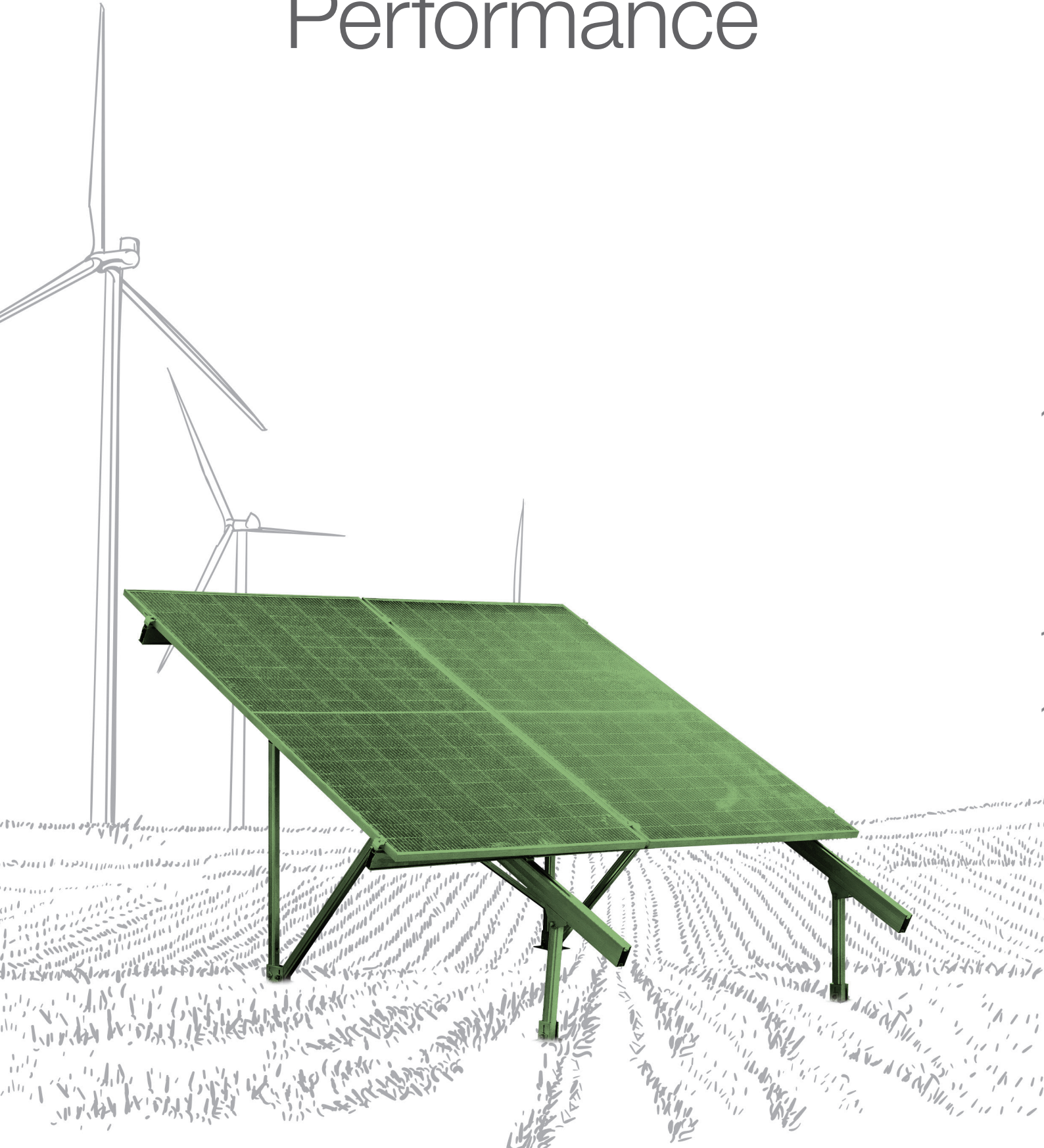


Sustainability Performance



The Art of Sustainable Stewardship

This section outlines our commitment to sustainable performance, highlighting initiatives, achievements, and progress toward a more sustainable future.



Table of Contents

About the Report 107

Message from the Chief Executive 108

Sustainability Highlights 110

Materiality Assessment 112

Sustainability Strategy 115

Catalysing Change for a Sustainable Future 116

Sustainability Governance 118

Stakeholder Engagement 120

Economic Performance 124

Integrity Management 126
Sourcing and Procurement 127

Environmental Performance 129

Product Stewardship 131
Energy 132
Emissions 134
Water and Effluents 136
Waste 139

Social Performance 142

Occupational Health and Safety 145
Employee Engagement and Wellness 148
Diversity, Equity and Inclusion 150
Training and Education 153
Non-Discrimination 155
Community Investment 156
Pehchan Employee Volunteer Programme 161

GRI Content Index 162

Sustainable Development Goals 167
External Assurance 168

About the Report

Lucky Core Industries Limited FY 2024-25 Sustainability Report marks its 17th year of annual sustainability reporting, in line with topics that are prioritised as material to the Company and its stakeholders. The Report complies with the Global Reporting Initiative (GRI) Standards and adheres to the GRI 101 Foundation Reporting Principles. Moreover, the Report references the UN Sustainable Development Goals (SDGs).

Reporting Period

The reporting period for this Report aligns with the Company's FY 2024-25, spanning from July 1, 2024, to June 30, 2025. This Report has been published in September 2025.

Report Boundary and Content

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

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

Detailed performance on material sustainability topics.

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

Management Approach to Sustainability

Details of the management approach for each material topic are available on page 112 of this Report.

Data Collection

Data presented in the Report was collected from the Company's Financial Management Reporting systems, the Environmental Performance Management (EPM) database, and the Corporate HR Information Management System. Details on the Company's sustainability reporting governance are available on page 118 of this Report.

No restatements have been made to the previous data.

Assurance

The Report also undergoes an independent review conducted by the Corporate Social Responsibility Centre Pakistan (CSRCP) to ensure compliance with GRI standards, the IISAE 3000 (Revised) standard and principles of inclusivity, materiality, responsiveness and impact. The Sustainability Council oversees external assurance processes, with coordination delegated to the General Manager, HSE. The assurance letter from CSRCP is available on page 168 of this Report.



Contact Us

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

Sabir Mahmood

General Manager
Corporate HSE

E: sabir.mahmood@luckycore.com

Omer Zafar

Head of Corporate Communications
& Public Affairs

E: ccpa.pakistan@luckycore.com

Muhammad Ibraheem Shah

Manager Sustainability &
Corporate HSE

E: ibraheem.shah@luckycore.com

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

Message from the Chief Executive



Dear Stakeholders,

We are pleased to present the Lucky Core Industries Limited Sustainability Report for FY 2024-25. This marks the Company's seventeenth consecutive year of transparent and responsible sustainability reporting. The report reflects not only our continued alignment with the Global Reporting Initiative (GRI) Standards and the United Nations Sustainable Development Goals (SDG), but also our deep-rooted belief that responsible business practices are essential to long-term value creation. As a Company committed to enriching lives, we remain focused on driving progress across the economic, social and environmental landscape.

Our progress continues to be recognised beyond our organisational boundaries. This year, we were honoured to be recognised as a Sustainability Rising Star at the 2024 ACES Awards whilst also being awarded with the Best Sustainability Report Award 2023 from the Institute of Chartered Accountants of Pakistan and the Institute of Cost and Management Accountants of Pakistan. These accolades reaffirm our commitment to transparency and purposeful action, inspiring us further to deepen our sustainability efforts in every aspect of our business.

At LCI, sustainability remains an integral part of how the Company operates. It informs decision-making, shapes priorities and supports enduring business performance. LCI's Sustainability Council, entrusted with promoting a culture of excellence and accountability, continues to play a vital role in driving progress by translating our sustainability agenda into action and embedding environmental and social priorities across the Company's daily business activities.

Environmental stewardship is a defining priority for the Company, driven by our Catalyst 2030 - Climate Action Plan and the STEP sustainability platform, which guide our strategic environmental initiatives. We continued to make progress through integrated science-based and nature-driven solutions. Over the year, we successfully neutralised 29,000+ tonnes of CO₂ emissions, planted 23,000+ trees, and recycled 293+ million PET bottles into polyester fibre. These efforts were further reinforced by our Polyester Business, which expanded its recycling operations by collaborating with international brands to strengthen its textile-to-textile recycling capabilities.

