareness of basic health needs such as child nutrition. However, in 2016, ICI Pakistan Limited in collaboration with MALC set up a child and mother healthcare clinic which has benefited over 16,337 mothers and 15,391 children."

**Rabia Riaz**  
Assistant Manager – Resource Mobilisation Dept./Eye Coordinator

### Marie Adelaide Leprosy Centre

Since 2016, ICI Pakistan Limited has been working closely with MALC at its mother and child healthcare community clinics in Khewra and Sheikhupura. After the establishment of a successful mother and child healthcare community clinic in Khewra in 2016, a similar clinic for the Sheikhupura community was formally inaugurated in October 2018. The clinic has proven to be a valuable addition to the local healthcare infrastructure.



### Roshan Lyari Programme

"The youth of Lyari was passionate to learn technical and professional skills but had little opportunities to do so. Through this programme, the youth of the area has been empowered to stand on their feet and earn livelihood for their families. The Sindh Skills Development Centre and the youth of Lyari is thankful to the Company for initiating this programme."

**Abdul Latif Dorai**

Chairman

### Sindh Skills Development Centre

In Karachi, the Roshan Lyari Programme was launched in 2016 to promote literacy and enhance capacity-building skills within the Lyari youth community. The programme offers short-term vocational training courses of fashion designing, stitching and tailoring, beauty and makeup, to the female population of the community. To date, more than 350 youth have been benefitted from this programme. In which 85% are girls. Over 60% of the graduates, including women, are now employed or entrepreneurs with some running their own beauty salons etc.



### Montessori Teachers Training Course – Kakapir

"For me completing the Montessori Teachers Training Course was a dream come true. I come from Younusabad which is a remote area with limited facilities and no opportunities of training courses for teachers especially women. ICI Pakistan Limited initiated this programme and aided people like me in polishing skills and enabling us to teach our students better. I learned a lot during the course which will not help me in my professional life but also my personal life. The best part was that we were taught not only how to teach students but also how to groom them to be better individuals and shape their personalities. I am extremely grateful for this opportunity."

**Naheed Begum**

Teacher

### Bahria College Campus SRE Khalid, Younusabad

Besides regular teachers training sessions for the school faculty, in August 2019, ICI Pakistan Limited kicked off a six-month Montessori Teachers Training Course in collaboration of Global Education Consultants at the Government Girls and Boys Primary School, Kakapir (Sandspit), Karachi. In addition to the school faculty, the surrounding school teachers were invited to participate in the course. A total of 34 participants attended this course, with an attendance rate of 95%. The training course now boasts a waiting list of nearly 40 students for the second batch.

# GRI Content Index

Full Compliance: Partial Compliance: 

GRI STANDARD CORE DISCLOSURES			
Disclosures		Response	Compliance
General Disclosures			
GRI 102: General Disclosures 2016			
Organizational Profile			
102-1	Name of the organisation	<b>Section:</b> ICI Pakistan Limited at a Glance– Page 6	<div></div>
102-2	Activities, brands, products and services	<b>Section:</b> ICI Pakistan Limited at a Glance - Page 6-7 <b>Section:</b> Soda Ash Business - Page 106-109 <b>Section:</b> Pharmaceuticals - Page 116-119 <b>Section:</b> Animal Health – Page 120-123 <b>Section:</b> Chemicals & Agri Sciences – Page 124-129 <b>Section:</b> Polyester - Page 110-115	<div></div>
102-3	Location of headquarters	<b>Section:</b> ICI Pakistan Limited at a Glance- Page 8	<div></div>
102-4	Location of operations	<b>Section:</b> ICI Pakistan Limited at a Glance - Page 8	<div></div>
102-5	Ownership and legal form	<b>Section:</b> : ICI Pakistan Limited at a Glance - Page 6-9 <b>Section:</b> Corporate Governance and Compliance - Page 56-63, F68-F69	<div></div>
102-6	Markets served	<b>Section:</b> ICI Pakistan Limited at a Glance - Page 6-8	<div></div>
102-7	Scale of the organisation	<b>Section:</b> ICI Pakistan Limited at a Glance - Page 6-9 <b>Section:</b> Report of the Directors for the Year Ended – Page 86-100 <b>Section:</b> ICI Pakistan Limited Unconsolidated Financial Statement - Page F06-F09	<div></div>



