



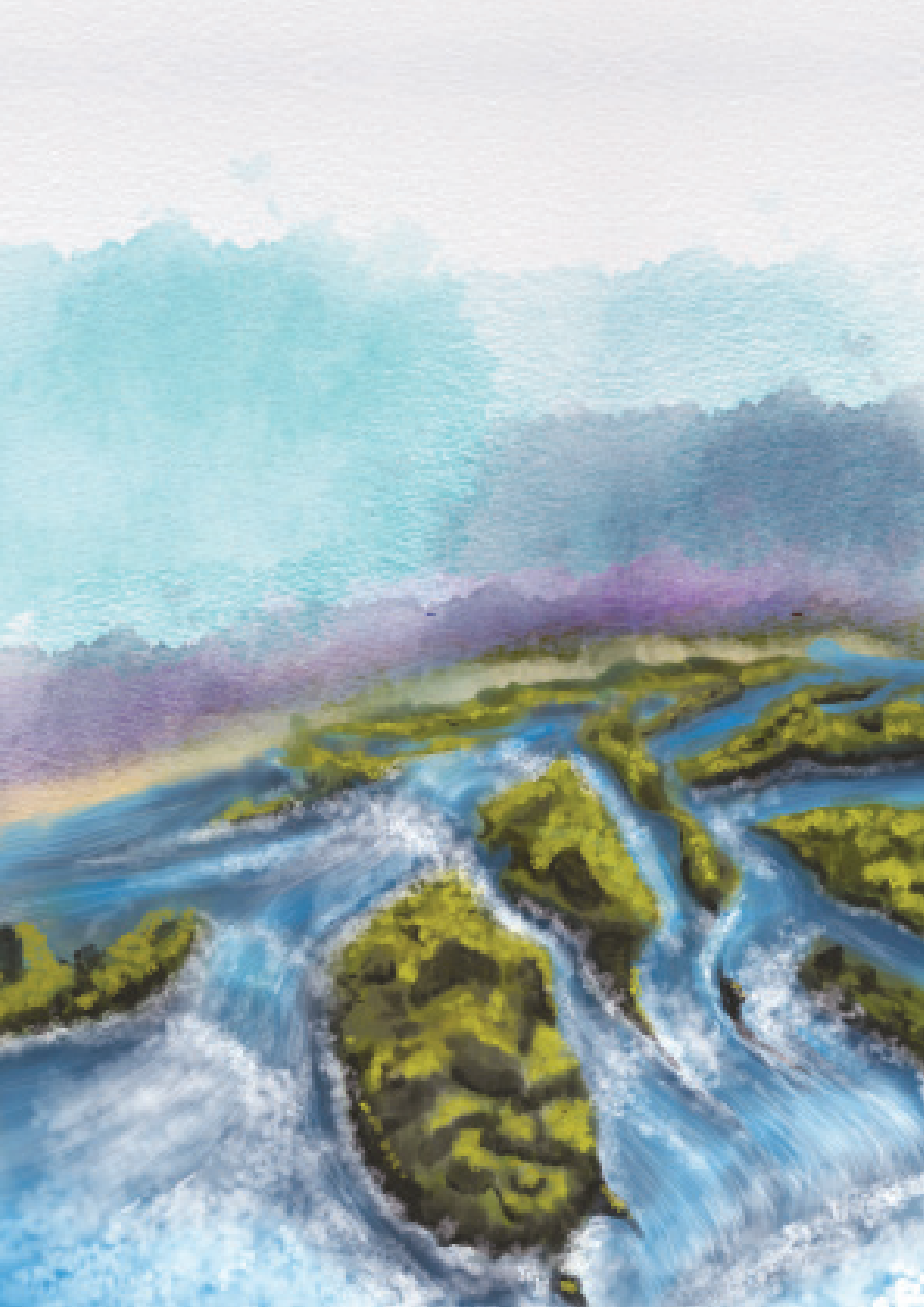
## Sustainability Performance

# A FORCE FOR GOOD

Being successful today is only part of the challenge.  
Operating sustainably for decades to come is the real test.

We work hard to make our operations more sustainable in the long run, so that we remain a force for good – creating opportunity, managing resources, and fostering growth, everywhere we go.

This section is a comprehensive report on the Company's sustainability strategy, KPIs, targets and performance.



# Leadership Statement

Dear Stakeholders,

I present to you the ICI Pakistan Limited Sustainability Report 2015-16. This is our Company's eighth sustainability report and our first effort at reporting in accordance with the Global Reporting Initiative (GRI) G4 Reporting Framework, Core option.

Transparency and disclosure are at the heart of sustainability reporting. They are also central to the way we work at ICI Pakistan Limited; a fact reflected by our Company value of Integrity and Responsibility, which specifically identifies 'ethical and responsible behaviour' and 'uncompromising integrity' as being at the very core of all we do.

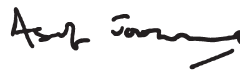
At ICI Pakistan Limited, we have always set our sights on growth, progress and expansion. Cultivating Growth is our promise, and one that we take very seriously. However, we understand that for ongoing growth to be viable – not just for the immediate future, but for years to come – it must be carried out in a sustainable, responsible manner.

As a diverse, growing manufacturing and trading concern, it is vital that we monitor and manage our operations and processes so as to create maximum value for our shareholders, while making the minimum impact on the world around us. This includes practical and strategic use of resources, integrity and responsibility in our dealings with our stakeholders, and stringent monitoring of our environmental impact.

Our Sustainability Council, a multi-functional team consisting of individuals from all business and functional areas of the Company, steers our sustainability agenda, formulating strategy and setting targets to align sustainability-related objectives with our Company's overall goals. We welcome your feedback on the contents of this report. We understand that sustainability is a complex, evolving process, and are committed to making inroads in new areas while building on our key strengths.

Our intent is to continue to share information on our sustainability-related practices with our stakeholders, and the world at large. This is because we want you to know that we make every effort to integrate sustainable practices into our operations at every step. We truly believe that sustainable business is the only way forward in today's world of finite resources and increasing demand.

Warm Regards,



Asif Jooma,  
Chief Executive  
ICI Pakistan Limited

# Highlights for 2015-16

- The HSE&S Management Audit process, which commenced with audits of all manufacturing sites and locations last year across the Company, was completed during the year. Based on the auditors' findings and recommendations, Businesses and locations are preparing their 2016-17 HSE&S improvement plans.
- The Leadership Development Road Map rolled out in 2015-16 is a structured and integrated talent development framework for all management staff. The roadmap focuses on developing leadership capabilities at each level in the organisation, ensuring sustainable talent development.
- No occupational illness was reported, on account of compliance with the Company's various Health Assessment and Work Environment monitoring programmes.
- A reduction of 4.8% was achieved in the total illness absence rate of employees compared to last year, through a sharper focus on operational discipline and even stricter adherence to the Company's Health, Safety, Environment and Security (HSE&S) Management system through the Behaviour-Based Safety (BBS) programme.
- There were no reportable injuries to employees, supervised contractors or any independent contractors, resulting in a zero reportable injury rate for the year.
- Due to the prevailing challenging energy situation, the use of coal and furnace oil increased, negatively impacting gaseous emissions, waste generation and total energy consumption per ton of production.
- Water consumption per ton of production increased due to significant construction, developmental projects and steam based power plants, but still remained within target.
- A total of 3,431 man-days for training were successfully completed.

# Sustainability Council

## Objective

The Council's objective is to assist the Board in fulfilling its oversight responsibility to the shareholders with regard to sustainability of the Company's operations.

The Council's scope includes development, implementation and monitoring of the Company's Health, Safety, Environment and Security (HSE&S) policies and practices. The overall aim is, therefore, to foster the ongoing sustainable growth of ICI Pakistan Limited.

## Responsibilities of the Council

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

\*Since our coal based projects are now in operation, we intend to review our sustainability KPIs and targets for the next five years in 2016-17. The next Sustainability Report, covering 2016-17, will be based on revised KPIs and targets.

# Sustainability Council Stakeholders

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## CEO

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**Human Resources  
Committee**

**Sustainability Council**

**Executive Management  
Committee**

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**Audit Committee**

**HSE&S Management  
Committee**

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# Sustainability Strategy

ICI Pakistan Limited has engaged in sustainability reporting for the past eight years. In 2013-14, the Company successfully reconstituted and established its Sustainability Council, adopting a structure which in subsequent years has enabled the Council to undertake more thorough and comprehensive reviews of sustainability performance across all ICI Pakistan Limited Businesses. The Sustainability Council is a multi-disciplinary team, comprising members from all Business and functional areas of the Company.

## **Foster a Culture of Excellence**

We aim to build an environment in which people constantly strive to deliver more, and we endeavour to achieve this through attracting and retaining the best talent.

## **Operate with Responsibility**

We strive to build lasting partnerships with all our stakeholders and create processes which continually evolve to ensure that we operate responsibly.

## **Environmental Stewardship**

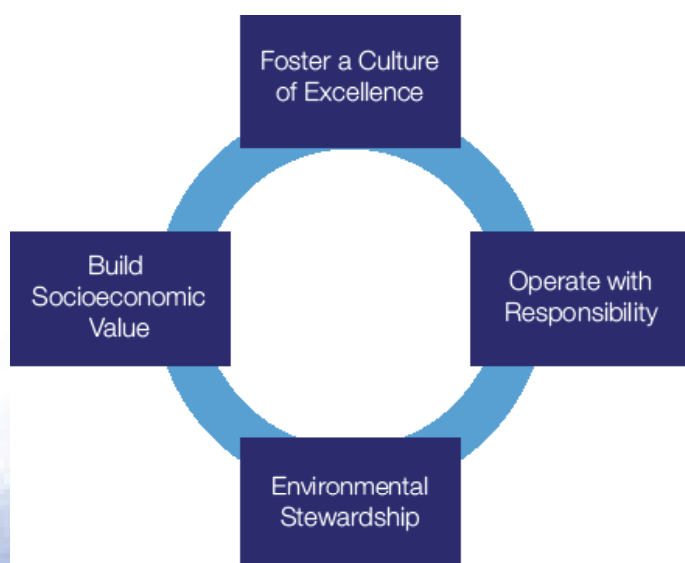
We want to be the leaders in innovation and developing solutions for cleaner, greener systems to reduce our impact on the environment.

## **Socioeconomic Value**

We work to create value in our local communities by providing the tools required for capacity building.

## **Transparency**

We ensure that all processes and operations at our Businesses and functions are transparent. Our stakeholders have a right to information; transparency in this regard promotes and increases trust.



# Sustainability Framework

Our Sustainability Framework covers the following areas:

## **Economic Performance**

Integrity Management  
Sourcing

## **Social Performance**

Health, Safety and Security  
Employment Practices  
Community Investment

## **Environmental Performance**

Emissions Control  
Water Usage  
Waste Management  
Product Stewardship  
Energy Efficiencies



# About the Report

We started on our voluntary sustainability reporting journey in 2008. This year we present the eighth ICI Pakistan Limited Sustainability Report, which has been prepared in accordance with the Global Reporting Initiative (GRI) G4 Reporting Framework, Core option.

## Report Boundary

The report covers the four core Businesses and corporate functions of the Company. We have four manufacturing sites, three corporate offices and five regional/Business offices. The data in this report covers all these locations.

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 is July 31, 2015, to June 30, 2016. Data has mainly been obtained from our financial management reporting systems, the corporate HR information management system, and our reporting systems for Health, Safety, Environment & Security (HSE&S) performance indicators.

## Report Content

The Key Performance Indicators (KPIs) shared in this report were set in 2010. As part of an important exercise towards integrating sustainability within the organisation, a stakeholder dialogue was conducted during that year, and KPIs were established for the next five years.

These KPIs set targets for 2016, which will serve to guide us. As was done last year, the content of this report has been developed in accordance with the KPIs and our performance against them. The content of this report has been decided upon by the Sustainability Council and has been developed in accordance with our Sustainability Framework based on the triple bottom line concept of economic, social and environmental parameters.