On the energy front, we continued to scale the use of solar energy, with our installed solar capacity reaching approximately 4,000 kilowatts. A key milestone was the commissioning of a 1MW solar system at our Polyester site, which generated over 988,000 kWh of clean energy and reduced 694 tonnes of CO₂ emissions. Further solar expansion projects are underway as part of our broader energy efficiency roadmap. These initiatives have enhanced our energy performance and contributed to a measurable reduction in our carbon footprint across the Company's operations.

We also advanced our water and waste management efforts through a newly commissioned wastewater recovery system, which enables the reuse of treated water in our brine manufacturing process. Additionally, we expanded our PET bottle deposit scheme by launching a consumer-facing recycling initiative, in partnership with Metro Pakistan Limited, aimed at promoting responsible plastic disposal. Together, these efforts reflect LCI's commitment to environmental responsibility, with a focus on long-term impact and creating lasting value for the planet and future generations.

The safety and well-being of our workforce and surrounding communities remain non-negotiable priority for the Company. During the year, we recorded approximately 49.9 million injury-free man-hours, with one reportable incident, resulting in a Total Reportable Injury Rate (TRIR) of 0.09 per million man-hours worked. The incident was thoroughly investigated, and corrective actions were implemented to prevent recurrence. We continue to hold ourselves to the highest standards of operational safety and remain firmly committed to building a workplace that is secure, resilient, and aligned with global best practices.

Our efforts this year further underscored our dedication to driving meaningful improvements in social performance. By upholding our commitment to diversity, equity and inclusion, we continued to advance efforts to create a more inclusive and equitable workplace. Female representation across the workforce increased to 8.5%, while representation within the Executive Management Team (EMT) rose to 25%, reflecting LCI's steady progress in strengthening gender diversity. With inclusive culture-building at its core, our structured DE&I framework is designed not only to transform our organisation internally, but also to create positive impact beyond the organisation. This includes the Impact Scholarship Programme which offers scholarship opportunities to underprivileged female students to pursue their undergraduate degree from reputable universities of Pakistan. Additionally, by actively investing in capability-building through year-round learning programmes, LCI recorded over 53,000 training hours. As these efforts continue to evolve, they lay the groundwork for a more diverse, capable and future-ready workforce, one that will be instrumental in advancing the organisation's long-term mission of Improving Lives.

Our commitment to creating long-term impact is rooted in a sense of purpose and responsibility towards the communities in which we operate. Guided by our core social responsibility pillars of Health, Education, Women's Empowerment, Environment, and Community Development, we continued to invest in initiatives that improve quality of life and enable progress. During the year, we invested PKR 96.2 million towards community uplift programmes. This impact was further strengthened through Pehchan, our employee volunteer programme, where 260+ volunteers dedicated 900+ hours to causes aligned with our CSR agenda.

What truly sustains an organisation is not just its strategy, but the strength of its culture, the clarity of its purpose, and the shared conviction of its people. Every milestone we share in this report is a reflection of that collective commitment. I remain deeply grateful to our employees, partners, and stakeholders for their continued trust in LCI. Together, we are shaping a future that is resilient, inclusive, and responsible.

I invite you to read this year's Sustainability Report to learn more about how we are shaping the future through purposeful and collaborative action.

Warmest Regards,



Asif Jooma
Chief Executive
Lucky Core Industries Limited

Sustainability Highlights

29,000+
tonnes

of CO₂ Emissions
Neutralised

293+
million

PET Bottles Recycled
into Polyester Fibre

23,000+

Trees Planted

49.9
million

Safe Man Hours

Zero

Occupational
Illnesses

6,670

Training Days

PKR 96.2
million

Invested in Community
Uplift Programmes

260+

Employees
Participated in
Volunteer Programme

Awards

Corporate Function



Best Sustainability and Corporate Award 2023

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



ACES Award 2024 for Sustainability Rising Star Award

ACES Council



International Safety Award 2025

British Safety Council



14th Annual Fire Safety Award 2025

National Forum for Environment & Health and Fire Protection Industry of Pakistan

Chemicals & Agri Sciences Business



International Safety Award 2025

British Safety Council



Annual Environmental Excellence Award 2024

National Forum for Environment & Health



Occupational Health, Safety and Environment Awards 2024

Employers Federation of Pakistan



Supplier Sustainability Award 2024

Packages Group

Pharmaceuticals Business



Environment, Health & Safety International Award 2024

The Professionals Network and Pakistan Safety Council



Occupational Health, Safety and Environment Awards 2024

Employers Federation of Pakistan



Annual Environmental Excellence Award 2024

National Forum for Environment & Health



14th Annual Fire Safety Award

National Forum for Environment & Health and Fire Protection Industry of Pakistan

Animal Health Business

Materiality Assessment

The Company recognises the importance of identifying and managing topics that are most material to its business and stakeholders. This section outlines the material topics and the methodology used to determine their significance to the Company’s long-term sustainability and operational resilience.

LCI recognises the actual and potential environmental, social, and economic impacts associated with its operations. These include outcomes such as greenhouse gas emissions from manufacturing processes and the consumption of natural resources, as well as contributions including job creation, sustainable innovation, and long-term community development. These impacts occur both directly through core operations and indirectly across the value chain.

Aligned with international sustainability frameworks, the Company has adopted policies and initiatives focused on reducing emissions, upholding human rights, promoting responsible sourcing, and supporting the wellbeing of employees and communities. In line with these commitments, key actions during the period included transitioning to cleaner energy sources, strengthening supplier engagement, and expanding employee development programmes, particularly management training initiatives designed to build leadership capabilities and promote a culture of continuous learning.

Performance against these priorities was rigorously tracked using well-defined Key Performance Indicators, supported by regular internal and external audits and comprehensive stakeholder

feedback. The insights derived from these monitoring activities informed progress toward key targets, including emissions reduction and energy efficiency, with findings systematically integrated into strategic planning and operational decision-making to ensure continuous improvement.

In 2023, a comprehensive materiality assessment was conducted in accordance with the Global Reporting Initiative (GRI) Standards (2021), with the support of an independent consultant. Anchored in the principles of double materiality, the process incorporated insights from the Sustainability Council, key stakeholder groups, including employees, suppliers, customers, and community representatives, and a review of sector-specific ESG developments. The findings of this assessment continue to guide our sustainability priorities to date.

The aforementioned methodology, allowed the Company to collaboratively finalise material topics in line with the LCI’s sustainability objectives and priorities. The comprehensive nature of the analysis guarantees that the sustainability report accurately reflects LCI’s commitment to sustainable practices and transparent reporting.

List of Material Topics*

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

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

Relevance of Material Topics to Lucky Core Industries

Economic

Economic Performance

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

Indirect Economic Impacts

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

Market Presence

The Company's presence in the markets that it serves, has a significant impact in terms of the employment opportunities provided, the number and quality of professionals employed,

regional employment prospects and compensation and benefits provided. Information in this regard is relevant to its operations and value-creation agenda.

Compliance

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

Anti-Competitive Behaviour

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

Procurement Practices

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

Environmental

Water and Effluents

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

Energy

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

Emissions

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

Waste

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

Social

Employment and Labour Relations

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

Training and Education

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

Occupational Health and Safety

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

Diversity and Equal Opportunity

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

Non-Discrimination

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

Freedom of Association and Child Labour

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

Community Investment

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

Sustainability Strategy

LCI’s sustainability strategy is a testament to its enduring commitment to responsible growth, long-term value creation and sustained business performance. By embedding sustainable practices across its operations, the Company is not only addressing pressing global challenges but also contributing to a more equitable and sustainable future. Guided by its mission of Improving Lives, LCI’s sustainability strategy is designed to generate lasting impact for people, communities, and the planet, ensuring that progress is shared, and purpose is collectively fulfilled.

Approach to Sustainability

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

Guiding Framework	Sustainability Strategy
Operational Pillars	Guiding Principles
	Creating Socioeconomic Value LCI empowers communities through long-term investments in education, healthcare, and skills development. These initiatives enhance resilience, promote inclusivity, and ensure that growth is shared across all segments of society.
	Environmental Stewardship The Company is committed to minimising its environmental footprint by investing in cleaner technologies and sustainable practices. This includes optimising energy use, reducing emissions, and advancing circularity in operations.
	Respecting Human Rights LCI upholds universal human rights across its value chain. It fosters a workplace and business ecosystem built on dignity, fairness, and inclusivity.
	Transparency Integrity and accountability guide LCI’s operations. The Company maintains transparent reporting and open dialogue with stakeholders, reinforcing trust and long-term partnerships.
	Operating Responsibly From ethical business conduct to responsible sourcing and inclusive practices, LCI’s commitment to doing business the right way is reflected in every aspect of its operations.
Transversal Pillars	Fostering a Culture of Excellence LCI believes that its people are central to delivering sustainable progress. By nurturing talent, encouraging innovation, and enabling continuous learning, the Company builds a high-performance, purpose-driven culture.
	Stakeholder Engagement The Company works closely with employees, communities, partners, and regulators to develop solutions that create lasting impact. This engagement ensures that sustainability initiatives remain responsive to stakeholder needs, grounded in accountability, and resilient in the face of change.
	Governance A strong governance framework underpins this commitment, embedding sustainability into core business practices. Strategic oversight, supported by clear accountability and robust monitoring mechanisms, enables LCI to innovate, adapt, and deliver on its long-term sustainability objectives.