102-8	Information on employees and other workers	<p><b>Section:</b> ICI Pakistan Limited Unconsolidated Financial Statement - F50</p> <p><b>Section:</b> Diversity and Equal Opportunity - Page 173</p> <p><b>Response:</b></p> <p>Permanent – 1644 (Male 1538, Female 106)</p> <p>Temporary Staff – 154 (116 contractual and 38 Trainees)</p> <p>Trainees (38) are employees on temporary employment contracts.</p> <p>Employees perform significant portion of ICI Pakistan Limited's activities.</p> <p>No variations in the numbers reported.</p> <p>Data was compiled by the Corporate HR Department as per actual and no assumptions are made.</p> <p>ICI Pakistan Limited will be reporting Region wise data in next year's report</p>	
102-9	Supply chain	<b>Section:</b> Sourcing - Page 155	
102-10	Significant changes to the organisation and its supply chain	<p><b>Section:</b> Sourcing - Page 155</p> <p><b>Section:</b> IA Rich Legacy of Corporate Leadership– Page 5</p>	
102-11	Precautionary principle or approach	<b>Section:</b> Corporate Governance and Compliance: Code of Conduct - Page 18, 56-63	
102-12	External initiatives	<b>Response:</b> GRI Standards adopted for the 2019-20 Sustainability Report and United Nation Sustainable Development Goals.	
102-13	Membership of associations	<b>Response:</b> Chamber of Commerce, EPA – All Provinces, Competition Commission of Pakistan, National Board of Boilers and Pressure Vessels, National Environmental Quality Standards, Pakistan Business Council (PBC), Pakistan Institute of Corporate Governance, MAP, OICCI	
<b>Strategy</b>			
102-14	Statement from senior decision-maker	<b>Section:</b> Message from CE - Page 22, 134	
<b>Ethics and integrity</b>			
102-16	Values, principles, standards and norms of behaviour	<p><b>Section:</b> Our Vision, Mission and Values - Page 14</p> <p><b>Section:</b> Our Code of Conduct - Page 18</p> <p><b>Section:</b> Sustainability Strategy – Page 138</p>	
<b>Governance</b>			
102-18	Governance structure	<p><b>Section:</b> Board and Management Committees - Page 76</p> <p><b>Section:</b> Company Information - Page 77</p> <p><b>Section:</b> ICI Pakistan Limited at a Glance – Page 9</p> <p><b>Section:</b> Sustainability Strategy &amp; Sustainability Council - Page 138-139</p>	

## Stakeholder Engagement

102-40	List of stakeholder groups	<b>Section:</b> Stakeholder Engagement - Page 146	
102-41	Collective bargaining agreements	<b>Response:</b> Response: 714 employees (43%) covered by collective bargaining agreements (of employees) – Total number of employees: management 1644; Contractual 116; trainees 38	
102-42	Identifying and selecting stakeholders	<b>Section:</b> Stakeholder Engagement - Page 146-147	
102-43	Approach to stakeholder engagement	<b>Section:</b> Stakeholder Engagement - Page 146-147	
102-44	Key topics and concerns raised	<b>Section:</b> Stakeholder Engagement -Page 148	