## Data Collection

### Collection

Our data on environment, health, safety and security is derived from our EPM (Enterprise Performance Management) database. Our 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 and Environment (HSE) Manager. The Corporate HSE Manager is responsible for data for ICI Pakistan Limited as a whole. 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, we have attempted to

include appropriate explanations in the report.

### Accuracy

We are confident of the overall reliability of the data reported, but recognise that some of this data is subject to a certain degree of uncertainty, inherent to limitations associated with measuring and calculating data. Senior managers within the organisation approved the content and the quantitative data used in the sustainability facts and figures relating to their respective areas of responsibility.

### Consistency

The KPIs set and data reported in previous years have served as a baseline and reporting standard for subsequent years. Any additional developments shall be reported accordingly; however, the reporting framework already established shall be a consistent baseline standard.

## Assurance & Verification

Our sustainability performance is monitored through a multi-disciplinary Sustainability Council. This Sustainability Report forms part of our sustainability reporting and is designed for general readership only. United Registrar of Systems (URS) has conducted an independent verification and assurance of data presented in this report. The indicators for our sustainability reporting are selected from the G4 Reporting Framework issued by the Global Reporting Initiative (GRI). GRI is a multi-stakeholder international network of thousands of sustainability experts. The GRI G4 Reporting Framework is the most widely accepted global standard for corporate responsibility reporting.

## Contact Us

Our stakeholders are important partners in our sustainability journey. Therefore, we encourage feedback on our Sustainability Report. If you would like to comment on the report or find out about our Sustainability strategy and programme, please email us at: [sustainability.council@ici.com.pk](mailto:sustainability.council@ici.com.pk)

A soft copy of this report and additional information on the Company, including our business units and products, is available on our website at [www.ici.com.pk](http://www.ici.com.pk)

If you are unable to access these resources or need further information, please contact:

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# Stakeholder Engagement

Our stakeholders are central to our operations. They are important partners in our ongoing sustainability journey and therefore, it is vital that we engage with them, understand their needs and concerns, and strive to provide greater value for them.

ICI Pakistan Limited's core values of Customer Centricity and Passion for People underpin our stakeholder engagement approach, where our core groups of stakeholders are engaged with in various ways. Customer engagement is gauged at the level of each Business by surveys conducted and feedback collected through various channels. Community engagement is maintained by CSR teams at each Business, and through effective coordination with labour unions at our plant and manufacturing sites. Employee engagement is driven from a corporate level across the Company. Chief Executive's sessions are conducted Companywide as a platform for employees to address concerns, giving the Chief Executive a chance to share information and answer questions. In each area of stakeholder engagement, concerns and suggestions are registered and actions outlined accordingly.

A stakeholder of the Company is defined as any individual or group associated with ICI Pakistan Limited, whether an employee, a supplier, distributor or a shareholder.

Stakeholder engagement initiatives undertaken in 2015-16 are as follows:

## Customer Engagement

The Chemicals Business participated in the Pakistan Coating Show 2016 at the Lahore International Expo Center. ICI Pakistan Limited was one of the co-sponsors for the event and utilised this opportunity to showcase its paints and coatings range. The Specialty Chemicals Division of the Chemicals Business, along with its Turkish partner MKS Devo, arranged a three-day customer conference in Istanbul. The main purpose of the conference was to introduce customers to the suppliers and provide awareness regarding the applications of sulphur black dye, which is used to dye denim. Similarly, the adhesives segment conducted a customer engagement activity that included ICI Pakistan Limited's

adhesive customers and other stakeholders. The objective was to provide customers awareness about the product's quality and also to highlight some important facts on product use and misuse.

The Animal Health Division also routinely organises farmer gatherings to better educate farmers; a large gathering held in collaboration with Nestle at the periphery of Jhang was attended by 200 potential customers. Visiting farmers were educated on the importance of proper animal care with emphasis on how ICI Pakistan Limited's products can help them achieve enhanced animal health and productivity. Similarly, a Farmer's Day event hosted by Nestle Pakistan was sponsored. This event was attended by almost 250 farmers from Rahim Yar Khan and provided our teams the opportunity to speak with farmers about new animal nutrition products and to share information about proper animal care during the hot summer months.

The Polyester Business organised the Business's fifth customer conference, the Russian Escape 2015, in September. Conference attendees included the Polyester Business's customers as well as executives and senior management of the Business. The event helped strengthen bonds with customers, demonstrating that ICI Pakistan Limited is a truly customer-centric organisation and upholds customer expectations even in challenging circumstances.. The Polyester Business also attended Heimtextil, an international trade fair for home and contract textiles, to interact with different segments from the textile industry, understand innovations in product diversity and analyse the direction in which global trends are moving.

## Trainings and Awareness

The Chemicals Business held a training session on 5S and its implementation. 5S is a workplace method built around a series of five Japanese words starting with the letter 'S' to promote better efficiency and effectiveness. The attendees were systematically walked through the five S's through interactive and engaging exercises.

An HSE&S awareness course was held in Lahore. This is a mandatory course for all employees for the integration of



**The Pakistan Coatings show 2016 was held in Lahore in January**



**The Polyester team at the Hotel Kempinski after the Business Conference session**

health and safety into our workplace. This course is aimed at ensuring basic familiarity with the HSE&S Policies and the HSE&S Management System. A firefighting session for all Mozang Office-based staff was conducted in Lahore that included practical firefighting training at a designated area. A general health session, followed by a personal hygiene awareness session was also arranged for kitchen staff.

The Polyester Business production team attended a refresher training session on the fibre process organised by our internal HSE and Training Department. The session highlighted the importance of small, routine checks in creating a quality product, as well as focusing on the customer's viewpoint in terms of strategy and challenges.

The Soda Ash Business conducted a session to enhance participants' awareness of the HSE&S management system and basic concepts of HSE&S. The workshop was designed to be interactive and to provide hands-on experience to the participants. An awareness campaign on safe driving was also launched, with major focus on the use of helmets by motorcyclists. Handouts with messages explaining the importance of helmets were distributed to all employees followed by an awareness session. Banners were also prominently placed across the location. In addition, an emergency drill was conducted at site and the response was observed. Suggestions for improvements were gathered for the next drill; these related primarily to upgrades on equipment, such as replacement of sirens for better coverage of the area, etc. Another improvement action identified was refresher awareness sessions for the teams on emergency response.

### **Health and Environment**

The Life Sciences Business promoted sustainability by visiting SOS Children's Village in Karachi to celebrate Universal Children's Day. The volunteers used their time with the children to conduct a series of activities with emphasis on the 3Rs: Recycle, Reuse and Reduce, in order to make

the celebration meaningful and educational. In line with the concept of reusing and recycling, the children created and displayed beautiful objects crafted from everyday household items. The Animal Health Division celebrated World Environment Day 2016 with a tree plantation drive planting trees; 600 trees were planted at the Multan Road facility. The Polyester Business also celebrated Earth Day and World Environment Day by planting trees. 5,000 trees were planted in the presence of Environmental Protection Agency (EPA) officials. Tree plantation activities are performed in collaboration with the Environmental Protection Agency (EPA), Frontier Works Organization (FWO) and other similar entities. Similarly, 12,000 trees were planted in Khewra and about 450 in Karachi. To ensure that trees planted continue to thrive and flourish, trees planted at our Company's own sites are cared for by our own administrative teams. However when the plantation is carried out in collaboration with a third party, they take on the responsibility of ensuring that trees are cared for.

The Polyester Business collaborated with Critical Green, a research organisation, to bring in innovative solutions for waste water treatment through bioremediation, an environmentally sound approach to waste management. Pilot experiments are currently in progress. Similarly, modifications at draw line 4 resulted in reduced waste generation, along with smooth operations. In addition, the Business has also treated its waste water to be used as soft water, an initiative that will save 43.8 million litres of fresh water per annum. The Polyester Business also conducted a typhoid vaccination drive at its plant site, through which 200 staff members were vaccinated. The Business conducted an awareness session at the nearby Tibbi Hariya School educating students about environmental conservation, after which the students were engaged in an Eco-Painting Competition to drive home their learning. Tree plantation was also carried out at the end of the day. In addition, a health awareness session on coronary heart disease and diabetes was conducted at the site, offering the opportunity for many queries and concerns to be addressed by a visiting specialist.



**Volunteers from the Life Sciences Business team visited the SOS Children's Village, Karachi**



**Polyester Business conducts environmental awareness session at the Tibbi Hariya School**

The Soda Ash Business held a flower show to usher in the spring season of 2016. The show included an awareness session on the impact of gardening and horticulture on our environment.

### Sustainability

The Chemicals Business consolidated its inventory at a single location, an extensive exercise that required a total of 93 trips to transport materials. However, the logistics team concluded this exercise without spillage, damage or safety hazards. The Chemicals plant also hosted a visit by the US Consul General, along with other delegations, during the year. During his visit, the Consul General was briefed about the Business's HSE&S performance and its market standing within the chemicals industry. The Business's manufacturing processes and the range of products produced and handled daily were also showcased.

Life Sciences' Animal Health Division participated in an Annual Job Fair held at the University of Veterinary and Animal Sciences during the year. A total of 300 students visited ICI Pakistan Limited's stall expressing their interest in the product range and the opportunity to work with the Company.

In an effort to share best practices and knowledge, the Pepsico Management visited the Polyester Plant to discuss safety hazards, environmental aspects and their impact, and emergency protocols. Subsequently, the Polyester team visited the Pepsico and Interloop facilities for a similar visit. On the cost-saving front, the Business took the initiative to enhance performance by minimising the plant critical load, which results in significant daily cost savings. The team also worked on installation of a new Siemens S7-300 and HMIs, a control system for the plant that added to sustainable operations, better quality control and reliability. The Business also completed a filter life improvement project that will contribute to savings. In another initiative to boost efficiency and productivity, SAP modules were designed for specific processes that include sales and operations planning, demand management, master production scheduling, capacity planning and material requirement planning.

To build better understanding of our managers on their HR role as line managers, a two-day workshop, 'HR for Non-HR Managers,' was launched this year and was attended by 85 people managers. Various guest speakers from the industry were invited to share industry best practices in HR with the participants. To accelerate capability building, the Company launched the Leadership Development Roadmap, a structured and integrated talent development framework that aims to ensure the sustainable growth and development of leadership. The Company also conducted a Graduate Recruit Drive for university graduates that included career fairs, networking nights and mock interviews at various universities.

### Community Service

The Pharmaceutical Division of the Life Sciences Business held breast cancer awareness campaigns in the cities of Islamabad, Jamshoro and Nawabshah. A seminar with a free mammography session was organised at NIMRA Jamshoro, and a similar session was held at NORIN Nawabshah for patients. About 300 participants including doctors, nurses and other paramedical staff attended the event for the discussion on identification of symptoms, prevention techniques and treatment options. There were many questions by the participants on the nature of the disease and its treatment options. The Animal Health Division also conducted a total of 20 seminars encompassing more than 400 farmers and professionals nationwide regarding safe animal handling, minimising and eliminating risk of injury.

In the spirit of giving back to the community, the Polyester Business CSR team celebrated a reading day with the children of Tibbi Hariya School. The event was organised to introduce the children to the world of literature and promote their interest in reading and education.