Catalysing Change for a Sustainable Future

Catalyst 2030 - Climate Action Plan

As climate challenges intensify, LCI remains firm in its commitment to environmental stewardship, not through isolated efforts, but through collective determination. The Catalyst 2030 - Climate Action Plan stands as a testament to this belief, as a Company-wide initiative that unites all businesses and functions in advancing decarbonisation and promoting environmental sustainability. Anchored in science and nature-based solutions, the Catalyst 2030 - Climate Action Plan reflects LCI's proactive approach to sustainability and long-term value creation.

Since its launch in FY 2022-23, the Catalyst 2030 - Climate Action Plan continues to drive measurable progress across energy efficiency, emissions reduction, and ecosystem restoration. It serves as a platform for cross-functional innovation, with over 40 projects implemented to date across multiple Company sites and operations.

Approach to Climate Change



Decarbonisation Through Efficiency and Technology

LCI continues to invest in process enhancements and low-emission technologies to reduce its carbon footprint. Recent initiatives include the installation of tubular chain conveyors, energy-efficient chillers, and rotary filter modifications, all contributing to greater operational efficiency and lower emissions.



Nature-Based Solutions

Tree plantation remains a cornerstone of the Catalyst 2030 – Climate Action Plan. These initiatives not only support carbon sequestration but also enhance biodiversity and restore ecological balance across LCI's operating regions.

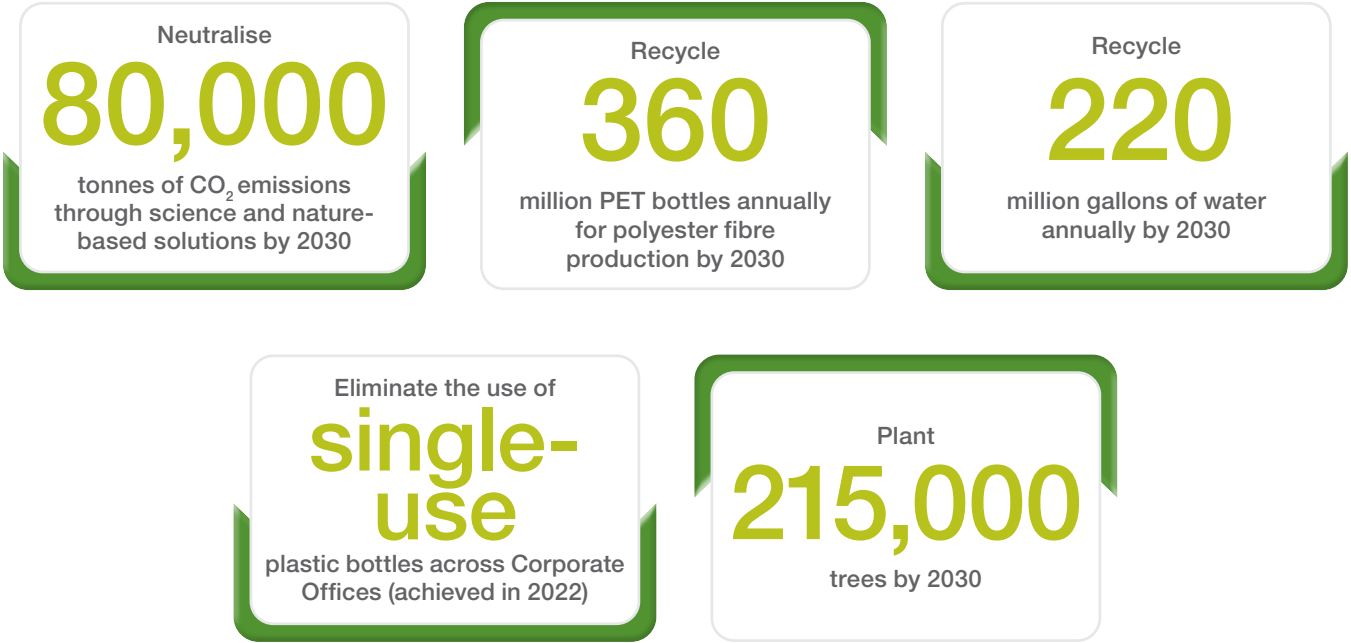


Collaborative Community Impact

LCI partners with NGOs, local authorities, and community stakeholders to extend the reach and impact of its environmental programmes. These partnerships amplify awareness, strengthen local ecosystems, and promote sustainable practices beyond the Company's direct operations.

Catalyst Commitments

As part of its Catalyst roadmap, LCI has set ambitious medium to long-term targets to contribute meaningfully to climate action:



Each target is linked to more than 40 active projects across Company sites, selected not only for their scalability and impact, but for their potential to inspire a culture of shared responsibility.

Impact Overview FY 2024-25

Catalyst 2030 – Impact Areas	Units	FY 2024-25	Total (since July 2022)
Neutralise Carbon Emissions	Tonnes	29,716	82,228
Recycle PET bottles to produce polyester	Million Bottles	293+	760
Trees Planted	Number	23,886	107,146

In FY 2024-25, the Catalyst 2030 - Climate Action Plan demonstrated substantial advancements in its environmental impact objectives. During this period, the Company successfully neutralised 29,716 tonnes of CO₂ emissions, enhancing the cumulative total to 82,228 tonnes since the programme's inception in July 2022.

In addition to carbon neutralisation, the Company has made remarkable progress in recycling initiatives. A total of 293+ million PET bottles were recycled in FY 2024-25 to produce high-quality polyester, contributing to a cumulative total of 760 million bottles since 2022, highlighting the Company's dedication to circular economy practices and reducing plastic waste.

The environmental impact also extended to tree planting efforts, with 23,886 trees planted during FY 2024-25. This brings the

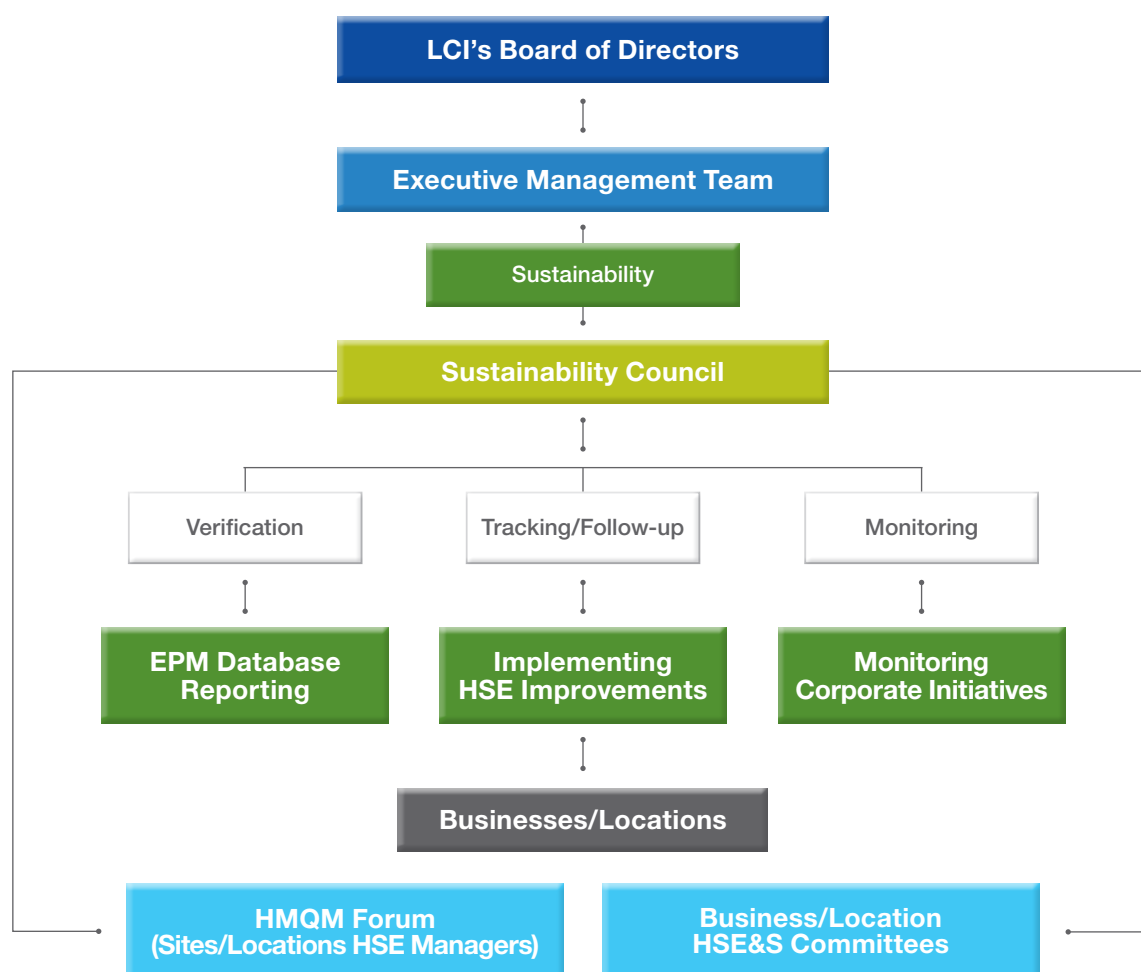
total number of trees planted since July 2022 to 107,146 further enhancing biodiversity and supporting ecosystem restoration.