## Reporting Practice

102-45	Entities included in the consolidated financial statements	<b>Response:</b> ICI Pakistan Limited at a Glance – Page 9	
102-46	Defining report content and topic Boundaries	<b>Section:</b> About the Report - Page 143 <b>Section:</b> Materiality Assessment - Page 144-145	
102-47	List of material topics	<b>Section:</b> Materiality Assessment - Page 144-145	
102-48	Restatements of information	<b>Response:</b> Not Applicable - no restatements of information given	
102-49	Changes in reporting	<b>Section:</b> About the Report - Page 143	
102-50	Reporting period	<b>Section:</b> About the Report - Page 143	
102-51	Date of most recent report	<b>Response:</b> August 16, 2019	
102-52	Reporting cycle	<b>Section:</b> About the Report - Page 143	
102-53	Contact point for questions regarding the report	<b>Section:</b> About the Report - Page 143	
102-54	Claims of reporting in accordance with the GRI Standards	<b>Section:</b> About the Report - Page 143	
102-55	GRI Content Index	<b>Section:</b> GRI Index – Page 180-191	
102-56	External Assurance	<b>Section:</b> About the report - Page 143 <b>Section:</b> External Assurance – Page 194-195	


Material Topics			
Category: Economic			
ECONOMIC PERFORMANCE			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	<b>Section:</b> Materiality Assessment - Page 144-145	
103-2	The management approach and its components	<b>Section:</b> Economic Performance Management Approach - Page -153, 76	
103-3	Evaluation of management approach	<b>Section:</b> Economic Performance Management Approach - Page 153 <b>Section:</b> Corporate Governance and Compliance 56-63	
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	See ICI Pakistan Limited Financial Statements Page F06-F08	
MARKET PRESENCE			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	<b>Section:</b> Materiality Assessment - Page 144-145	
103-2	The management approach and its components	<b>Section:</b> Economic Performance Management Approach - Page 153 <b>Section:</b> Corporate Governance and Compliance 56	
103-3	Evaluation of management approach	<b>Section:</b> Economic Performance Management Approach - Page 153 <b>Section:</b> Corporate Governance and Compliance 56	
GRI 202: Market Presence 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	<b>Response:</b> ICI Pakistan Limited adheres to all local and federal laws with regards to minimum wage and the ratio of entry level wage by gender is above than the minimum wages at all location of operations.	
202-2	Proportion of senior management hired from the local community	<b>Response:</b> Karachi: 75%, Islamabad: Nil, Sheikhpura: Nil Khewra: Nil, Lahore: 100% Senior Management – G37 plus excluding EMT; Local: Residence and belonging to the significant location identified	

## INDIRECT ECONOMIC IMPACTS




### GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 144-145	
103-2	The management approach and its components	Section: Economic Performance Management Approach - Page 153 Section: Corporate Governance and Compliance 56	
103-3	Evaluation of management approach	Section: Economic Performance Management Approach - Page 153 Section: Corporate Governance and Compliance 56	


### GRI 203: Indirect Economic Impacts 2016

203-1	Infrastructure investments and services supported	Section: Local community - Page 176-179	
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## ANTI-COMPETITIVE BEHAVIOR

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 144-145	
103-2	The management approach and its components	Section: Economic Performance Management Approach - Page 153 Section: Corporate Governance and Compliance 56-59	
103-3	Evaluation of management approach	Section: Economic Performance Management Approach - Page 153 Section: Corporate Governance and Compliance 56-59	


### GRI 206: Anti-competitive Behavior

302-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Section: Diversity and Equal Opportunity 174	
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## Compliance

103-1	Explanation of the material topic and its Boundary	Section: Materiality Assessment - Page 144-145	
103-2	The management approach and its components	Section: Economic Performance Management Approach Page -153, Section: Corporate Governance and Compliance 56-63	
103-3	Evaluation of management approach	Section: Economic Performance Management Approach Page -153 Section: Corporate Governance and Compliance 56-63	

### GRI 419: Socioeconomic Compliance

419-1	Non-compliance with laws and regulations in the social and economic area	Section: Integrity Management – 154	
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**Category: Environmental****ENERGY****GRI 103: Management Approach 2016**

103-1	Explanation of the material topic and its Boundary	<b>Section:</b> Materiality Assessment - Page 144-145	
103-2	The management approach and its components	<b>Section:</b> Environmental Performance Management Approach - Page 157-158	
103-3	Evaluation of management approach	<b>Section:</b> Environmental Performance Management Approach - Page 157-158	