The Soda Ash Business inaugurated the Hamqadam Community Clinic, a purpose-built healthcare facility which caters primarily to women and children. Maternal and child healthcare had long been a pressing need for local families. The Business also inaugurated the Staff Residential Estate Children's Park to provide a healthy recreational outlet to





**The US Consul General tours the plant and Head Office**

employees and members of the local community. The Business has also renovated the Allama Iqbal Municipal Park in Pind Dadan Khan. The project was completed with the support of ICI Pakistan Limited, in collaboration with the Tehsil Municipal Authority. The Soda Ash Business also constructed a dedicated facility for its longstanding Ladies Welfare Club. This vocational training centre employs qualified trainers to teach underprivileged women and girls from the local community valuable, marketable skills such as knitting, quilting, crochet, stitching, embroidery and cooking, that equip them to earn a sustainable living. In another initiative, the Soda Ash Business donated a number of books to the Raja Ghazanfar Ali Khan Public Library in Pind Dadan Khan, most of which were historical books related to the Pakistan movement and local communities' contributions to the creation of Pakistan. The Business also conducted a breast cancer awareness session at Lady Winnington Hospital, Khewra. The event was jointly organised by the Life Sciences and Soda Ash Businesses, and featured a lecture by a leading oncologist from Islamabad on the importance of breast self-examination as well as the prevalence, causes and treatment options for the disease.

ICI Pakistan Limited launched an MS Office and English Language Course in collaboration with its IT Department



**The Animal Health team at the Livestock Farmers' Day in Rahim Yar Khan**

and Literate Pakistan's Jugnoo Programme, at the Abdullah Haroon Vocational Training Centre in Lyari. The three-month course was formally launched under the banner of the Ilm-o-Hunar Programme, and 224 boys and girls have enrolled. Of these, 200 students completed the training successfully. An encouraging outcome of this course was the marked improvement in the levels of the students' abilities reported back by some of their teachers. Also at the Abdullah Haroon Vocational Training Institute, a foundation course on electrical wiring known as the Electrical Wireman Course was arranged to provide young people from this troubled community the opportunity to earn an honest and sustainable living. A total of 24 students enrolled in this course, of which we are pleased to report 20 completed the course successfully. We intend to remain engaged with the Institute to stay updated on their progress.

### **Employee Engagement**

The Chemicals Business hosted an annual picnic for its plant, technical and warehouse staff. This recreational opportunity allowed staff to take a break from work and enjoy a relaxed day together. Swimming and other sports competitions were arranged, allowing the team to truly engage and have a great experience together. The Chemicals plant, supply chain, HR, finance and technical departments also held a team building



**The Soda Ash Business conducts safe driving awareness campaign at the Khewra site**

exercise at Mubarak Village, the second largest fishing village in Karachi. Post this event, an Annual Sales Conference was held in Nathiagali to cascade strategy for 2015-16. The conference included 62 participants from the North and South regions. The team also participated in various team-building activities including a strenuous trek up Mushkpuri peak. The theme of the event was 'Unlocking Potential.'

The Life Sciences Business held its Annual Business Conference in Istanbul. This event served as a platform to review progress against key strategic advantages that the Business aspires to, and to create strategies for the growth and improved performance of each Division. The event also included team-building activities including mental and physical team tasks, a formal gala dinner, performances by popular entertainers, and visits to notable tourist locations.

More than 50 fellow colleagues from the Polyester Business gathered at a popular bowling alley in Lahore for a bowling competition and dinner. The event served as a great opportunity for team members to get together outside of the workplace and forge stronger bonds. The Technical



**On Earth Day, the Polyester Business commits to planting 5,000 trees in 2015-16**

Services department held an outbreak session in Murree to build bonds within the team and gear up for future challenges. All participants thoroughly enjoyed the event that served as a platform to improve employee engagement and communication across the board. Teams from Soda Ash Business also undertook outbreak sessions at Islamabad. The activity also gave the team the opportunity to unwind and formulate for improvement in the upcoming year.

ICI Pakistan Limited partnered with Gallup to conduct the 'IMPOWER employee engagement survey, because we strongly believe that success comes when employees are engaged and aligned with the Company's vision, and when they feel valued and heard. The Company aims to be a top performer in employee engagement by 2018. The survey generated a response rate of 97%. The same survey was conducted later this year, resulting in a participation rate of more than 99%. Subsequent action planning sessions and outbreaks are planned for the upcoming years to enable us to reach the 75th percentile globally by 2018.

# Key Performance Indicators

Integrity Management		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Code of Conduct confirmed incidents	number	10	23	20	5	NR	1	1	0	0
Code of Conduct acceptance*	% employees	100	100	100	100	100	100	100	100	100**
Management audits including reassurance audits	number	6	11	9	7	6	6	0	6	6
Serious incidents - Level 3	number	1	1	1	1	0	0	0	0	0
Serious incidents - Level 1, 2	number	0	2	0	0	0	0	0	0	0
Serious loss of containment - Cat D	number	0	0	0	0	0	0	0	0	0
Regulatory actions - Level 3	number	0	0	0	0	0	0	0	0	0

\*Number of Management and Non-Management Employees.

\*\*We aim to achieve 100% acceptance by including contractual staff as well.

Sourcing		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Vendor Policy signed by key suppliers	%	88	83.8	85	92	92	88	94	87	96
Vendor Policy signed by Central NPR Suppliers*	%	x	x	28**	28	28	38	63	40	-
Supportive Supplier Visits	number	21	79	31	59	35	99	92	-	146

\*Major Public Sector Utility suppliers not included in this analysis.

\*\*Monitoring started in 2011 only by Polyester Business.

Employment Practices		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Women Executives*	%	0	0	0	0	0	25	25	25	12
On-line P&D Discussion participation	%	77	80	83	NR	NR	98	98	98	90
Management Development Programme	No. of Managers	34	121	211	NR	NR	NR	NR	572	338
Employee** Engagement Index	%		75	82	87	NR	NR	77	99.6	80

\*Functional and Business Head positions

\*\*Managers Only

Community Investment		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Community Programme Investment	PKR Million	16.5	42.5*	24.3	6	7.45	17.45	20	20	30

\*This amount includes contribution by stakeholders including ICI Pakistan Limited staff and parent company contribution for floods.

Health, Safety and Security		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Fatalities	number	0	0	0	1	0	0	0	0	0
Total reportable injury rate employees/supervised contractors	\million hours	0.18	0	0.18	0.34	0	0.33	0.16	0	0
Occupational illness rate employees	\million hours	0	0	0	0	0	0	0	0	0
Total illness absence rate employees	%	1.79	1.92	1.76	1.72	1.83	1.51	1.23	1.17	1.76
Fatalities: employees, supervised and independent contractors	number	1	0	0	0	0	0	0	0	0
Total reportable injury rate independent contractors	\million hours	0.52	0	0	0	0	0.56	0	0	0
Lost time injury independent contractors	number	1	0	0	0	0	2	0	0	0
% sites with BBS Programme	%	0	100	100	100	100	100	100	100	100
Distribution incidents	number	1	1	1	0	0	0	0	0	0
Motor vehicle incident with injury	number	0	1	2	0	0	0	1	0	0

Emissions Control		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total COD emissions	te	105.37	52.59	53.78	39.52	17.82	16.43	18.05	15.99	49.96
Per ton production	kg/te	0.15	0.11	0.13	0.10	0.10	0.04	0.04	0.03	0.10
Total VOC emissions	te	161.25	81.81	72.34	57.12	1.33	3.23	3.45	3.56	77.72
Per ton production	kg/te	0.23	0.18	0.17	0.14	0.01	0.01	0.01	0.01	0.16
Total NOx emissions	te	422.42	430.70	422.93	420.28	206.06	798.34	1209.18	1611	409
Per ton production	kg/te	0.61	0.93	0.99	1.03	1.14	1.93	2.75	3.40	0.83
Total SOx emissions	te	1431.4	2209.12	2672.9	2590.15	1402.4	4338.97	3091.74	3562.32	2430
Per ton production	kg/te	2.05	4.76	6.29	6.35	7.75	10.50	7.02	7.53	4.95
Total Direct CO <sub>2</sub> emissions (Scope 1)	million te	0.47	0.39	0.35	0.35	0.13	0.43	0.52	0.62	0.37
Per ton production	kg/te	676.1	834.7	829.5	847.95	737.50	1038.11	1196.13	1318.70	753
Total Indirect CO <sub>2</sub> emissions (Scope 2)	te	39907	2447	5642	3235.61	706.86	2413.32	2384.20	1501.56	2324
Per ton production	kg/te	57.3	5.3	13.33	7.93	3.91	5.84	5.42	3.17	4.7

Water Usage		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total fresh water use	million m3	6.49	4.59	4.12	3.48	1.57	3.49	3.73	4.22	4.36
Per ton production	m3/te	9.8	9.9	9.7	8.53	8.7	8.44	8.47	8.91	8.9
% of sites with sustainable fresh water	%	25	25	25	25	33	33	33	33	100

Waste Management		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total waste	kte	19.015	4.412	2.73	2.28	0.43	12.88	22.20	28.94	4.191
Per ton production	kg/te	27.32	9.53	6.44	5.60	2.35	31.18	50.44	61.13	8.53
Total hazardous waste	kte	0.31	0.54	0.52	0.53	0.001	0.0076	0.24	0.006	0.51
Per ton production	kg/te	0.45	1.17	1.22	1.30	0.003	0.001	0.001	0.013	1.04
Total non-reusable waste	kte	0.408	0.295	0.384	0.385	0.001	0.0076	0.24	0.006	0.28
Per ton production	kg/te	0.59	0.64	0.90	0.94	0.00	0.001	0.001	0.013	0.57
Total non-reusable hazardous waste	kte	0.151	0.251	0.327	0.323	0.001	0.008	0.24	0.006	0.238
Per ton production	kg/te	0.22	0.54	0.77	0.79	0.00	0.00	0.001	0.013	0.48
Total hazardous waste to landfill	kte	0	0	0	0	0	0	0	0	0
Per ton production	kg/te	0	0	0	0	0	0	0	0	0

Product Stewardship		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Product Eco-premium solutions	% sales	-	-	15.7	*	NR	NR	NR	NR	30

\*Data not available due to demerger of Paints Business

Energy Usage		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total energy consumption	1000TJ	6.5	4.8	4.3	4.3	2.1	4.9	5.7	6.5	4.6
Per ton production	GJ/te	9.3	10.4	10.1	10.4	11.62	11.84	13.03	13.86	9

NR: Not Reported



# Economic Performance

## **Management Approach**

One of our core values is 'Integrity and Responsibility' and we apply this principle in our daily operations, in our projects and in the way we do business. We aim for the highest standards in all our dealings and aim to partner with suppliers who not only endorse our values but incorporate them in their businesses. It is our belief that a strict focus on ethics and responsibility will result in business value for all involved stakeholders. Thus, we make sure that our actions speak louder than words.

## Economic Highlight

# Addressing Economic Issues in Khewra While Catering to Mother-and-Child Healthcare

The remote region of Khewra, where our Soda Ash plant is based, faced a pressing need for a quality healthcare facility to cater to women and young children. Families from this community of over 80,000 struggled with the lack of an adequate facility for years, with pregnant women and young children having to travel long distances through inhospitable terrain to receive the medical care they need.

In response to this longstanding need, ICI Pakistan Limited established the Hamqadam Community Clinic. Formally inaugurated on March 1, 2016, the Clinic had already opened its doors to the public in February 2016, and is run and managed in collaboration with the Marie Adelaide Leprosy Centre (MALC).

In just a few short months of operation (February to June 2016) the Clinic had seen a total of 2,740 outpatient cases, of which 1,948 cases involved women and 792 involved children. The healthcare benefits of the facility were clear.

However, an initiative of this sort does much more than just cater to the immediate medical needs of a community. Its effects are much more far-reaching, especially in terms of indirect economic impact.

There are several aspects to this impact. One is the immediate reduction of travel costs and other expenses incurred by residents while traveling to distant healthcare facilities. Especially where the patient is a woman or a child, it is common for more than one person to accompany the patient on this journey, thereby compounding the financial burden of healthcare on families in this already impoverished community.

A second aspect of indirect economic impact is the long-term, cumulative effect of improved health and well-being on a community's productivity.