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

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



Sustainability Governance



LCI's sustainability strategy is guided by a clear governance structure designed to embed responsible business practices across its operations. The Board of Directors provides strategic oversight, endorsing the Company's vision, mission, and values, with a strong emphasis on sustainability. The Executive Management Team reviews environmental, social, and governance (ESG) strategies, risk assessments, and key performance indicators on a regular basis. Sustainability is reviewed and discussed on a biannual basis at Board meetings, ensuring continued alignment with long-term objectives and stakeholder expectations.

LCI's ethical business practices are guided by globally recognised frameworks, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), the Sustainable Development Goals (SDGs), and the United Nations Global Compact (UNGC). These commitments are publicly disclosed to uphold transparency and accountability in all operations.

Cultivating Organisational Integrity

LCI's Board-approved Code of Conduct outlines the ethical

standards expected from all employees and business partners and is publicly available on the corporate website. Ethical awareness is promoted through structured training programmes, leadership engagement, and continuous internal communication, cultivating a culture rooted in integrity and shared accountability.

Sustainability Council

The Sustainability Council comprises of representatives from the Company's businesses and functions. The Council plays a responsible role for assisting the Board of Directors in fulfilling its responsibility to LCI's shareholders regarding sustainability practices. The Council focuses on developing, implementing, and monitoring HSE&S policies and practices.

Responsibilities of the Council

The Council acts to:

- Define sustainability KPIs, measurement matrices, and targets.
- Review the Company's environmental footprint and develop effective strategies for mitigation of adverse impacts.
- Assess stakeholder relationships for alignment with sustainability objectives.

- Design and execute communication strategies for internal and external stakeholders to promote sustainable growth.
- Establish guidelines for managing sustainable change and fostering adaptability within the organisation.
- Introduce and implement initiatives for cutting-edge technologies in alignment with LCI's sustainability agenda.
- Define broad parameters for enhancing product responsibility to ensure that the Company's products align with sustainable principles throughout their lifecycles.
- Prioritise sustainability goals and direct efforts towards areas that can yield significant and tangible results.

Monitoring and Reporting on Sustainability Efforts

The Corporate HSE&S department functions as an independent authority and custodian of the Environmental Performance Management (EPM) database. In accordance with the HSE&S Management System, all business units and sites are required to report data on parameters influencing LCI's Operational Eco-Efficiency (OEE) footprint. This data is subsequently shared with the Executive Management Team and the Sustainability Council for oversight and strategic decision-making.

Grievance Mechanisms

LCI provides accessible and confidential grievance mechanisms for employees, communities, and stakeholders to raise concerns without fear of retaliation. All grievances are investigated thoroughly, and remedial actions are taken to prevent recurrence.

Details of the grievance mechanisms are available on page 66 of this Report.

Commitment to Sustainable Growth

LCI is committed to continuously improving its sustainability performance through regular evaluations, risk assessments, and stakeholder feedback. These processes support informed strategic decisions, enabling the Company to proactively manage risks and promote resilient, responsible growth.

Strengthening ESG Awareness Among Governance Leaders

During the year in review, members of the Executive Management Team engaged in key industry forums to strengthen understanding of ESG priorities and emerging sustainability trends. The Chief Executive participated as a panellist at the Pakistan Chemical Expo 2025, speaking on the future of a sustainable chemical industry and highlighting sectoral opportunities. He also contributed to the 'Dialogue on the Economy' event, hosted by the Pakistan Business Council (PBC), where he shared insights on the role of import substitution in strengthening economic resilience. The CEO also attended CONEX 2025, a leading forum on human capital, held under the theme 'Powering the Next,' which explored the future of work, leadership, and DEIB (Diversity, Equity, Inclusion, and Belonging). These engagements ensure the governance body remains well-equipped to navigate complex ESG challenges and to drive sustained, long-term value for the Company.



The Company's Chief Executive at the Pakistan Chemical Expo 2025

Stakeholder Engagement

LCI recognises that its enduring success is built on the strength of open and transparent relationships established with its stakeholders. By valuing every perspective, the Company continues to move forward through shared understanding and collective trust.

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

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

Stakeholder Engagement

Key Initiatives FY 2024-25

At LCI, we uphold **Stakeholder Centricity** as a foundational principle. Across our diverse business units, we consistently prioritise our stakeholders, recognising that their engagement is not only important but essential to driving organisational success.

Soda Ash Business

- The business remained committed to creating value for the Khewra community and supported outreach and environmental initiatives. These included the inauguration of the first dedicated Ladies and Children Park in the area, developed in collaboration with local stakeholders to provide safe and inclusive recreational space for families.
- Demonstrating its long-term commitment to environmental stewardship, the business undertook extensive afforestation efforts, planting over 20,041 trees around its facility and across surrounding public spaces.
- In partnership with the Government Technical College, Pind Dadan Khan, the business launched the MANZIL Technical Skills Internship Programme. The initiative provides hands-on learning opportunities for students across Civil, Mechanical, Electrical, and Chemical disciplines, supporting the development of local technical talent.



The Soda Ash Business team planting trees in celebration of World Environment Day

Polyester Business

- The business deepened its focus on circularity through an MoU with Metro Pakistan Limited to initiate a PET bottle collection programme, aimed at strengthening post-consumer waste recovery and closed-loop recycling.
- Through its ongoing collaboration with the Aabroo Educational Welfare Organisation, the business is dedicated to its PET bottle deposit scheme. The collected PET waste is recycled by Aabroo, with the proceeds directed towards sponsoring education for children from marginalised backgrounds.
- As a core element of its sustainability strategy, the business advanced textile-to-textile recycling by integrating new raw material suppliers and deepening collaborations with global brands, reinforcing the competitive position of Terylene Retex.
- The business successfully executed the WWF Plastic Pollution Awareness Campaign, reaching over 6,500 students across 65 partner schools in 19 cities. Targeting children aged 6 to 14, the campaign promoted early environmental awareness and reinforced the business's commitment to community-level environmental stewardship.



LCI signs an MoU with Metro Pakistan Limited to reduce plastic waste and promote sustainable practices

Animal Health Business

- Reinforcing its commitment to sustainable livestock practices, the business conducted over 1,775 field gatherings and more than 100 technical seminars nationwide. These activities and events engaged over 18,000 farmers, veterinarians, and professionals to promote responsible veterinary care and product stewardship.
- To support the prevention and control of tick-borne diseases, a national awareness campaign was launched for farmers and veterinary professionals, focusing on effective parasite management and herd health.
- During the year in review, the business conducted nationwide seminars under its Biologicals and Organic Acids portfolios, promoting antibiotic-free poultry production to support safer, healthier, and more resilient production systems.