**GRI 302: Energy 2016**

302-1	Energy Consumption within the organization	<b>Section:</b> Energy - Page 161 <b>Response:</b> Standard calorific values of fuels are used for conversion	
302-3	Energy intensity	<b>Section:</b> Energy - Page 161	
302-4	Reduction of energy consumption	<b>Section:</b> Energy - Page 162	

**WATER****GRI 103: Management Approach 2016**

103-1	Explanation of the material topic and its Boundary	<b>Section:</b> Materiality Assessment - Page 144-145	
103-2	The management approach and its components	<b>Section:</b> Environmental Performance Management Approach - Page 157-158	
103-3	Evaluation of management approach	<b>Section:</b> Environmental Performance Management Approach - Page 157-158	

**GRI 303: Water 2016**






303-1	Water withdrawal by source	<b>Section:</b> Water - Page 163	
303-3	Water recycled and reused	<b>Section:</b> Water - Page 163	

**EMISSIONS****GRI 103: Management Approach 2016**

103-1	Explanation of the material topic and its Boundary	<b>Section:</b> Materiality Assessment - Page 144-145	
103-2	The management approach and its components	<b>Section:</b> Water - Page 163	
103-3	Evaluation of management approach	<b>Section:</b> Environmental Performance Management Approach - Page 157-158	



**GRI 305: Emissions 2016**

305-1	Direct (Scope 1) GHG emissions	<b>Section:</b> Emissions - Page 164 <b>Response:</b> ICI Pakistan Limited reporting is compliant with National Environmental Quality Standards (NEQs) Factors used in the calculation of emissions are based on the current International Energy Agency	
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<b>305-2</b>	<b>Energy indirect (Scope 2) GHG emissions</b>	<b>Section:</b> Emissions - Page 164	
<b>305-4</b>	<b>GHG emissions intensity</b>	<b>Section:</b> Emissions - Page 164	
<b>305-5</b>	<b>Reduction of GHG emissions</b>	<b>Section:</b> Emissions – Page 164	
<b>305-6</b>	<b>Emissions of ozone-depleting substance (ODS)</b>	<b>Section:</b> No chemical classified as an ODS is listed in the Chemical Substance Inventory of ICI Pakistan Limited	
<b>305-7</b>	<b>Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions</b>	<b>Section:</b> Emissions - Page 164	

## EFFLUENTS AND WASTE

### GRI 103: Management Approach 2016

<b>103-1</b>	<b>Explanation of the material topic and its Boundary</b>	<b>Section:</b> Materiality Assessment - Page 144-145	
<b>103-2</b>	<b>The management approach and its components</b>	<b>Section:</b> Environmental Performance Management Approach - Page 157-158	
<b>103-3</b>	<b>Evaluation of management approach</b>	<b>Section:</b> Environmental Performance Management Approach - Page 157-158	




### GRI 306: Effluents and Waste 2016

<b>306-2</b>	<b>Waste by type and disposal method</b>	<b>Section:</b> Effluents and Waste - Page 165	
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## Category: Social

## EMPLOYMENT AND LABOUR RELATIONS


### GRI 103: Management Approach 2016

<b>103-1</b>	<b>Explanation of the material topic and its Boundary</b>	<b>Section:</b> Materiality Assessment - Page 144-145	
<b>103-2</b>	<b>The management approach and its components</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	
<b>103-3</b>	<b>Evaluation of management approach</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	

### GRI 401: Employment 2016

<b>401-1</b>	<b>New employee hires and employee turnover</b>	<b>Section:</b> Diversity and Equal Opportunity – Page 174	
<b>401-2</b>	<b>Benefits provided to full-time employees that are not provided to temporary or part-time employees</b>	<b>Section:</b> Life Insurance, Health Care, Disability Coverage, Parental Leave, Retirement Provision Significant locations of operation are all ICI Pakistan manufacturing sites, offices and warehouses.	