A third, and perhaps most evident economic aspect of the Hamqadam Community Clinic, is that of improving livelihoods by creating employment opportunities within an isolated community where few exist. Currently, four out of the total five staff members employed at the clinic are residents of the Khewra community, and include a lady health visitor, a technician, a driver and a general assistant.

Therefore, in addition to addressing an urgent community healthcare need, the Clinic also has the effect of contributing to improving employment opportunities and providing livelihoods to those in a remote region with few other viable employment prospects.



The ICI Pakistan Limited team with members of the Hamqadam Community Clinic staff



Suhail A Khan (VP Polyester & Soda Ash), Asif Jooma (CE) and Mervyn Lobo (CEO MALC) inaugurate the Hamqadam Community Clinic

# Integrity Management

In line with our Company values, we have a responsibility to ensure and maintain high standards of integrity in all our operations. And we encourage our employees to do the same. Our business principles are transparent and are reflected in our Code of Conduct, adherence to which is required by every employee of the Company.

With respect to our most valuable resource, our people, we believe in and adhere to the principles of non-discrimination, freedom of association and other internationally recognised expectations for business ethics. We maintain an open dialogue with employees through the Performance and Development Discussion (P&DD) tool and actively develop our talent through a variety of training and development opportunities.

The Values and Code of Conduct of ICI Pakistan Limited are available for all stakeholders on our website: [www.ici.com.pk](http://www.ici.com.pk)

## Key Performance Indicators

Integrity Management		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Code of Conduct confirmed incidents	number	10	23	20	5	NR	1	1	0	0
Code of conduct acceptance*	% employees	100	100	100	100	100	100	100	100	100**
Management audits including reassurance audits	number	6	11	9	7	6	6	0	6	6
Serious incidents - Level 3	number	1	1	1	1	0	0	0	0	0
Serious incidents - Level 1, 2	number	0	2	0	0	0	0	0	0	0
Serious loss of containment - Cat D	number	0	0	0	0	0	0	0	0	0
Regulatory actions - Level 3	number	0	0	0	0	0	0	0	0	0

\*Number of Management and Non-Management employees.

\*\*Going forward we aim to achieve 100% acceptance by including contractual staff as well.

## 2015-16 Overview

The HSE&S Management Audit process, which commenced with audits of all manufacturing sites and locations last year across the Company, was completed during the year. Based on the auditors' findings and recommendations, the Businesses and locations are preparing their 2016-17 HSE&S improvement plans.

Code of Conduct acceptance is a standard part of the Performance and Development Discussion (P&DD) system at ICI Pakistan Limited. Each employee is required to read and acknowledge the Code of Conduct, and to renew this acknowledgement annually.

No serious incidents, Level 1, 2, or 3, were reported during the year.

# Sourcing

When it comes to sourcing, we seek solutions beyond our own manufacturing cycle. We work closely with our supply chain partners to promote sustainability in their operations, not only ensuring the continuity of our own supply chain, but also raising the standards of our partners' business operations.

## Key Performance Indicators

Sourcing		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Vendor Policy signed by key suppliers	%	88	83.8	85	92	92	88	94	87	96
Vendor Policy signed by Central NPR Suppliers*	%	x	x	28**	28	28	38	63	40	-
Supportive Supplier Visits	number	21	79	31	59	35	99	92	-	146

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

\*\*Monitoring started in 2011 only by Polyester Business.

## 2015-16 Overview

We ensure that 100% of our critical suppliers have signed the Vendor Policy. However, the percentage of central non-product related suppliers signing the Vendor Policy decreased to 40% owing to the fact that many new non-product related suppliers are being inducted at different locations because of major expansions and growth, and the process is yet to be completed. This deviation is on our radar and we intend to enhance it in the coming months.

Our programme of on-site visits to critical suppliers aims to identify and develop these critical suppliers as sustainable business partners. Through formal feedback and follow-up visits, we work together with our suppliers to improve their overall sustainability. Although progress this year remains slow, we are actively working to improve the number of supplier visits in line with our Businesses' future plans.



# Social Performance

## **Management Approach**

A safe workplace is a healthy workplace. For us, nothing means more than the safety of our people and the people we work with. Our aim is to empower employees and communities and find ways to enable them in a culture that is conducive to professional growth. We endorse and practise equal opportunities and are committed to equitable treatment of all employees, irrespective of origin, race or gender. We have a passion for people and this is a fundamental part of our DNA as a responsible Company.

## Social Highlight

# Opening Doors in a Troubled Community

Dogged by poverty and unemployment, coupled with rising crime rates over years of political unrest, the area of Lyari, near our Company's Head Office premises in Karachi, became infamous over the years as a turbulent and troubled locality.

Focusing on the development and uplift of the communities near which we operate has always been one of the mainstays of our social development initiatives at ICI Pakistan Limited. To build ties with the community, we engaged with the Abdullah Haroon Vocational Training Institute, which provides vocational training to young people from Lyari. Initial visits to the institute confirmed the potential for substantial impact to be made through even the simplest of initiatives; the young people of Lyari proved to be bright, resourceful and eager to learn.

In response to this, we decided to set up two different programmes. The first was a three-month IT and English language training course aimed at those pursuing formal education. This course was designed to strengthen students' chances of succeeding at higher education and/or lead to improved employment opportunities. The second programme was a basic electrical wiring foundation course, intended for those who required a more skill-based approach to earn a sustainable livelihood.

In collaboration with the Corporate IT Department of ICI Pakistan Limited, we arranged an MS Office training course. We then approached our partners at local NGO Literate Pakistan's Jugnoo Programme, to conduct English language courses in conjunction with this training. The course was planned in such a manner that the modules supported each other and provided improvement of vital skills. A fundamental understanding of English is vital to successfully operating all basic software, and knowledge of MS Office software is a necessary prerequisite in today's education and business landscape.

The response from both parties was enthusiastic, and on May 16, 2016, we formally launched both courses under the banner of the IIm-o-Hunar Programme. The response from the community has been overwhelming, with a total of 200 boys and girls having successfully completed the three-month training. It is encouraging to learn that some of the students' teachers have reported a marked improvement in the students' abilities as a result of this course. It is also worth noting that 65% of these students are young women, many of whom have to overcome the pressures of a conservative society to continue with their education. Of the 24 students enrolled in the electrical wiring course, 20 completed the course successfully and are now equipped with an employable skill.



65% of the MS Office and English Language Course students are young women



Students successfully complete the Electrical Wireman Course

# Employment Practices

A culture of excellence in human resource management owes a great deal to development, training and growth opportunities. We strive to attract and retain the brightest talent, investing in structured leadership development and training programmes that allow our people to enhance their potential through continuous learning. We are committed to providing a safe and healthy working environment with fair policies and practices, where our employees are inspired and encouraged to live our Company values every day.

**Total number of employees: 1,337\***

**Management: 938**

**Non-Management: 399**

\*As of June 30, 2016

## Key Performance Indicators

Employment Practices		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Women Executives*	%	0	0	0	0	0	25	25	25	12
On-line P&D Discussion participation	%	77	80	83	NR	NR	98	98	98	90
Management Development Programme	No. of Managers	34	121	211	NR	NR	NR	NR	572	338
Employee** Engagement Index	% favourable		75	82	87	NR	NR	77	99.6	80

\*Functional and Business Head positions

\*\*Managers Only

## 2015-16 Overview

The Company's online performance management system, the Performance and Development Discussion, (P&DD) is well-established and efforts are made to ensure maximum participation by employees in this process.

Launched during the year, the Leadership Development Road Map / Leadership Development Journey is a structured and integrated talent development framework for all ICI Pakistan Limited management employees. This unique talent development intervention focuses on sustainably developing leadership capabilities at each level in the organisation, offering employees the opportunity to not only grow in their existing roles, but also to achieve their ongoing career aspirations.

During 2015-16 more than 572 managers successfully completed these development interventions. Since last year, ICI Pakistan Limited has partnered with Gallup to launch and run iMPower, an employee engagement survey designed to take stock of organisational levels and effectiveness.

With a stellar performance across all Businesses and functions, the engagement score for ICI Pakistan Limited stands at 4.16 on a five-point scale. This score reflects an impressive increase of 0.29 points from last year's score of 3.87 and is well ahead of Gallup's recommended trajectory score. In terms of percentile, this score places the Company at the 58th percentile compared with other companies in the Gallup Global Database, as opposed to the 35th percentile last year.



# Community Investment

At ICI Pakistan Limited we have a long history of working to support and uplift the communities in which we live and operate. Our community investment activities are managed through the ICI Pakistan Foundation, a separate legal entity with its own Board of Trustees. The Foundation is governed by a Trust Deed that outlines policies and procedures and defines the scope of community investment activities. The accounts of the Foundation are audited by certified chartered accountants.

The Foundation's philosophy focuses on four main areas: education, health, community and environment, while also supporting civic development through investment in community projects, disaster relief and rehabilitation activities. This year, the ICI Pakistan Foundation formally incorporated all its CSR initiatives under the umbrella of the Hamqadam Programme.

## Key Performance Indicators

Community Investment		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Community Programme Investment	PKR Million	16.5	42.5*	24.3	6	7.45	17.45	20	20	30

\*This amount includes contribution by stakeholders including ICI Pakistan Limited staff and parent company contribution for floods.

## 2015-16 Overview

The ICI Pakistan Foundation upgraded the Household Electrical Wireman Course at our Polyester plant for Sheikhpura community youths to a three-phase Industrial Electrical Wireman Course. An Electrical Wireman short course was also initiated in the community of Lyari, Karachi. Funds were provided for the construction of a new facility for the Ladies' Welfare Centre, a vocational training centre in Khewra, for women from the local community.

A three-month MS Office and English Language course was initiated at a training Centre in Lyari, in collaboration with Literate Pakistan, for over 200 Lyari youth. The second session of the Adult Literacy Programme, also held in collaboration with Literate Pakistan, commenced at the Kakapir Village, Karachi with 20 female students. The ICI Pakistan Foundation continues its support of the Kakapir Village community school as well as the Government Boys and Girls Primary School, Tibbi Hariya, Sheikhpura.

The Foundation provided funds to upgrade Murshid Hospital's School of Nursing in Karachi to college level to offer a four-year degree programme for nursing students. In addition, the Foundation continues to contribute funds to the Pakistan Agricultural Coalition, Lahore, to set up an agricultural technical institute.

The Foundation provided funds to set up a Hamqadam Community Clinic at Khewra in collaboration with the Marie Adelaide Leprosy Centre (MALC), Karachi, to cater to mother-and-child healthcare issues. The Foundation also donated a state-of-the-art ambulance to the clinic for community use.

The longstanding eye care programme at Khewra in collaboration with the Layton Rahmatullah Benevolent Trust (LRBT) celebrated 25 years of successful eye care

interventions this year. The Foundation completed its first year of a three-year pledge made to the Child Life Foundation, for operation of the paediatric emergency ward at Civil and Jinnah Hospitals, Karachi.

A livestock wellbeing programme for dairy farmers, introduced the 'Cattle Crush,' a cage or pen that restrains animals safely for the duration of veterinary procedures. These units have been installed in remote areas across Pakistan, particularly in the KPK and Potohar regions.

Company volunteers arranged Independence Day celebrations for paediatric patients at Karachi's Civil Hospital and National Institute of Cardiovascular Diseases. Volunteers also engaged with children at SOS Village on Children's Day to educate them on recycling.

The Foundation renovated the Allama Iqbal Municipal Park at Pind Dadan Khan, Khewra, for the community's use. Earth Day and World Environment Day were celebrated with tree plantation drives at Khewra, Sheikhpura, Life Sciences' Multan Road facility, Lahore and in Lyari, Karachi. Over 1,000 saplings were planted in total. We continue to utilise biodegradable envelopes to mail the Company's annual reports to stakeholders.

To create awareness for the conservation and protection of natural resources, the Company participated in international Earth Hour by switching off unnecessary lights at all our sites at the designated time.