Launch event for LCI's 'Companion Animal Vaccine Portfolio' held in Lahore

Chemicals & Agri Sciences Business

- The Chemicals Business reinforced its industry presence through Platinum Sponsorships at the Pakistan Coating Show and Polyurethane Expo 2025, and participation in the 3P Pakistan Expo 2024.
- To promote a culture of health and safety, the business conducted extensive HSE&S training sessions at the Chemicals Technical Centre and customer sites, during the year. These sessions included practical demonstrations and comprehensive risk assessments.
- Demonstrating a strong focus on customer centricity, the Agri Sciences Business organised a four-day Business Partner conference in Doha, featuring product launches, comprehensive technical and HSE training, and facilitated open dialogue to support sustainable and customer-focused agricultural practices.
- Furthering its focus on customer-centric innovations, the Agri Sciences Business introduced a new corn seed variety tailored to customer needs, accompanied by dedicated training sessions on product performance and HSE protocols, reinforcing the business's commitment to safe and sustainable agricultural practices.



The Chemicals & Agri Sciences Business participated as a Platinum Sponsor at the Pakistan Coating Show 2025

Pharmaceuticals Business

- The business engaged healthcare professionals (HCPs) through scientific cascades, advocacy, and disease awareness campaigns across key therapy areas.
- Conducted numerous scientific symposia and roundtable meetings with key opinion leaders (KOLs) to discuss emerging treatment options along with evolving therapeutic landscapes.
- As part of its disease awareness efforts, the Pharmaceuticals Business partnered with Medical Microbiology and Infectious Diseases Society of Pakistan (MMIDSP) to launch a nationwide campaign "Secure the Cure - Say No to Counterfeit Antibiotics" during WHO's Antibiotic Awareness Week. Continuing these efforts, the oncology team led KOL-driven sessions during Breast Cancer Awareness Month, educating over 4,000 women on early detection and prevention.
- To further learning and improvement in the areas of HSE&S, the business organised virtual "Road Safety and Defensive Driving" sessions.



LCI signs an MoU with MMIDSP to collaborate on combating antimicrobial resistance

Membership of Associations

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

- Chamber of Commerce
- Pakistan Business Council (PBC)
- Pakistan Institute of Corporate Governance (PICG)
- Pakistan Agriculture Coalition (PAC)
- Overseas Investors Chamber of Commerce and Industry (OICCI)
- CropLife
- Pakistan Pharmaceutical Manufacturers' Association (PPMA)
- Pakistan Society for Training and Development (PSTD)
- Management Association of Pakistan (MAP)

Economic Performance

Aligned with its vision, values, and brand promise, LCI is committed to creating long-term economic value for its stakeholders through resilience, collaboration, and shared progress.

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

Material Topics Covered



Management Approach

Economic Performance

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

The overall responsibility of governing the organisation, along with driving economic performance, lies with the Board of Directors. Details on the functioning of the Board of Directors are available on page 64 of this Report.

Comprehensive information on the Company’s commercial performance and distribution of economic value for the year is available in the respective Business Performance, Directors’ Report, and financial statement sections of the Annual Report 2024-25.

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

Indirect Economic Impacts

LCI recognises the significance of its indirect economic contributions in advancing national development and strengthening community resilience. Through its operations, the Company supports local supply chains, builds workforce capabilities, and contributes to infrastructure development across its areas of presence. LCI’s procurement approach prioritises local sourcing, stimulating regional economies and encouraging entrepreneurship.

The Company also invests in vocational training and capacity-building initiatives that equip individuals with industry-relevant skills, fostering long-term employability and economic inclusion. These efforts align with national policy frameworks, the United Nations Sustainable Development Goals (SDGs), and internationally recognised human rights standards.

LCI’s community development initiatives, which include support for education, access to healthcare, and improvements to local infrastructure, contribute to the socio-economic development of marginalised communities. Guided by ongoing stakeholder engagement, these efforts aim to create shared value, build stronger communities, and promote inclusive and sustainable economic growth.

Sourcing and Procurement

Building shared value to achieve sustained growth requires LCI to maintain strong ties with its business partners. Its extensive supply chain network covers the supply chain managers of each of its businesses and their respective teams. To streamline procurement and handling practices, the Company’s supply chain teams actively seek and apply best practices to capitalise on opportunities for synergy.

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

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

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

— In line
with SPLY
Net Turnover
PKR 120,013 million

↑ 4%
vs SPLY
Operating Profit
PKR 17,920 million

↑ 4%
vs SPLY
Profit After Tax
PKR 11,638 million

↑ 4%
vs SPLY
Earnings Per Share
PKR 25.20

Business-wise Performance vs the SPLY

↓ 1%
Polyester

↓ 16%
Soda Ash

↑ 72%
Pharmaceuticals

— In line
Chemicals &
Agri Sciences

↓ 10%
Animal Health

Integrity Management

Key Performance Indicators

	Units	2020-21	2021-22	2022-23	2023-24	2024-25	Target 2025-26
Code of Conduct confirmed incidents	Number	0	0	1	4	8	0
Code of Conduct acceptance	% Employees	100	100	100	100	100	100
Management audits (Including reassurance audits)	Number	6	6	6	6	6	6
Serious incidents - Level 3	Number	0	0	0	0	0	0
Serious incidents - Level 1, 2	Number	4	3	6	4	1	0
Serious loss of containment - Cat D	Number	0	0	0	0	0	0
Regulatory action - Level 3	Number	0	0	0	0	0	0

Overview 2024-25

At LCI, the Code of Conduct serves as a cornerstone of the Company's ongoing commitment to ethical business practices. As part of the onboarding process, all new employees are provided with the Code of Conduct and are required to formally acknowledge their understanding and acceptance of its principles. This declaration of compliance is submitted through the Company's digital HR platform, SuccessFactors, reinforcing a culture of integrity from the commencement of their employment.

During the reporting period, eight instances of Code of Conduct violations were recorded. Each case was addressed in accordance with internal protocols, reflecting the Company's zero-tolerance stance on misconduct. To further reinforce its ethical standards, LCI regularly conducts refresher sessions on the Code of Conduct, aimed at promoting consistent awareness of the

Company's values and cultivating a respectful and accountable work environment.

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

Details on Occupational Health and Safety KPIs are available on page 145 of this Report.

Sourcing and Procurement

Key Performance Indicators

	Units	2020-21	2021-22	2022-23	2023-24	2024-25	Target 2025-26
Vendor policy signed by key suppliers	%	96	96	100	100	100%	98
Vendor policy signed by Central NPR suppliers*	%	84	92	100	100	100%	95
Supportive supplier visits	Number	240	436	341	250	490	500

Overview 2024-25

During the year under review, LCI maintained strong collaboration with its supply chain partners to ensure operational continuity, drive sustainable practices, and support supplier performance enhancements. Reflecting the momentum of business expansion, the number of supportive supplier visits increased significantly by 96%, underscoring LCI's commitment to proactive engagement and capability building across its supplier network.

Aligned with its principles of responsible sourcing, LCI also strengthened its Vendor Policy to explicitly incorporate social impact and human rights considerations. The revised policy outlines expectations in key areas including labour practices, workplace safety, environmental compliance, and ethical business conduct.

Throughout the reporting period, the Supply Chain function engaged with all suppliers to communicate the updated requirements and secure formal endorsement. As a result, 100% of suppliers confirmed their alignment with the revised policy, reinforcing LCI's values of transparency, accountability, and shared responsibility.

Looking ahead, the Company remains committed to continuous improvement and will continue to work closely with supply chain partners to enhance compliance, build resilience, and foster positive social and environmental outcomes across the value chain.

Spend Analysis

LCI's diversified product portfolio includes light, dense soda ash, Refined Sodium Bicarbonate (RSB), Polyester Staple Fibre (PSF), and a comprehensive range of General and Specialty Chemicals, Pharmaceuticals, Nutraceuticals, Animal Health, and Agricultural products. The scale and complexity of this portfolio requires a highly intricate supply chain network, engaging a wide spectrum of suppliers across both domestic and international markets.

The Company upholds transparent and constructive relationships with its suppliers, with a focus on creating long-term value through collaboration and alignment of objectives. This approach not only enhances procurement but also creates significant value beyond transactional benefits. A summary of procurement expenditures made by each business is as follows:

Business	Spend (PKR million)			% of Total Spend	
	Local	Import	Total	Local	Import
Polyester	2,466	8,276	10,742	23%	77%
Soda Ash	8,423	16,565	24,988	34%	66%
Animal Health	762	3,128	3,835	20%	80%
Pharmaceuticals	8,424	4,872	13,296	63%	37%
Chemicals & Agri Sciences	25,389	7,590	32,979	77%	23%

Key Initiatives FY 2024-25

Cost Optimisation and Efficiency

Cost efficiency continued to be a strategic focus across all business functions. The Animal Health Business delivered savings of PKR 15 million in imported raw material procurement, despite persistent challenges in the global Active Pharmaceutical Ingredients (API) market. Price volatility in critical APIs, including Doxycycline, Lincomycin, and essential vitamins, driven by high domestic demand in China, created a complex sourcing environment. Through proactive procurement planning and strategic sourcing measures, the business ensured uninterrupted supply at optimised costs.