### GRI 402: LABOR/MANAGEMENT RELATIONS 2016

<b>402-1</b>	<b>Minimum notice periods regarding operational change</b>	<b>Section:</b> 4 weeks Also mentioned in collective agreements	
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## OCCUPATIONAL HEALTH AND SAFETY

### GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	<b>Section:</b> Materiality Assessment - Page 144-145	
103-2	The management approach and its components	<b>Section:</b> Social Performance Management Approach- Page 168-169	
103-3	Evaluation of management approach	<b>Section:</b> Social Performance Management Approach- Page 168-169	



### GRI 403: Occupational Health and Safety 2016

403-1	Workers representation in formal joint management-worker health and safety committees	<p><b>Response:</b> Our manufacturing sites have different systems in place to promote such programs. Monthly joint management and worker safety meetings are one such process, steered by line managers and occasionally section head of all functional departments. The agenda is set by the HSE&amp;S department and feedback is recorded.</p> <p>These meetings ensure 100% participation by the workforce</p>	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<b>Response:</b> Occupational Health & Safety - Page 170	
403-3	Workers with high incidence or high risk of diseases related to their occupation	<p>Response: Workers involved in occupational activities that have a high risk of specific diseases are trained on, and well-versed in, the appropriate health and safety protocols, provided appropriate equipment, and regularly monitored. For example, laboratory employees are provided with protective equipment and training, and are assessed for lung-related diseases that may rise due to fume inhalation. Similarly, employees working in high noise areas are provided with appropriate protective equipment and are annually checked for any hearing loss. These procedures are as per the ICI Pakistan HSE&amp;S Management System and the Company's Occupational Health Policy. Areas at all manufacturing sites have been assessed for health risks and accordingly Health Monitoring Programs have been developed for employees.</p>	




## TRAINING AND EDUCATION

### GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	<b>Section:</b> Materiality Assessment - Page 144-145	
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<b>103-2</b>	<b>The management approach and its components</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	
<b>103-3</b>	<b>Evaluation of management approach</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	

### GRI 404: Training and Education 2016

<b>404-1</b>	<b>Average hours of training per year per employee</b>	<b>Section:</b> Training and Education – Page 171-172	
<b>404-2</b>	<b>Programs for upgrading employee skills and transition assistance programs</b>	<b>Response:</b> Leadership Essentials: Code of Conduct, HSE Awareness, Performance Management System, HR for Non HR Managers, Discovering the Leadership Within, Behavioral based interviewing skills Leadership Development Roadmap Leadership Development Journey, Leading Beyond, Leading and Developing Teams, Self-development Program, Creative Thinking & Collaboration, Greater Self, Leading Teams for Impact Functional skills development programs Core Development Program for engineers E-modules Toolkit A core technical training program for engineers comprises of e-modules on Success Factors.	
<b>404-3</b>	<b>Percentage of employees receiving regular performance and career development reviews</b>	<b>Section:</b> Training & Education - Page 171-172	

### DIVERSITY AND EQUAL OPPORTUNITY

### GRI 103: Management Approach 2016

<b>103-1</b>	<b>Explanation of the material topic and its Boundary</b>	<b>Section:</b> Materiality Assessment - Page 144-145	
<b>103-2</b>	<b>The management approach and its components</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	
<b>103-3</b>	<b>Evaluation of management approach</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	



**GRI 405: Diversity and Equal Opportunity 2016**

<b>405-1</b>	<b>Diversity of governance bodies and employees</b>	<b>Section:</b> Diversity & equal Opportunity - Page 173	
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**NON-DISCRIMINATION****GRI 103: Management Approach 2016**

<b>103-1</b>	<b>Explanation of the material topic and its Boundary</b>	<b>Section:</b> Materiality Assessment - Page 144-145	
<b>103-2</b>	<b>The management approach and its components</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	
<b>103-3</b>	<b>Evaluation of management approach</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	

**GRI 406: Non-Discrimination 2016**

<b>406-1</b>	<b>Incidents of discrimination and corrective actions taken</b>	<b>Section:</b> Non-discrimination – Page 175	
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**CHILD LABOUR****GRI 103: Management Approach 2016**