# Health, Safety and Security

At ICI Pakistan Limited, the health, safety and security of our people are of paramount importance. Zero harm is the underlying premise of our HSE&S philosophy – we believe all workplace accidents are preventable and place high priority on making our systems, processes and working environment continually safer for our employees in line with accepted standards and corporate guidelines.

By ensuring the occupational health and safety of employees, contractors and suppliers on Company premises, we not only create a safer workplace, but also improve the efficiency and sustainability of the Company's operations in terms of reduced damages-related costs and fewer disruptions to operations and procedures.

## Key Performance Indicators

Health, Safety and Security		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Fatalities	number	0	0	0	1	0	0	0	0	0
Total reportable injury rate employees/ supervised contractors	\million hours	0.18	0	0.18	0.34	0	0.33	0.16	0	0
Occupational Illnesses Rate Employees	\million hours	0	0	0	0	0	0	0	0	0
Total illness absence rate employees	%	1.79	1.92	1.76	1.72	1.83	1.51	1.23	1.17	1.76
Fatalities employees, supervised and independent contractors	number	1	0	0	0	0	0	0	0	0
Total reportable injury rate independent contractors	\million hours	0.52	0	0	0	0	0.56	0	0	0
Lost time injury independent contractors	number	1	0	0	0	0	2	0	0	0
% sites with BBS program	%	0	100	100	100	100	100	100	100	100
Distribution incidents	number	1	1	1	0	0	0	0	0	0
Motor vehicle incident with injury	number	0	1	2	0	0	0	1	0	0

## 2015-16 Overview

The Company continued to demonstrate its unwavering commitment to HSE&S, completing the year without a single reportable injury. No occupational illness was reported on account of compliance with the Company's various health assessment and work environment monitoring programmes. There was also a reduction of 4.8% in the total illness absence rate of employees as compared to last year. A sharper focus on operational discipline, and strict adherence to the Company's Health, Safety, Environment and Security Management system, was supported by management focus through the Behaviour-Based Safety (BBS) programme. This is a clear indicator of our resolve to maintain HSE&S as a core priority.

The HSE&S performance of the Businesses continues to improve as the Polyester, Soda Ash, Life Sciences and Chemicals Businesses achieved 7.98, 7.93, 1.40 and 5.06

million man-hours respectively without reportable injury for employees and supervised contractors. Additionally, there were no reportable injuries to independent contractors. After the implementation of a certified HSE&S Management System in 2013-14, all Businesses and locations aligned their local HSE&S procedures. In 2015-16, a Company-wide HSE&S Management Audit process was completed across all Businesses (Soda Ash, Polyester, Chemicals and Life Sciences) and corporate offices (Head Office, Karachi and Mozang Office, Lahore). Based on the auditors' findings and recommendations, improvement plans are being devised at the respective Businesses and locations. The Management Audit process has established a baseline compliance level that will help gauge HSE&S improvements more accurately in future.

The focus remained on energy conservation, waste and Operational Eco Efficiency (OEE) footprint reduction through the implementation of sustainability plans in all Businesses.

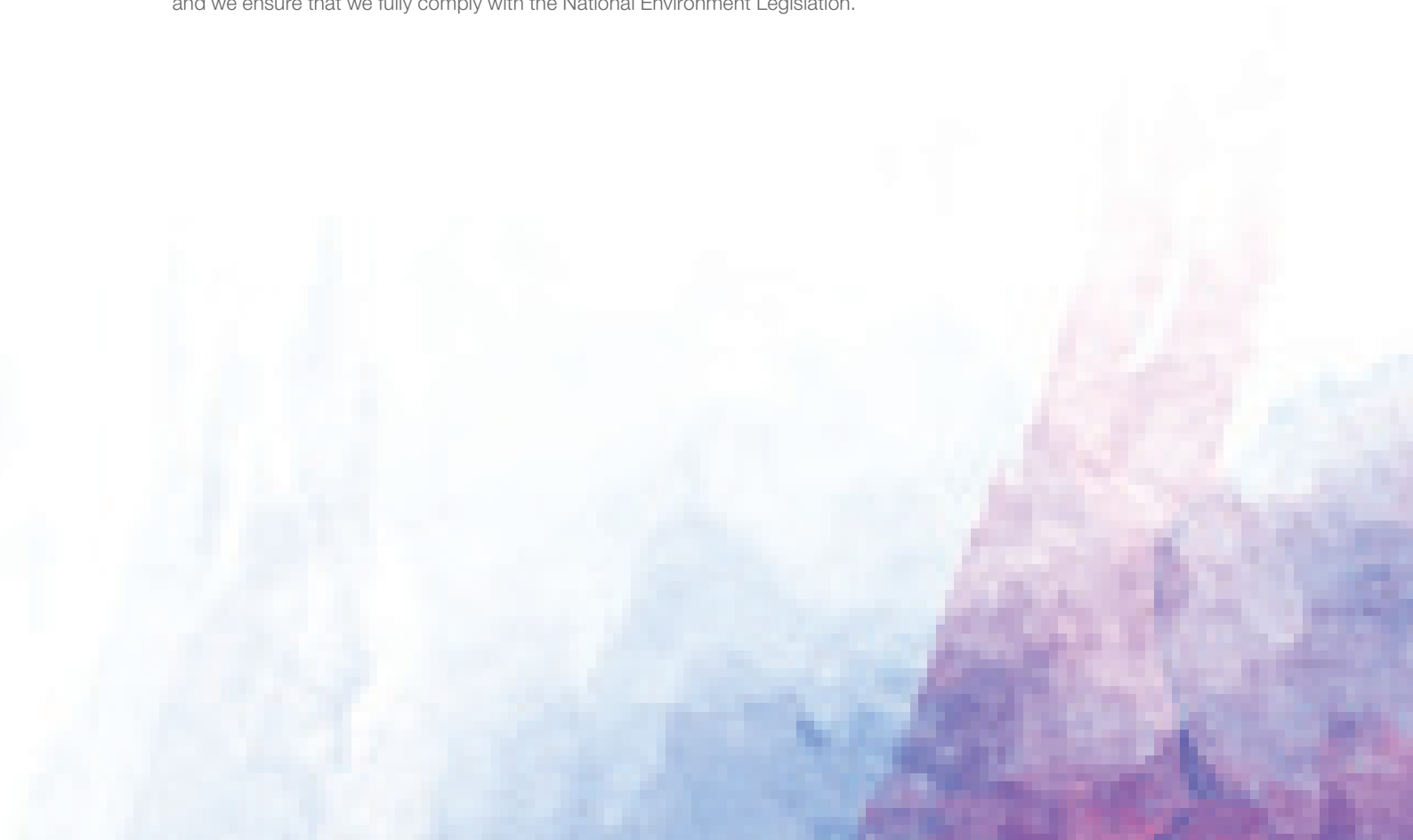


# Environmental Performance

## Management Approach

One of our philosophies is that what we take from the planet, we must endeavour to give back. No organisation can thrive if our landscapes are diminished and our natural resources are depleted. We understand that our operations have an impact on the planet and its climate, and therefore our core objectives include methods by which we can mitigate this impact.

Pakistan is a beautiful country with incredible biodiversity. Our sites stretch from north to south, and our products cover the breadth of this land. We are part of nature, not separate from it, and it is our duty to strive for environmental responsibility within the Company and beyond. In this spirit, environmental objectives are comprehensively integrated into our corporate and business goals and we ensure that we fully comply with the National Environment Legislation.



## Environmental Highlight 1

# Exploring Bioremediation for Waste Water Treatment

Waste management solutions abound in today's industrial world. But often, these solutions involve the use of chemicals or processes that themselves could potentially pose a threat. This is where bioremediation differs. It is a process that utilises naturally occurring organisms to break down or neutralise waste substances. Bioremediation has been adopted as the most cost-effective, socially feasible and environmentally sound approach in 52 countries globally. In addition to its other benefits, bioremediation removes chemicals which cannot be removed through other conventional waste water treatment options.

In the search for innovative waste water treatment solutions, our Polyester Business collaborated with Critical Green, an Islamabad-based research organisation, to explore the

feasibility of this process at our site. Critical Green focuses on resolving water security issues in Pakistan, with a special focus on cost-effective, sustainable and socially acceptable methods of water recycling.

As a result of the Polyester Business's keen interest, a team from Critical Green along with researchers from Quaid-i-Azam University carried out multiple visits to our Polyester plant site to better understand the exact nature of activities carried out at the plant. As a result of this collaboration, a pilot study of experimental solutions is currently being conducted at the Quaid-i-Azam University's laboratory. Based on the results of this study, we hope to implement effective methods of removing pollutants from waste water using bioremediation techniques at our Polyester manufacturing site.

## Environmental Highlight 2

# Tree Plantation Drives to Improve our Environment

One of the simplest and most effective ways to positively counter environmental impact remains the act of planting a tree. As a tree matures, it can consume up to 48 pounds of carbon dioxide per year, thereby making the planting of trees one of the most cost-effective methods of eliminating carbon dioxide from the atmosphere.

As a manufacturing company, we are keenly conscious of our environmental impact and believe every effort counts when it comes to offsetting this impact and improving the environment that sustains us all. We carried out tree plantation drives at several of our major locations during the year, planting over 18,050 trees in total at our sites and neighbouring locations, across the country. The benefits of tree plantation include greenery, cooling shade, and of course, reductions in carbon dioxide levels in the atmosphere, improving air quality in the areas in which they are planted and creating a healthier environment overall.

Fittingly, our larger manufacturing sites were the ones that planted the greatest number of trees. At our Soda Ash plant in Khewra, approximately 12,000 trees were planted over the

year. At our Polyester plant in Sheikhpura, the total number of trees planted was 5,000.

At our Animal Health Division Manufacturing facility at Multan Road, Lahore, tree plantation efforts were given symbolic meaning by engaging the local community to make the initiative more inclusive, and to engage stakeholders while carrying out this environmental initiative. 600 trees were planted, some on ICI Pakistan Limited premises, and others on shared public land. Here, trees were planted beside a canal that runs along Multan Road. This guaranteed the ready availability of water, ensuring the sustainability of the newly planted trees.

In Karachi, a team of volunteers collaborated with students and faculty at the Abdullah Haroon Vocational Training Institute in Lyari, which neighbours the Company's Head Office, to plant 450 saplings. Lyari is a densely populated, polluted locality, and by planting trees there, we hope to provide some relief to residents in the form of greenery, shade and of course, improved air quality.



The Animal Health team plants trees along Multan Road, Lahore

# Emissions Control

As a Company, we constantly strive to balance the impact of our production processes with efficient and careful management of energy and natural resources. The goal is always to minimise emissions and discharge, and subsequently, environmental impact. We seek innovative methods to reduce energy consumption and minimise waste through source reduction, recycling and environmentally sound waste disposal.