Further efforts were made through strategic negotiations in warehousing and logistics, resulting in a 7% reduction in rental expenditures and a 5% decrease in transport costs relative to contractual benchmarks. These initiatives, combined with disciplined inventory management, contributed to a 10% reduction in overall budget consumption, while maintaining a high service standard with 97% On-Time In-Full (OTIF) delivery and only 1% excess stock availability.

Transportation

The diverse nature of the Company's portfolio requires varied transportation for inbound and outbound materials. To reduce the resulting carbon footprint, special efforts were made to transport materials through railways in bulk where possible.

This year, the Animal Health Business onboarded four new transport vendors, with a particular focus on the Vanda business, leading to a marked improvement in raw material On-Time In-Full (OTIF) delivery, from 76% to 93%. In parallel, the Polyester Business utilised Pakistan Railways to transition a portion of its bulk cargo transport, achieving both lower emissions and greater cost efficiency.

Moreover, by aligning logistics practices, various business units consolidated shipments from shared sources, resulting in streamlined operations and a reduction in the Company's carbon footprint.

Sustainability and Responsible Sourcing

LCI continued to embed sustainability across its sourcing and procurement functions through responsible material selection, supplier due diligence, and digital optimisation. This year, the Polyester Business further scaled the use of recycled PET flakes in production, reinforcing its commitment to circular economy principles. This effort was further supported by the ongoing PET bottle deposit initiative with Aabroo Educational Welfare Organisation, through which the collected waste is recycled and proceeds are directed towards supporting the education of children from marginalised communities, linking environmental responsibility with social impact. Throughout the year, supplier compliance with ethical standards, particularly regarding the Company's anti-child labour policy, was actively monitored through regular audits and on-site evaluations.

During FY 2024-25, the Animal Health Business strengthened its procurement resilience through onboarding 13 new suppliers and submitting 41 samples for evaluation, enhancing both quality assurance and continuity of supply. Meanwhile, the Chemicals & Agri Sciences Business advanced digital capabilities through the deployment of Go Comet for real-time shipment tracking and Global Wits for access to global trade intelligence.

Process improvements remained a priority across procurement functions. A centralised documentation repository was introduced to streamline access to certificates of analysis, safety data sheets, and technical data sheets. Online vendor evaluations and integration of RFQ tracking within SAP enabled improved transparency, trend monitoring, and data-driven decision-making.

Environmental Performance

LCI remains committed to environmental stewardship as an integral part of its long-term vision. The Company actively pursues responsible practices to minimise environmental impacts of its operations and preserve natural resources for a more sustainable future.

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

Material Topics Covered



Management Approach

Environmental Performance

In line with its HSE&S principles, the Company remains committed to maintaining the highest standards of health and safety while ensuring the protection and preservation of the environment. Environmental performance is overseen by individual business units and functions, operating under the strategic direction and governance of the corporate HSE function. This central function ensures consistent implementation of policies, systems, and regulatory compliance across all areas of the organisation. Each business unit maintains a dedicated HSE&S team to manage site-specific environmental matters, with shared accountability embedded across all organisational levels.

The Company's environmental approach is underpinned by the HSE&S Policy, which was most recently reviewed and reissued in June 2024 by the Sustainability Council. The HSE&S Management System, applicable to all sites, operations, and personnel, aligns with globally recognised standards, including ISO 14001, ISO 45001, and the Responsible Care Management System. This framework facilitates the systematic identification, monitoring, and mitigation of environmental risks across the value chain.

Performance data is centrally captured through the Environmental Performance Management (EPM) database, which consolidates HSE&S metrics from across all business units. The data is analysed to evaluate operational eco-efficiency (OEE), track progress against sustainability benchmarks, and inform future goal setting. Internal performance reviews are conducted quarterly,

while external disclosures are published on an annual basis. All key performance indicators (KPIs) are calculated in line with the HSE&S Management System and encompass the full scope of the Company's operations.

During the reporting period FY 2024-25, the Sustainability Council evaluated the potential adoption of Science Based Targets (SBTs) to align the Company's climate ambitions with internationally recognised best practices. However, the Science Based Targets initiative (SBTi) has yet to finalise sector-specific guidance for the chemical industry, therefore, the full adoption of SBTs is currently not feasible. The Council remains committed to the SBTi framework and will re-evaluate its adoption upon the release of tailored guidance for the chemical sector.

Emissions and Energy

Each of the Company's five diverse businesses is equipped with robust systems for monitoring environmental performance and tracking carbon footprint. The systems utilise internationally recognised standards such as the Intergovernmental Panel on Climate Change (IPCC) and Greenhouse Gas (GHG) Protocol, to calculate Scope 1 and Scope 2 emissions, including CO₂, CH₄, N₂O and SF₆. There are no biogenic CO₂ emissions, as LCI does not use biomass. Regular reviews and close collaboration with business units drive continuous improvement, promoting a culture of innovation and environmental responsibility. No chemical classified as an ozone-depleting substance (ODS) is listed in LCI's Chemical Substance Inventory.



Water and Effluents

LCI recognises water as a shared and finite resource, essential to both environmental sustainability and community well-being. The Company assesses water-related risks at each operational site, taking into consideration local water availability and levels of water stress. A comprehensive water management approach is employed, incorporating water usage audits, risk assessments, and proactive engagement with key stakeholders, including suppliers, customers, and local communities, to advance sustainable water practices across the value chain.

Responsible water stewardship remains a key focus for the Company. Water sources include surface water, groundwater, and brackish water, utilised for a range of operational purposes such as cooling, steam generation, housekeeping, and the preparation of brine solutions. To minimise environmental impact, all operational sites implement efficient water treatment systems, recycling initiatives, and routine compliance testing in line with the Pakistan Environmental Quality Standards (PEQS).

In anticipation of unforeseen disruptions, LCI's water treatment infrastructure is equipped with multiple backup units to ensure operational continuity and to prevent adverse effects on surrounding communities and receiving water bodies.

Wastewater streams are routinely monitored and treated for key parameters, including Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD), temperature, pH, total dissolved solids (TDS), total suspended solids (TSS), oil and grease, and other metrics as prescribed by environmental authorities. All the treated effluent (>1000 PPM) is discharged exclusively into municipal systems as per PEQS requirements. No incidents of non-compliance with discharge limits were recorded during the reporting period.

Aligned with its broader sustainability objectives and public policy commitments, LCI promotes the responsible use of water and supports local communities by providing access to water where needed. The Company also sets annual water-related goals and targets, with regular monitoring and reporting to identify opportunities for improvement and drive continual progress in water stewardship.

Waste Management

Waste minimisation is a core component of LCI's environmental strategy. The Company identifies and categorises waste streams generated across all operations, including those from engineering, warehousing, canteens, office spaces, and chemical processes. Comprehensive data collection and analysis support the identification of reduction opportunities, inform priority-setting, and enable evaluation of performance against established key performance indicators (KPIs).

LCI's waste management practices are anchored in the 4R principle: Refuse, Reduce, Reuse, Recycle. Recyclable materials are processed accordingly, while non-recyclable waste is securely stored and responsibly disposed of through authorised and vetted vendors. All procedures are governed by strict internal Standard Operating Procedures (SOPs) and aligned with ISO 14001 standards. Regular audits and targeted training initiatives ensure adherence to regulatory requirements and drive continuous improvement.

The Company has assessed risks and opportunities associated with waste generation at its sites. Identified risks include potential contamination of soil, water, and air, as well as occupational health concerns and the environmental impact of plastic pollution. Conversely, key opportunities lie in the recycling and repurposing of waste to create positive environmental and social value. In this regard, LCI is actively partnering with non-governmental organisations (NGOs) to explore and implement community-benefiting recycling initiatives.

To mitigate potential impacts, LCI conducts regular environmental audits, undertakes detailed risk assessments, and provides ongoing training to personnel. Waste segregation, containment, and disposal procedures are continually reviewed and enhanced to uphold environmental integrity and ensure full compliance with applicable regulations.

Product Stewardship

As part of its commitment to responsible innovation and sustainability, LCI continues to assess and enhance the environmental performance of its product portfolio across the value chain.