<b>103-1</b>	<b>Explanation of the material topic and its Boundary</b>	<b>Section:</b> Materiality Assessment - Page 144-145	
<b>103-2</b>	<b>The management approach and its components</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	
<b>103-3</b>	<b>Evaluation of management approach</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	

**GRI 408: Child Labour 2016**


<b>408-1</b>	<b>Operations and suppliers at significant risk for incidents of child labour</b>	<b>Section:</b> Integrity Management – Page 154	
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## FREEDOM OF ASSOCIATION

### GRI 103: Management Approach 2016

<b>103-1</b>	<b>Explanation of the material topic and its Boundary</b>	<b>Section:</b> Materiality Assessment - Page 144-145	
<b>103-2</b>	<b>The management approach and its components</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	
<b>103-3</b>	<b>Evaluation of management approach</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	

### GRI 407: Freedom of Association and Collective Bargaining 2016

<b>407-1</b>	<b>Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk</b>	<b>Section:</b> Integrity Management – Page 154	
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## LOCAL COMMUNITIES

### GRI 103: Management Approach 2016

<b>103-1</b>	<b>Explanation of the material topic and its Boundary</b>	<b>Section:</b> Materiality Assessment - Page 144-145	
<b>103-2</b>	<b>The management approach and its components</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	
<b>103-3</b>	<b>Evaluation of management approach</b>	<b>Section:</b> Social Performance Management Approach- Page 168-169	

### GRI 413: Local Communities 2016

<b>413-1</b>	<b>Operations with local community engagement, impact assessments, and development programs</b>	<b>Section:</b> Local Communities - Page 176-179	
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# SDGs

## Index

SDGs		PAGE NO.	GRI STANDARDS DISCLOSURE
	End poverty in all its forms everywhere	183	202-1
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	F06-F08, 176-179	201-1, 203-1
	Ensure healthy lives and promote well-being for all at all ages	164, 165, 170, 187	305-1, 305-2, 305-6, 305-7, 306-2, 403-2, 403-3
	Ensure inclusive and quality education for all and promote lifelong learning	171-172	404-1
	Achieve gender equality and empower all women and girls	F06-F08 183, 176-179, 174, 171-172, 173, 175	201-1, 202-1, 203-1, 401-1, 404-1, 404-3, 405-1, 406-1
	Ensure access to water and sanitation for all	163, 165	303-1, 303-3, 306-2
	Ensure access to affordable, reliable, sustainable and modern energy for all	F06-F08, 176-179, 161, 162	201-1, 203-1, 302-1, 302-3, 302-4



SDGs		PAGE NO.	GRI STANDARDS DISCLOSURE
	Promote inclusive and sustainable economic growth, employment and decent work for all	F50, 173, 182, F06-F08, 183, 161, 162, 163, 174, 186, 187, 170, 171-172, 188, 154	102-8, 102-41, 201-1, 202-1, 202-2, 302-1, 302-3, 302-4, 303-3, 401-1, 401-2, 402-1, 403-1, 403-2, 403-3, 404-1, 404-2, 404-3, 405-1, 407-1, 408-1
	Build resilient infrastructure, promote sustainable industrialization and foster innovation	F06-F08 176-179	201-1, 203-1
	Make cities inclusive, safe, resilient and sustainable	176-179	203-1
	Ensure sustainable consumption and production patterns	161, 162, 163, 164, 185, 165	302-1, 302-3, 302-4, 303-3, 305-1, 305-2, 305-6, 305-7, 306-2
	Take urgent action to combat climate change and its impacts	161, 162, 164	302-1, 302-3, 302-4, 305-1, 305-2, 305-4
	Conserve and sustainably use the oceans, seas and marine resources	164	305-1, 305-2, 305-4, 305-5, 305-7
	Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss	164	305-1, 305-2, 305-4, 305-5, 305-7
	Promote just, peaceful and inclusive societies	14, 18, 138, 174, 175, 154	102-16, 206-1, 406-1, 408-1, 419-1
	Revitalize the global partnership for sustainable development	141-142	Not Applicable



## Independent Assurance Statement for the ICI Pakistan Limited Sustainability Report 2020

Corporate Social Responsibility Centre Pakistan (CSRCP) was engaged by ICI Pakistan Limited to carry out an independent review of the ICI Pakistan Limited Sustainability Report 2020, which was prepared 'in accordance' with Global Reporting Initiative's (GRI) Standards' Core option. The objective of the critical independent review is to provide ICI Pakistan Limited's Management with an independent opinion about the quality of the report and adherence to the principles of Inclusivity, Materiality, and Responsiveness.