## Key Performance Indicators

Emissions Control		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total COD emissions	te	105.37	52.59	53.78	39.52	17.82	16.43	18.05	15.99	49.96
Per ton production	kg/te	0.15	0.11	0.13	0.10	0.10	0.04	0.04	0.03	0.10
Total VOC emissions	te	161.25	81.81	72.34	57.12	1.33	3.23	3.45	3.56	77.72
Per ton production	kg/te	0.23	0.18	0.17	0.14	0.01	0.01	0.01	0.01	0.16
Total NOx emissions	te	422.42	430.70	422.93	420.28	206.06	798.34	1209.18	1611	409
Per ton production	kg/te	0.61	0.93	0.99	1.03	1.14	1.93	2.75	3.40	0.83
Total SOx emissions	te	1431.4	2209.12	2672.9	2590.15	1402.4	4338.97	3091.74	3562.32	2430
Per ton production	kg/te	2.05	4.76	6.29	6.35	7.75	10.50	7.02	7.53	4.95
Total Direct CO <sub>2</sub> emissions (Scope 1)	million te	0.47	0.39	0.35	0.35	0.13	0.43	0.52	0.62	0.37
Per ton production	kg/te	676.1	834.7	829.5	847.95	737.50	1038.11	1196.13	1318.70	753
Total Indirect CO <sub>2</sub> emissions (Scope 2)	te	39907	2447	5642	3235.61	706.86	2413.32	2384.20	1501.56	2324
Per ton production	kg/te	57.3	5.3	13.33	7.93	3.91	5.84	5.42	3.17	4.7

\*COD and VOC emissions were high until 2012 and decreased thereafter due to the demerger of the Paints Business from the ICI Pakistan Limited portfolio

\*\*Unprecedented natural gas curtailment periods caused increased use of high sulphur furnace oil and coal, thereby causing high CO<sub>2</sub> emissions

## 2015-16 Overview

Operational eco-efficiency KPIs on gaseous emissions have been significantly affected by changes in the energy mix of ICI Pakistan Limited, with coal forming 51% of the energy mix during 2015-16. Gas curtailment and the unreliability of the national grid are major contributors to the Businesses' increased use of coal. However, all air emissions fall within National Environmental Quality Standards (NEQS) limits.

Gaseous emissions at the Soda Ash plant are being controlled by the increased usage of RB3 type coal in the fuel mix of local and imported coal. The current coal mix ratio is 70:30 for imported and local coal, respectively. At our Polyester plant, 100% imported coal is used in the coal fired boilers as it minimises gaseous emissions. 455 tons of CO<sub>2</sub> have been

saved due to the energy conservation plan implemented in 2015-16. At our Chemicals plant, CO<sub>2</sub> emissions have been reduced by 8% through effective maintenance planning and the efficient utilisation of fuel, while production during the same period increased by 2%.

There has been an 11% reduction in COD levels, while no significant deviation in VOC emissions was observed. Indirect CO<sub>2</sub> emissions were reduced due to less dependency on the national grid (the Polyester plant is now completely independent of the national grid).

# Water Usage

Careful management of this vital natural resource remains a key focus of the Company's sustainability strategy. Water usage is critical to the continuity of our operations and as such, we have put in place systems to ensure responsible management of fresh water, utilising recycled waste water where feasible in our manufacturing processes and other operations.

## Key Performance Indicators

Water Usage		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total fresh water use	million m3	6.49	4.59	4.12	3.48	1.57	3.49	3.73	4.22	4.36
Per ton production	m3/te	9.8	9.9	9.7	8.53	8.7	8.44	8.47	8.91	8.9
% of sites with sustainable fresh water	%	25	25	25	25	33	33	33	33	100

## 2015-16 Overview

Water consumption figures for 2015-16 are slightly higher than figures for the previous year but are still within target.

Several major construction projects at the Soda Ash plant site necessitate the use of water, including Jhelum River Line 4, the Reverse Osmosis and Continuous Electro-Deionisation (RO EDI) plant, CFB boilers and 18 MW steam turbine. It is worth noting that despite ongoing work on these major projects, water consumption figures are still within target. This is due to our water consumption impact being offset by various water conservation projects which include recycling of sampling and permeate water from the RO & EDI site. 772,800 m3 of water is reused while 927,351 m3 of water is recycled,

including steam condensate. This totals 39% of total water withdrawal at the Soda Ash plant site.

The Polyester Business also used 36,500 m3 of EDI reject water during the year 2015-16. In addition to this, 13,000 m3 of effluent-treated water was used for horticulture via 27 sprinklers.

The Chemical Business recycles and reuses a total of 1,410 m3 of water which is 10.1% of the total water supply used in the Business's manufacturing processes.

# Waste Management

While the production of waste is an inevitable by-product of any manufacturing process, we strive to minimise our impact in this area by employing the 3R concept in our waste management system. We focus on the reduction and improved processing of waste, actively participating in waste-management initiatives, implementing global practices and following these simple principles:

- Reduce
- Reuse
- Recycle
- Convert waste to energy
- Dispose

## Key Performance Indicators

Waste Management		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total waste	kte	19.015	4.412	2.73	2.28	0.43	12.88	22.20	28.94	4.191
Per ton production	kg/te	27.32	9.53	6.44	5.60	2.35	31.18	50.44	61.13	8.53
Total hazardous waste	kte	0.31	0.54	0.52	0.53	0.001	0.0076	0.24	0.006	0.51
Per ton production	kg/te	0.45	1.17	1.22	1.30	0.003	0.001	0.001	0.013	1.04
Total non-reusable waste	kte	0.408	0.295	0.384	0.385	0.001	0.0076	0.24	0.006	0.28
Per ton production	kg/te	0.59	0.64	0.90	0.94	0.00	0.001	0.001	0.013	0.57
Total non-reusable hazardous waste	kte	0.151	0.251	0.327	0.323	0.001	0.008	0.24	0.006	0.238
Per ton production	kg/te	0.22	0.54	0.77	0.79	0.00	0.00	0.001	0.013	0.48
Total hazardous waste to landfill	kte	0	0	0	0	0	0	0	0	0
Per ton production	kg/te	0	0	0	0	0	0	0	0	0

## 2015-16 Overview

Waste at the Soda Ash and Polyester plants has increased after the commissioning of coal fired boilers, HTM heaters and the power plant project. This is due to an increase in fly ash and slag, which is a result of the use of coal. Both Businesses are currently exploring options for reusing their fly ash and slag waste, either at their own sites or at other local plants.

The following waste reduction initiatives have been completed at various sites:

### Polyester

- HTM heater slag usage in CFB boiler
- Installation of drip detector at bank 6 in place of slub catchers, in order to reduce waste produced by spinning breaks
- Reduction in G2R/G3 generation

### Soda Ash

- Diversion of calciners 1/2 condensate in case of contamination
- Free brine recovery improvement

# Product Stewardship

As a responsible manufacturer, we pay close attention to product stewardship across our Businesses, taking steps to minimise the impact of our products on the environment and on human health.

A shared responsibility, product stewardship requires collaboration and involvement from stakeholders at every step of the product life cycle. To this end, we share our HSE&S best practices with vendors and suppliers in order to ensure better utilisation of resources, minimisation of waste and a greater overall awareness of this important duty.

## Key Performance Indicators

Product Stewardship		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Product Eco-premium solutions	% sales	-	-	15.7	*	NR	NR	NR	NR	30

\*Data not available due to demerger of Paints Business.

## 2015-16 Overview

Our Life Sciences Business completed 18 new product development briefs (NPDBs) of which commercialisation review will be carried out after a two-year testing period.

The Chemicals Business completed 17 NPDBs in 2015-16. Of these, 10 products were successfully commercialised. On the eco-friendly front, MKS Devo's Sultan Black liquid sulphur dye was introduced into the denim industry. Unlike conventional powdered sulphur dyes currently being used, this product has a green footprint. Going forward, with more stringent demands on environmental compliance being imposed by overseas importers, such products will become standard fixtures in recipes.

In a similar scenario, Fevicryl fabric glue was introduced to the finished garments segment. A water-based glue specifically designed for clothing, Fevicryl is a far superior alternative to the various makeshift solvent-based adhesives currently being used in the industry.

The Polyester Business continues to seek opportunities to improve its products in line with emerging environmental needs. One such initiative has been the full-scale trial of APEO/NPEO-free spin finish usage on our fibre, in order to make the product more environmentally friendly. APEO/NPEO usage has been shown to be toxic to marine life and could also pose a threat to human wellbeing. The Business plans to move gradually towards full scale conversion to APEO/NPEO-free spin finishes.

# Energy Efficiencies

While the ongoing national energy crisis underscores the need for renewable energy solutions for the future, as a Company we have always been committed to finding better, more sustainable energy solutions. Therefore, the conservation of energy and the reduction of our carbon emissions remains an ongoing priority.

## Key Performance Indicators

Energy Usage		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total energy consumption	1000TJ	6.5	4.8	4.3	4.3	2.1	4.9	5.7	6.5	4.6
Per ton production	GJ/te	9.3	10.4	10.1	10.4	11.62	11.84	13.03	13.86	9

## 2015-16 Overview

Natural gas shortages have led ICI Pakistan Limited to invest in coal-based technologies for generating both steam and power. ICI Pakistan Limited's manufacturing facilities at Sheikhpura (Polyester) and Khewra (Soda Ash) have seen significant investments in coal fired boilers and steam turbines. Intrinsically, these power plants are energy intensive because of their base parasitic loads which are significantly higher than similar capacity units operating on natural gas. This excessive energy consumption is reflected in higher per tonne energy during the year 2015-16.

Our manufacturing sites continue to maintain a keen focus on optimal utilisation of available natural gas, day-to-day process optimisation, thorough monitoring of key energy parameters, hardware modification, creating shop-floor-level awareness, taking timely actions to apprehend any operational abnormality, and preventive maintenance approach. Some examples of these initiatives are as follows:

### Soda Ash Site

- Continuing work on steam reduction at distillers
- ICI Pakistan Limited salt mine electrification improvement project
- Replacement of old blowback compressors with more efficient machines
- Installation of wash water Plate Heat Exchanger (PHE) to recover heat from water used for washing.
- Modification/improvement of FMC-4 to increase process heat recovery
- Zero steam leakage philosophy applied by ongoing surveys of steam circuit to minimise steam leakages

### Polyester Site

- Use of HTM Heater slag in CFB Boiler to minimise LOI (loss of ignition) i.e. consumption of unburnt carbon
- Area lights of CFB switched to photo cell operation
- Steam turbine area station load reduced from 2.0 MW to 1.8 MW
- Steam conservation by bringing HMI from spinning to draw line through efficient control
- Line # 5 AC - EC stoppage during line stoppage
- Use of string up gun at bank 2 and 3 to stop vacuum pumps electricity consumption
- Batch Polymer and CFB MCC lights turned off when idle

### Chemicals Plant

- The Chemicals plant achieved 15% reduction in energy consumption based on compliance with preventive maintenance plans, resulting in higher efficiencies



# G4 Content Index

GENERAL STANDARD DISCLOSURES		
General Standard Disclosures	Section/Response	
STRATEGY AND ANALYSIS		
G4-1	Statement from Senior decision-maker	Overview & Strategy: CE Message, Director's Report; Sustainability Performance: Leadership Statement
ORGANISATIONAL PROFILE		
G4-3	Name of Organisation	ICI Pakistan Limited at a Glance
G4-4	Primary brands, products and/or services	ICI Pakistan Limited at a Glance, Business Performance
G4-5	Location of the organisation's headquarters	Company Information
G4-6	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	ICI Pakistan Limited at a Glance, Business Performance
G4-7	Nature of ownership and legal form	ICI Pakistan Limited at a Glance, Corporate Governance and Compliance
G4-8	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries	ICI Pakistan Limited at a Glance, Business Performance
G4-9	Scale of Organisation	ICI Pakistan Limited at a Glance, Business Performance, Financial statements

G4-10	Employment type and gender	As of June 30, 2016 Total number of employees: 1,337 Management: 938 Non-management: 399
G4-11	Employees covered by bargaining agreements	399
G4-12	Organisation's supply chain	Economic Performance: Sourcing
G4-13	Significant changes regarding the organisation's size, structure, ownership or supply chain	ICI Pakistan Limited at a Glance, Overview and Strategy: Director's Report, Economic Performance: Sourcing
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	Governance and Compliance: Risk Management, Sustainability Performance: Sustainability Council
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses	Governance & Compliance; Corporate Governance & Compliance
G4-16	Membership of associations and national or international advocacy organisations	Pakistan Business Council (PBC), Pakistan Institute of Corporate Governance (PICG), MAP, OICCI
<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>		
G4-17	Entities included in organisation's consolidated financial statements or equivalent documents	Entities included in the consolidated financial statements are ICI Pakistan PowerGen Limited and NutriCo Pakistan (Pvt) Limited. See Consolidated Financial Statements. Additionally, ICI Pakistan PowerGen Limited and NutriCo Pakistan (Pvt) Limited are not covered by this sustainability report.
G4-18	Process for defining report content and aspect boundaries	Sustainability Performance: About the Report
G4-19	Material aspects identified in process for defining report content	Sustainability Performance: About the Report
G4-20	Aspect boundaries within the organisation	Sustainability Performance: About the Report
G4-21	For each material aspect report the aspect boundary outside the organisation.	Sustainability Performance: About the Report
G4-22	Restatements of information provided in previous reports	N/A
G4-23	Significant changes in Scope and Aspect boundaries	N/A