Key Initiatives FY 2024-25

Advancing Circularity Through Life Cycle Assessment

Demonstrating a strong commitment to circularity and environmental transparency, the Company conducted a formal Life Cycle Assessment (LCA) to compare the environmental impact of virgin and recycled polyester staple fibre. As one of the first in Pakistan to undertake this evaluation, the assessment confirmed that recycled fibre significantly reduces carbon emissions. The findings underscore the Company's focus on sustainable product development and evidence-based decision-making across the value chain.

Building Capabilities Through Product Trainings

To promote responsible product use and enhance field-level impact, the Livestock segment conducted structured training programmes for its sales teams across all functional groups. These sessions emphasised on addressing key livestock health challenges, while reinforcing the sustainable application of the Company's veterinary portfolio.

In collaboration with international partners, the trainings incorporated global best practices, advanced formulations, and practical insights tailored to local conditions. By strengthening technical capabilities and promoting informed engagement with customers, these efforts reflect the Company's commitment to product stewardship and sustainability in the agricultural sector.



The Animal Health Business's Livestock segment conducted training in Karachi on responsible antibiotic use and worm prevention



Energy

Key Performance Indicators

Energy Consumption	Units	2020-21	2021-22	2022-23	2023-24	2024-25	Target 2025-26
Total energy consumption*	1000Tj	7.92	8.30	9.66	10.13	9.27	10.1
Per tonne production	GJ/te	13.03	11.98	13.20	14.02	15.90	11.61

*This is excluding renewable energy

- For the FY 2024-25, the energy generated from the renewable source is 15.0 TJ, purchased energy is 154 TJ and 9,123 TJ is non-renewable.
- For the FY 2024-25, the renewable energy intensity is 0.026 GJ per tonne of product, the purchased energy intensity is 0.264 GJ per tonne of product, and for non-renewable energy intensity is 15.640 GJ per tonne of product.

Overview

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

During FY 2024-25, the Company generated 15,000 gigajoules of energy from solar power through projects implemented at all operational sites, marking significant progress in its renewable energy transition. During the year, absolute energy consumption declined by 8.3% compared to the previous year, primarily

due to lower production volumes amid challenging economic conditions. However, energy intensity increased in the Soda Ash, Pharmaceuticals, and Animal Health Businesses, as prolonged underutilisation of capacity, driven by subdued market demand, adversely affected operational efficiency.

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

Key Initiatives FY 2024-25

Steam Saving through Equipment Modernisation

As part of its commitment to continuous improvement and operational excellence, LCI successfully implemented a steam-saving initiative by upgrading the Plate Heat Exchanger at the Process Condensate Distiller. This modification enhanced thermal efficiency by maximising heat transfer potential, thereby significantly reducing steam consumption during the distillation process.

The project has led to an estimated annual reduction of approximately 2,000 tonnes of coal consumption, resulting in a decrease of nearly 5,000 tonnes of CO₂ emissions. This outcome highlights the impact of internally driven innovation in supporting the Company's sustainable operations and energy optimisation goals.

Reduction in Steam Usage at Dense Ash Manufacturing Plant

Aligned with its energy efficiency targets and sustainable manufacturing commitments, LCI completed a system upgrade at Dense Ash Plant 3 through the installation of optimally designed steam traps. The new design effectively prevents steam losses that occurred under the previous setup, improving thermal performance and reducing overall steam usage.

The initiative has lowered steam consumption by approximately 0.03 tonnes per tonne of dense ash produced, translating into an estimated annual reduction of 2,000 tonnes of CO₂ emissions. The project has contributed to improved resource efficiency and a reduction in operational costs, in line with the Company's overarching sustainability objectives.

Optimised Operation of HVAC System

A targeted energy efficiency project was undertaken at the Pharmaceuticals Business's manufacturing facility to improve the performance of the HVAC system in the Production Primary Area. By reducing the number of air changes per hour (ACH) through system modifications, the initiative successfully improved energy use without compromising operational standards.

The project is projected to reduce CO₂ emissions by approximately 189.5 tonnes annually, marking a meaningful step toward lowering the Company's carbon footprint and supporting LCI's ongoing efforts to enhance environmental performance.



Sustainability Highlight

Powering Progress with Solar Energy

LCI is committed to implementing energy conservation projects to reduce its environmental impact. This sustainability highlight demonstrates the Company's commitment to innovation and responsible practices for energy efficiency.

In alignment with its sustainability agenda and core values of innovation and customer centricity, LCI has prioritised initiatives aimed at optimising energy use and advancing a low carbon future. Throughout FY 2024-25, the Company made substantial progress in expanding its renewable energy capacity, reinforcing its commitment to reducing environmental impact across operations.

The Company's installed solar capacity has reached approximately 4,000 kilowatts, reflecting steady progress in its renewable energy transition. The largest of these investments is a 2,000 kW solar power system at the Polyester site in Shekhupura, supported by additional installations at the Bela Pumping Station under the Soda Ash Business and across several pharmaceutical manufacturing facilities. Collectively,

these projects generated around 15,000 gigajoules of clean energy during the year, leading to a reduction of more than 2,385 tonnes of CO₂ emissions.

As part of this progress, the Polyester Business commissioned a dedicated 1MW Solar Power System in October, 2024, which has generated 988,737 kilowatt hours of clean energy to date. This initiative alone has reduced 694,559 kilograms of CO₂ emissions, an impact equivalent to planting approximately 30,000 mature trees.

By embedding renewable energy across its operations, LCI continues to enhance energy efficiency, support national climate goals, and demonstrate leadership in sustainable business practices.



Emissions

Key Performance Indicators

Emissions Control	Units	2020-21	2021-22	2022-23	2023-24	2024-25	Target 2025-26
Total COD emissions	te	28.73	40.71	38.06	37.01	48.76	29
Per tonne production	kg/te	0.05	0.06	0.05	0.05	0.08	0.03
Total VOC emissions	te	3.04	2.8	3.02	2.56	2.6	3.2
Per tonne production	kg/te	0.01	0.01	0.01	0.01	0.01	0.004
Total NOx emissions	te	2,612	2,787	3,268	3,574	3,322	3,531
Per tonne production	kg/te	4.29	4.02	4.51	4.95	5.69	4.05
Total SOx emissions	te	3,768	3,987	4274	4583	4,309	4,715
Per tonne production	kg/te	6.19	5.75	5.9	6.34	7.39	5.4
Total direct CO ₂ emissions (Scope 1)	te	831,381	884,038	1,036,297	1,114,986	1,007,574	1,103,095
Per tonne production	kg/te	1,366	1,276	1,431	1,543	1,727	1,263
Total indirect CO ₂ emissions (Scope 2)	te	1,823	2,452	3,491	3,350	4,089	2,229
Per tonne production	kg/te	3	3.54	4.82	4.64	7.01	2.55

Overview

In the FY 2024-25, the Sustainability Council maintained a strong focus on the monitoring and management of emission indicators through the EPM database. These efforts ensured full compliance with the National Environmental Quality Standards (NEQS) and alignment with applicable international benchmarks. All reported emissions remained well within the prescribed regulatory limits.

Over the reporting period, the Company achieved a 10% reduction in absolute emissions compared to the SPLY. However, emissions intensity recorded an increase, primarily due to subdued demand from downstream industries,

which led to lower and inconsistent production volumes and consequently impacted the emissions index.

Scope 2 emissions rose during the year, driven by the commissioning of a Circulating Fluidised Bed Boiler at the Soda Ash facility and increased production activity in the Pharmaceuticals Business.

To address these challenges and support its long-term decarbonisation objectives, the Company is advancing a range of control measures, including improvements in energy efficiency, process optimisation initiatives, and the continued expansion of on-site solar power generation.

Key Initiatives FY 2024-25

Khewra Ladies and Children Park

As part of its ongoing efforts to uplift surrounding communities, LCI constructed the first-ever Ladies and Children Park in Khewra during FY 2024-25. Designed to offer a safe and accessible recreational space for women and children in this remote area, the park features essential amenities such as lighting, carpet grass, outdoor seating decks, low-impact exercise stations, a walking track, and swings for children.

This initiative marks a meaningful addition to the local infrastructure, creating opportunities for leisure and physical activity while enhancing the overall quality of life. By encouraging walkability and outdoor activity in a purpose-built green space, the park helps reduce reliance on vehicle-based recreation. Additionally, the park’s green spaces contribute to reducing carbon emissions by naturally absorbing CO₂. Through this community-focused effort, LCI continues to

extend its vision of sustainability beyond environmental goals, reinforcing its role as a responsible corporate citizen.