### Responsibility of ICI Pakistan Limited and of CSRCP

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

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

### Scope of Assurance

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

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

### Assurance methodology

We carried out a desk review of the final draft report. We communicated with ICI Pakistan Limited to determine the accuracy and authenticity of the report content, data points, methodologies

and policies around the organization's social, environmental and economic data and activities.

Our procedures on this engagement included:

- Critical review of the Sustainability Report 2020 and respective Content Index to check consistency and adherence to GRI's Universal and Topic-Specific Standards
- Evaluation of report adherence to the in accordance: Core option
- Critical review of the Sustainability Report to obtain limited assurance about whether the Sustainability Report is free from material misstatement
- Analysis of the report content against principles of Inclusivity, Materiality and Responsiveness
- Review of the SDGs Index to check correctness of references with GRI Standards General and Topic Specific Disclosures
- Elaboration of the adjustment report
- Final review of the report content

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

### Opinion

#### GRI Standards in accordance option

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

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

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

- ICI Pakistan Limited report addresses how company identifies and engages with different stakeholders, including ICI Pakistan Limited focus for engagement and ICI Pakistan

Limited response to stakeholders' concerns. The material issues emerging from the stakeholder engagement were collected, prioritized and the results are fairly reflected in the report.

- It would be recommendable to carry out a report specific stakeholders' engagement to better align information on material topics with stakeholders' requirements and demonstrate how stakeholders' input is utilized in strategic decision making at Sustainability Council.

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

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

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

- ICI Pakistan Limited has appropriate policies and externally certified quality, environmental and health & safety management systems, which involve a high level of analysis of risks, non-compliance and corrective actions.
- Sustainability management at ICI Pakistan Limited maintains high level support in the shape of Sustainability Council, conforming ICI Pakistan Limited's commitment to address sustainability challenges, stakeholder concerns, and promoting sustainable practices in its supply chain.
- The report demonstrates activities supporting safety, health and environment practices at supply chain partners to reduce environmental footprint. It would be recommendable to include aspects of social impact while promoting sustainability management practices in supply chain.
- ICI Pakistan Limited reiterates its commitment with the UNGC Ten Principles, has adopted SDGs relevant to ICI Pakistan Limited operations and activities and exhibited alignment of its activities with UN Sustainable Development Goals (SDGs). ICI Pakistan Limited undertook a leading role to share best

practices with industry on SDGs 12 and promote sustainability practices among industry. It would be recommendable to demonstrate how ICI Pakistan Limited is capitalizing the opportunities offered by the SDGs and the impact of ICI products and services to meeting SDGs.

**Statement of conclusion**

Based on the scope of our work and the assurance procedures we performed using the International Standard on Assurance Engagement (ISAE) 3000 (Revised), 'Assurance Engagements Other than Audits or Reviews of Historical Financial Statements, we conclude that nothing has come to our attention that causes us to believe that the information in ICI Pakistan Limited's Sustainability Report 2020 is in all material aspects not fairly stated.

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

For the next report, we recommend the company to disclose information of supply chain impacts related to material topics and the approach and criteria used to screen its suppliers against the most important social and environmental topics.

**Limitations and exclusions**

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

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


**Statement of independence, impartiality and competence**

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

Islamabad, August 27, 2020



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



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







Financial Performance

# Possibilities to Create Value

The performance of the Company reflects our commitment to serve and remain a partner of choice. Through our growth and diversification objectives, we create value not only for the Company and its shareholders, but also for the millions of lives we touch upon on a daily basis.

This section provides a complete record of ICI Pakistan Limited's financials for 2019-20.



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