## STAKEHOLDER ENGAGEMENT

G4-24	List of stakeholder groups engaged by the organisation	Sustainability Performance: Stakeholder Engagement
G4-25	Basis of identification and selection of stakeholders with whom to engage	Sustainability Performance: Stakeholder Engagement
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Sustainability Performance: Stakeholder Engagement
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	Sustainability Performance: Stakeholder Engagement

## REPORT PROFILE

G4-28	Reporting period (e.g., fiscal/ calendar year) for information provided	July 2015 - June 2016 (FY 2015-16) See Governance and Compliance: Director's Report, Sustainability Performance: About the Report
G4-29	Date of most recent previous report (if any)	July 2013 - June 2014 (FY 2013-14) See Overview and Strategy: Awards & Achievements.
G4-30	Reporting cycle (annual, biennial, etc)	Annual. See Governance and Compliance: Director's Report
G4-31	Contact point for questions	See Sustainability Performance: About the Report
G4-32	GRI guidelines and external assurance	See Sustainability Performance: About the Report
G4-33	Organisation's policy and current practice regarding assurance	See Sustainability Performance: About the Report

## GOVERNANCE

G4-34	Governance structure of the organisation, including committees responsible for decision-making on economic, environmental and social impacts.	See Governance and Compliance: Corporate Governance and Compliance, Board and Management Committees; Sustainability Performance: Sustainability Council
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## ETHICS AND INTEGRITY

G4-56	Organisation's values, principles and standards	See Our Vision, Our Values, Code of Conduct, Corporate Governance and Compliance
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## SPECIFIC STANDARD DISCLOSURES

Indicators	Section/Response
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### CATEGORY: ECONOMIC

#### MATERIAL ASPECT: ECONOMIC PERFORMANCE

G4-EC1	Direct economic value generated and distributed	See Financial Statements
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#### MATERIAL ASPECT: MARKET PRESENCE

G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	The ratio of entry level wage to minimum wage (set by minimum wage rules) is 2.07. This is same for all ICI Pakistan Limited employees irrespective of gender.
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	Karachi: 66%; Lahore: 100%; Sheikhupura: Nil; Khewra: Nil; Significant Location: Karachi, Lahore, Khewra, Sheikhupura; Senior Management: G37 plus excluding EMT; Local: Residing and belonging to the significant location identified  ICI Pakistan Limited is an equal opportunity employer and there are no geographical boundaries. Individuals within senior management at Sheikhupura reside in Lahore, and are provided transport accordingly. However, keeping in view the definition of local, the percentage of this indicator in Khewra and Sheikhupura is nil due to the non-availability of sufficiently qualified individuals among the local community.

#### MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS

G4-EC7	Development and impact of infrastructure investments and services supported	See Community Investment in Social Performance
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#### MATERIAL ASPECT: PROCUREMENT PRACTICES

G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Soda Ash: 67%, Polyester: 70%, Life Sciences: 64%, Chemicals: 18%
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#### CATEGORY: ENVIRONMENTAL

#### MATERIAL ASPECT: MATERIALS

G4-EN1	Materials used by weight or volume	<p>Non-renewables: 2194.55 ktons, 214.64 kL, 112.35M others; Renewables: 10,761 ktons, 1.68M others (others include packaging material with units each, half boxes, pet straps, meter, roll, pieces etc.)</p> <p>The nature of our manufacturing processes is such that use of renewable materials as raw materials is not viable however, we use renewable materials for packaging purposes in most of our operations.</p>
G4-EN2	Percentage of materials used that are recycled input materials	We use almost 99% of ammonia as recycled input material at our Soda Ash plant. The manufacturing processes at other sites are such that use of recycled raw material from within the process is not viable.

#### MATERIAL ASPECT: ENERGY

G4-EN3	Energy consumption within the organisation	<p>Non-renewable: 6503.42 (Natural Gas, Furnace Oil, Coal, Diesel); Renewable: 0.036 TJ (Solar); Electricity: 61.17 TJ; Total: 6564.62 TJ</p> <p>Standard calorific values of fuels are used for conversion.</p> <p>Heating, cooling and steam requirements at our manufacturing sites are met by installed utility equipment that consumes fuel and/or electricity therefore, the figures are inclusive of these utilities.</p>
G4-EN4	Energy consumption outside of the organisation	The energy consumed for these processes is within the organisation.
G4-EN5	Energy intensity	<p>See Energy Efficiencies in Environmental Performance for details.</p> <p>The figures are based on EN3.</p> <p>The Life Sciences Business has a diversified portfolio with varying measurement units while the energy figure is cumulative, therefore it cannot be included here. However, no fuel is used and electricity consumption is 8.14 TJ in plant operations.</p>
G4-EN6	Reduction of energy consumption	See Energy Efficiencies in Environmental Performance

## MATERIAL ASPECT: WATER

G4-EN8	Total water withdrawal by source	Surface Water: 0.521 Mm3; Ground water: 3.657 Mm3, Municipal Water Supply: 0.04 Mm3
G4-EN10	Percentage and total volume of water recycled and reused	See Water Usage in Environmental Performance

## MATERIAL ASPECT: BIODIVERSITY

G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	See Health and Environment in Stakeholder Engagement  Our manufacturing sites have in place a procedure for the conservation of flora and fauna to preserve biodiversity, and conduct various surveys for periodic assessments accordingly.
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	See Health and Environment in Stakeholder Engagement
G4-EN13	Habitats protected or restored	See Health and Environment in Stakeholder Engagement

## MATERIAL ASPECT: EMISSIONS

G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	See Emissions Control in Environmental Performance
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	See Emissions Control in Environmental Performance
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	See Emissions Control in Environmental Performance
G4-EN18	Greenhouse gas (GHG) emissions intensity	See Emissions Control in Environmental Performance  The Life Sciences Business has a diversified portfolio with varying measurement units, while emissions are cumulative therefore cannot be included here. However, no fuel is used in plant operations and emissions (only Scope 2) equal 216.79 tons.
G4-EN19	Reduction of greenhouse gas (GHG) emissions	See Emissions Control in Environmental Performance
G4-EN20	Emissions of ozone-depleting substances (ODS)	Manufacturing sites at ICI Pakistan Limited control new substances through a procedure outlining the introduction of new chemical systems that includes risk assessments regarding potential effects on health and environment. A list of all chemical substances along with stocks is maintained and updated regularly. No chemical classified as an ODS is listed in the CSI so far
G4-EN21	NOX, SOX, and other significant air emissions	See Emissions Control in Environmental Performance

#### MATERIAL ASPECT: EFFLUENTS AND WASTE

G4-EN22	Total water discharge by quality and destination	1.04 Mm3 planned water discharge to drains after effluent treatment at various sites
G4-EN23	Total weight of waste by type and disposal method	See Waste Management in Environmental Performance
G4-EN24	Total number and volume of significant spills	ICI Pakistan Limited has a system in place to monitor 'loss of containment' incidents categorised by level of severity. There was no reportable significant spillage incident in 2015-16.
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	Hazardous waste is managed by our sites and disposed of via standardised procedures including incineration, landfilling etc. 9.9 tons of hazardous waste was transported this year.

#### MATERIAL ASPECT: PRODUCTS AND SERVICES

G4-EN27	Extent of impact mitigation of environmental impacts of products and services	See Product Stewardship in Environmental Performance
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	Our manufacturing sites have laboratories in place that monitor product quality. There have been no incidents of reclamations during 2015-16.

#### MATERIAL ASPECT: COMPLIANCE

G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	ICI Pakistan Limited has various systems in place to monitor its environmental emissions i.e. Quarterly Corporate Reporting, Smart Reporting to the EPA etc. There has been no incident of non-compliance with laws or regulations during 2015-16.
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#### MATERIAL ASPECT: TRANSPORT

G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce	Transportation of goods for ICI Pakistan Limited is handled by third party contractors and relevant Company HSE&S Policies are included in transportation contracts. However, ICI Pakistan Limited's HSE&S Procedures and other metrics such as DRAs and CEFIC Protocol in practice help identify areas of improvement. Other actions such as freight consolidation and reduction of paper usage are also being executed to mitigate environmental impact.
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## MATERIAL ASPECT: OVERALL

G4-EN31	Total environmental protection expenditures and investments by type	Prevention and Environmental Management Cost: 5.61 M PKR Waste Disposal, Emissions Treatment and Remediation Cost: 63.33 M PKR
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## MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT

G4-EN32	Percentage of new suppliers that were screened using environmental criteria	ICI Pakistan Limited's Vendor Policy and Code of Conduct is signed by all critical suppliers and clearly mentions criteria for vendor screening, including focus on company's environmental footprint. Moreover, all the suppliers considered are ISO certified, which includes this criterion.
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## MATERIAL ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS

G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	ICI Pakistan Limited takes the community into consideration by appointing a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programmes, active coordination and extended support. A Speak Up whistleblowing programme encompassing all stakeholders is also in place to register any instance or complaints. There has been no incident of grievances during 2015-16.
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## CATEGORY: SOCIAL

### SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK

## MATERIAL ASPECT: EMPLOYMENT

G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Hiring: 197 Management Employees, 186 Male, 11 Female (all at Middle Management Level); Age: 89 Nos. under 30 years, 106 Nos. 30-50 years, 02 Nos. above 50 years Turnover: (Voluntary, Dismissal, Retirement, Death included) 114 Total leavers @ 12%; 106 Male, 8 Female; Age: 35 Nos. below 35 years, 67 Nos. 30-50 years, 12 Nos. above 50 years
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## MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS

G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	4 weeks
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## MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY

G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes	Our manufacturing sites have different systems in place to promote such programmes. Monthly joint management and worker safety meetings are one such process, steered by line managers and occasionally section head of all functional departments. The agenda is set by the HSE&S department and feedback is recorded. Similarly, monthly meetings between heads of departments and site heads chaired by the HSE & Training manager are also conducted to review monthly performance on health and safety. These meetings ensure 100% participation by the workforce.
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Social Performance: Health, Safety, Environment & Security
G4-LA8	Health and safety topics covered in formal agreements with trade unions	Overview & Strategy: Health, Safety, Environment & Security

## MATERIAL ASPECT: TRAINING AND EDUCATION

G4-LA9	Average hours of training per year per employee by gender, and by employee category	Male: 3.91, Female: 3.81 G30: 3.08; G31: 2.79; G32: 3.36; G33: 4.24; G34: 4.65; G35: 7.94; G36: 6.67; G37: 7.77; G38: 8.29; Trainee: 5.04; WL-4: 5.06  The data mentioned is in man days.
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	99 % as of August 25, 2016.  This is a continuous process that covers all management employees through online objectives, career discussions and year end assessments.

## MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY

G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	There are different governance bodies formed relating to different policies which makes providing these figures a challenge.
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#### MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN

G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	ICI Pakistan Limited is an equal opportunity employer and salary and remuneration is solely based on market competitiveness, relevant grade of the individual in the company, experience etc. There is no discrimination based on gender.
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#### MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES

G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	ICI Pakistan Limited's Vendor Policy and Code of Conduct is signed by all critical suppliers and clearly mentions criteria for vendor screening, including focus on company's environmental footprint. Moreover, all the suppliers considered are ISO certified, which includes this criterion.
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#### MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS

G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	ICI Pakistan Limited takes the community into consideration by appointing a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programmes, active coordination and extended support. A Speak Up whistleblowing programme encompassing all stakeholders is also in place to register any instance or complaints. There has been no incident of grievances during 2015-16.
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#### SUB-CATEGORY: HUMAN RIGHTS

#### MATERIAL ASPECT: INVESTMENT

G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	All new joiners go through the Code of Conduct policy on the ICI Pakistan Limited website. All existing employees acknowledge the information and compliance to Code of Conduct policy during the yearly online performance appraisal process. In addition to that, 428 man days of trainings are conducted on human rights policies. 30% of employees were covered in 2015-16 but this is a continuous process for all employees.
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#### MATERIAL ASPECT: NON-DISCRIMINATION

G4-HR3	Total number of incidents of discrimination and corrective actions taken	ICI Pakistan Limited has in place a Speak Up whistleblowing programme encompassing all stakeholders to register any such instance. No incident was reported.
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#### MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	All new joiners go through the Code of Conduct policy on the ICI Pakistan Limited website. All existing employees acknowledge the information and compliance to Code of Conduct policy during the yearly online performance appraisal process. There has been no such incident reported during 2015-16.
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MATERIAL ASPECT: CHILD LABOR		
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	ICI Pakistan's Vendor Policy and Code of Conduct are signed by all important suppliers and clearly mention criteria for vendor screening, including focus on the Company's environmental footprint. Moreover, all suppliers considered are ISO certified, which also includes this criterion.
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR		
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	ICI Pakistan Limited's Vendor Policy and Code of Conduct are signed by all important suppliers and clearly mention criteria for vendor screening, including focus on the Company's environmental footprint. Moreover, all suppliers considered are ISO certified, which also includes this criterion.
MATERIAL ASPECT: SECURITY PRACTICES		
G4-HR7	Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations	100% of security staff is trained on the various security and safety procedures of ICI Pakistan Limited that cover relevant human rights procedures. Security guards are provided by a contractor and training of all guards is mandatory for safe working at our sites. Refresher courses are repeated frequently.
MATERIAL ASPECT: INDIGENOUS RIGHTS		
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	ICI Pakistan Limited takes the community into consideration by appointing a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programmes, active coordination and extended support. A Speak Up whistleblowing programme encompassing all stakeholders is also in place to register any instance or complaints. There has been no incident of grievances during 2015-16.
MATERIAL ASPECT: ASSESSMENT		
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	All new joiners go through the Code of Conduct policy on the ICI Pakistan Limited website. All existing employees acknowledge the information and compliance to Code of Conduct policy during the yearly online performance appraisal process. Various other mechanisms, are present to address relevant issues and actions are planned accordingly when required.
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	ICI Pakistan Limited's Vendor Policy and Code of Conduct is signed by all critical suppliers and clearly mentions criteria for vendor screening, including focus on company's environmental footprint. Moreover, all the suppliers considered are ISO certified, which includes this criterion.

## MATERIAL ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS

G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	ICI Pakistan Limited has in place a Speak Up whistleblowing programme encompassing all the stakeholders to register any instance. One incident was reported but not confirmed after investigation.
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## SUB-CATEGORY: SOCIETY

## MATERIAL ASPECT: LOCAL COMMUNITIES

G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Social Performance: Community Investment
G4-SO2	Operations with significant actual and potential negative impacts on local communities	ICI Pakistan takes community into consideration by having a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programs, active coordination and extended support. Speak Up program encompassing all the stakeholders is also in place to register any instance. There has been no incident of grievances during 2015-16.

## MATERIAL ASPECT: ANTI-CORRUPTION

G4-SO5	Confirmed incidents of corruption and actions taken	All new joiners go through the Code of Conduct policy on the ICI Pakistan Limited website. All existing employees acknowledge the information and compliance to Code of Conduct policy during the yearly online performance appraisal process. There has been no such incident reported during 2015-16.
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## MATERIAL ASPECT: PUBLIC POLICY

G4-SO6	Total value of political contributions by country and recipient/beneficiary	No political contribution however, ICI Pakistan Limited has a strong history of community service and adding to the development of the country. Social Performance: Community Investment.
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## MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR

G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	All new joiners go through the Code of Conduct policy on the ICI Pakistan Limited website. All existing employees acknowledge the information and compliance to Code of Conduct policy during the yearly online performance appraisal process. However, there has been no such incident reported during 2015-16.
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## MATERIAL ASPECT: COMPLIANCE

G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	ICI Pakistan Limited takes the community into consideration by appointing a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programmes, active coordination and extended support. A Speak Up whistleblowing programme encompassing all stakeholders is also in place to register any instance or complaints. There has been no incident of grievances during 2015-16.
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#### MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY

G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	ICI Pakistan's Vendor Policy and Code of Conduct are signed by all important suppliers and clearly mention criteria for vendor screening, including focus on the Company's environmental footprint. Moreover, all suppliers considered are ISO certified, which also includes this criterion.
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#### MATERIAL ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY

G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	ICI Pakistan Limited takes the community into consideration by appointing a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programmes, active coordination and extended support. A Speak Up whistleblowing programme encompassing all stakeholders is also in place to register any instance or complaints. There has been no incident of grievances during 2015-16.
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#### SUB-CATEGORY: PRODUCT RESPONSIBILITY

#### MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY

G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Environmental Performance: Product Stewardship
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	ICI Pakistan Limited Vendor Policy and Code of Conduct are signed by all important suppliers and clearly mention criteria for vendor screening, including focus on the Company's environmental footprint. Moreover, all suppliers considered are ISO certified, which also includes this criterion.

#### MATERIAL ASPECT: PRODUCT AND SERVICE LABELING

G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	ICI Pakistan Limited has issued a Standard Technical Notes Information Package which provides guidelines and information regarding properties and components of product, packaging and labelling, storage, application, sourcing of the product, safe use at each stage, proper disposal and others. These procedures and routines cover the entire product line of the Soda Ash and Polyester Business. The Material Safety Data Sheet provides further information about the safety and environmental impacts of the product. Similarly, Life Sciences Business conform to Pharmaceuticals Drug Act 2012, Drug Labeling Rules 1976, The Agricultural Pesticides Ordinance 1973, Punjab Fertilizer (Control) Order 1973, Seed Act 1976 and Truth in Labelling Rule 1991 for its product portfolio. Cross examination and authenticity check is conducted by Variety Evaluation Committee. Chemicals Business has "New Product Development Brief" and "New Material Acceptance Checklist" for their product portfolio.
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G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	ICI Pakistan Limited follows recognised standards and procedures, in addition there are systems in place to cross examine and authenticate this information. There have been no incidents of non-compliance during 2015-16.
G4-PR5	Results of surveys measuring customer satisfaction	Polyester Business scored well above competitors in Technical Services and Sales Services. The Agri Division of Life Sciences showed overall satisfaction and high ratings regarding products and services. Chemicals Business also scored well above competition average. Action planning is done by each Business to further improve their scores.
<b>MATERIAL ASPECT: MARKETING COMMUNICATIONS</b>		
G4-PR6	Sale of banned or disputed products	The registration of Somatech was reinstated through an interim order of the Sindh High Court.
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	ICI Pakistan Limited follows recognised standards and procedures, in addition there are systems in place to cross examine and authenticate this information. There has been no incident of non-compliance during 2015-16.
<b>MATERIAL ASPECT: CUSTOMER PRIVACY</b>		
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Customer centricity being one of the core values of ICI Pakistan Limited, we operate in close coordination with our customers. All existing employees acknowledge the information and compliance to Code of Conduct policy as well during the yearly online performance appraisal process. There has been no such incident reported during 2015-16.
<b>MATERIAL ASPECT: COMPLIANCE</b>		
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	ICI Pakistan Limited follows recognised standards and procedures, in addition there are systems in place to cross examine and authenticate the information. There has been no incident of non-compliance during 2015-16.

# Independent Assurance Statement



## Scope and objectives

ICI Pakistan Limited (ICI) commissioned United Registrar of Systems (URS) to undertake an independent assurance of its Sustainability Report for the period July 2015 to June 2016 (the "Report").

URS has developed a set of protocols for the Assurance of Sustainability Reports based on current best practice guidance provided in the Global Reporting Initiative (hereinafter referred to as GRI) Sustainability Reporting Guidelines. Also we have evaluated the client's report for adherence to the Principles of stakeholder inclusiveness, materiality and responsiveness. These protocols follow differing options for Assurance and are dependent upon the reporting history and capabilities of the Reporting Organization.

We understand that the reported economic data and information provided are based on data from the Annual Report for 2015-2016, which are subject to a separate audit process. The review of financial data taken from the Annual Report is not within the scope of our work.

The assurance comprised of pre-assurance work, discussion with relevant custodians responsible for CSR activities, review of documentation and records where relevant.

## Responsibilities of ICI Pakistan Limited and of the Assurance provider

The management of ICI has sole responsibility for the preparation of the Report. In performing our assurance work, our responsibility is to the management of ICI, however our statement represents our independent opinion and is intended for information of all of ICI's stakeholders. URS was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement.

## Basis of our opinion

URS undertook the following activities:

- Review of the current sustainability issues that could affect ICI and are of interest to stakeholders;
- Review of ICI's approach to stakeholder engagement and recent outputs from these activities at different locations of their business;
- Review of information provided to us by ICI on its reporting and management processes relating to the Principles;
- Review of the processes and supporting evidence for claims and data in the report. These were largely prioritized on the materiality of issues.

- A review of the processes undertaken by ICI to understand how they have applied reporting principles set out within the GRI G4 guidelines.
- An independent assessment of ICI's reporting in accordance with the Core Option of the GRI G4 Reporting Guidelines.

We believe that the information we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Assurance Opinion

On the methodology described above, URS is satisfied that the information and data contained within ICI's Sustainability Report of 2015-2016 is reliable and provides a fair and balanced representation of ICI's Sustainability initiatives.

We believe that ICI has chosen an appropriate level of assurance for this stage in their reporting. The current ICI report is the eighth report to be assured by URS and this has been ICI's first attempt to report against the GRI G4 guidelines.

The contents of this report are adequately in line with the "Core" elements of the GRI G4 guidelines. The material aspects and their boundaries are properly defined. Disclosures of identified material aspects and stakeholder engagement are correctly located in the report. Disclosures on Management Approach components, such as goals and targets, specific actions taken to achieve the expected results, may be further enhanced in the next report.

## Observations

Without affecting our assurance opinion we also provide the following observations.

## Stakeholder Inclusiveness

*The participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.*

ICI is committed to being accountable to its stakeholders and to integrating inclusivity into its management approach. A variety of engagement efforts such as surveys and communication with employees, local communities, suppliers and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, ICI may proactively consider more direct two way involvement of stakeholders and reporting on the outcome of this engagement in future sustainability reports.



## Materiality

*The process for determining the issues that are most relevant to an organization and its stakeholders.*

We noted ICI's endeavors for clearer and focused reporting, including its transition to the G4 guidelines. The materiality exercise has helped prioritize the sustainability program and report and we look forward to seeing how this is refined in the next year.

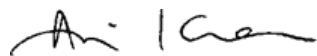
We have observed that ICI's sustainability program includes topics that are being managed and for which data are collected across the different business Groups. Even though some of these data are considered material by the business, currently only limited performance information is reported externally in some of the focus areas of the sustainability agenda. We recommend using the updates to stakeholder engagement and materiality processes to consider reviewing the entire data and information ICI discloses in its sustainability report.

## Responsiveness

*The extent to which an organization responds to stakeholder issues.*

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback. Future reporting would benefit from more reporting on the results of stakeholder feedback from this report.

ICI's data collection procedures and controls are good; however we recommend that they should continue to develop measurable, quantitative sustainability targets for both the medium and long term.



**Ali Khan**

Chief Executive

United Registrar of Systems – Pakistan

September 16, 2016