The first-ever Ladies and Children Park, Khewra

Sustainability Highlight

Growing Green for the Next Generation

As part of its Catalyst 2030 - Climate Action Plan, LCI has taken thoughtful steps to incorporate nature-based solutions to help offset its carbon footprint. This sustainability highlight reflects the Company's commitment to environmental stewardship through targeted tree plantation initiatives.

Launched in 2021 at LCI's Soda Ash manufacturing site in Khewra, Project Green Storm began as an internal initiative to restore and revitalise the natural environment within the facility's boundaries. Rooted in LCI's commitment to environmental stewardship, the project was soon expanded to include neighbouring communities, recognising that true environmental progress must extend beyond operational limits to create meaningful, lasting change.

Since its inception, the initiative has led to the plantation of over 97,000 trees, with an impressive 94% survival rate, a reflection of meticulous planning, ongoing maintenance, and strong community engagement. By extending plantation activities to nearby areas, Project Green Storm has evolved into a collaborative effort that brings together the Company and local stakeholders in pursuit of shared environmental goals.

A key development under this initiative during the reporting period was the establishment of Hill Park, a dedicated green space within the Khewra site designed to promote employee well-being while advancing environmental goals. The Park features a diverse range of indigenous and fruit-bearing trees, carefully selected for their ecological value and carbon sequestration potential. Landscaped walking trails, a water fountain, and a naturalistic waterfall further contribute to microclimate regulation and ecosystem enrichment.

The success of Project Green storm reinforces LCI's belief that sustainable development and corporate responsibility must go hand in hand, paving the way for a greener, healthier future for generations to come.



Water and Effluents

Key Performance Indicators

Water Usage	Units	2020-21	2021-22	2022-23	2023-24	2024-25	Target 2025-26
Total fresh water use	million m3	5.1	5.6	6.31	6.56	6.44	7.38
Per tonne production	kg/te	8.3	8.2	8.72	9.07	11.03	8.47
% of site with sustainable fresh water	%	66%	66%	66%	83%	83%	75%

Water Discharge and Consumption FY 2024-25

Water Withdrawal in m3	Soda Ash	Chemicals & Agri Sciences	Pharma-ceuticals	Polyester	Animal Health	Total Water Consump-tion
Water withdrawal by source						
Surface water (total)	1,153,718	-	-	-	-	1,153,718
Freshwater (≤1,000 mg/L TDS)	667,839	-	-	-	-	667,839
Other water (>1,000 mg/L TDS)	485,879	-	-	-	-	485,879
Groundwater (total)	7,204,807	-	3,916	1,235,583	2,750	8,447,056
Freshwater (≤1,000 mg/L TDS)	4,428,748	-	3,916	1,235,583	2,750	5,670,997
Other water (>1,000 mg/L TDS)	2,776,059	-	-	-	-	2,776,059
Produced water (total)	-	-	-	30,220	-	30,220
Freshwater (≤1,000 mg/L TDS)	-	-	-	-	-	-
Other water (>1,000 mg/L TDS)	-	-	-	30,220	-	30,220
Third party water (total)	-	24,984	74,110	-	-	99,094
Freshwater (≤1,000 mg/L TDS)	-	24,984	74,110	-	-	99,094
Other water (>1,000 mg/L TDS)	-	-	-	-	-	-
Total water withdrawal	8,358,525	24,984	78,026	1,265,803	2,750	9,730,088
Water discharge in m3						
Water discharge by destination						
Surface water	0	2,520	36,716	983,125		1,022,361
Groundwater	0					-
Seawater	0					-
Third-party water	0				252	252
Total water discharge	-	2,520	36,716	983,125	252	1,022,613
Water consumption in m3						
Total water consumption	8,358,525	22,464	41,310	282,678	2,498	8,707,475

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

Overview:

In FY 2024-25, LCI recorded a slight reduction in absolute water consumption compared to the SPLY. However, the water intensity index experienced an upward trend. This increase was primarily due to operational fluctuations stemming from subdued demand across downstream industries. These shifts led to lower and inconsistent production volumes, adversely impacting water use efficiency and resulting in a higher volume of water consumed per unit of output.

In response, cross-functional teams actively monitored consumption patterns and conducted detailed assessments to identify operational inefficiencies. Targeted corrective actions were implemented to reduce water wastage and optimise usage. This collaborative, data-driven approach enabled timely interventions and underscored the Company's ongoing commitment to responsible water stewardship and continuous operational improvement.

Key Initiatives FY 2024-25

Installation of Water-Conserving Faucet Heads

During the year, the Pharmaceuticals Business reinforced its commitment to sustainable water stewardship by implementing targeted measures to reduce freshwater consumption, and minimise environmental impact of water discharge, and promote responsible water management across the value chain.

One key initiative undertaken during the year focused on reducing potable freshwater consumption, reinforcing the Company's commitment to resource efficiency and environmental responsibility. Conventional faucet heads, particularly in ablution areas, previously consumed approximately 4,500 litres of freshwater daily. To address this, water-efficient faucet heads were installed, lowering daily water usage from 1,250 litres to 450 litres. This initiative resulted in an annual saving of approximately 1.2 million litres of water and reduced operational costs by over PKR 500,000.



Sustainability Highlight

From Waste to Resource

In line with its core values of Integrity and Responsibility, LCI continues to advance its commitment to environmental protection through tailored water stewardship initiatives. This sustainability highlight reflects the Company's efforts to enhance water recovery and promote circular resource use within its operations.

As part of its proactive approach, the Company actively identifies, monitors, and, where feasible, treats and reuses recovered water to reduce reliance on freshwater sources. During the year in review, a dedicated wastewater settling system was successfully designed, constructed, and commissioned to recover water from kiln gas washers. This system enables the recovery of approximately 600,000 gallons of water per day, which is redirected for use in the brine manufacturing process.

By significantly lowering dependence on fresh water sources, this initiative not only minimises the Company's environmental footprint but also exemplifies the integration of resource efficiency into core industrial operations.

The use of advanced treatment technologies, implemented in strict adherence to local and international environmental standards, further underscores the Company's commitment to sustainable operations and responsible water management.



Waste

Key Performance Indicators

Waste Management	Units	2020-21	2021-22	2022-23	2023-24	2024-25	Target 2025-26
Total waste	kte	101.7	66.8	69.8	60.15	43.74	84.998
Per tonne production	kg/te	167	96.4	96.5	83.25	74.99	97.39
Total hazardous waste	kte	0.095	0.152	0.072	0.105	0.469	0.117
Per tonne production	kg/te	0.16	0.02	0.1	0.14	0.8	0.0134
Total non-reusable waste	kte	0.285	0.255	0.189	0.189	0.94	0.219
Per tonne production	kg/te	0.46	0.36	0.26	0.26	1.61	0.25
Total non-reusable hazardous waste	kte	0.095	0.152	0.072	0.105	0.469	0.117
Per tonne production	kg/te	0.16	0.22	0.1	0.14	0.8	0.134
Total hazardous waste to landfill	kte	0	0	0	0	0	0
Per tonne production	Kg/te	0	0	0	0	0	0

Waste by Composition (Unit: Metric Tonnes)

	Total waste generated	Waste diverted from disposal	Waste directed to disposal
Process Waste	316.54	-	316.54
General Plant Scrap	3,195.00	1,050.64	2,144.36
Fly Ash	39,955.71	39,955.71	-
Paper Waste	315.69	310.87	4.82
Waste for Incineration	33.29	-	33.29
Total	43,816.23	41,317.22	2,499.01

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

	Onsite	Off Site	Total
Non-Hazardous Waste			
Preparation for reuse	5.65	-	5.65
Recycling	3.42	41,243.05	41,246.47
Other recovery operations	-	-	-
Total	9.07	41,243.05	41,252.12
Hazardous Waste			
Preparation for reuse	-	-	-
Recycling	-	65.10	65.10
Other recovery operations	-	-	-
Total	-	65.10	65.10
Total Waste Diverted from Disposal	9.07	41,308.15	41,317.22

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

	Onsite	Off Site	Total
Non-Hazardous Waste			
Incineration (with energy recovery)	-	-	-
Incineration (without energy recovery)	-	-	-
Landfilling	1.19	-	1.19
Other disposal operations	-	2,153.15	2,153.15
Total	1.19	2,153.15	2,154.34
Hazardous Waste			
Incineration (with energy recovery)	-	328.87	328.87
Incineration (without energy recovery)	-	15.80	15.80
Landfilling	-	-	-
Other disposal operations	-	-	-
Total	-	344.67	344.67
Total Waste Directed to Disposal	1.19	2,497.82	2,499.01

Overview

During the year in review, LCI recorded a significant 27% reduction in total waste generation compared to the previous year. However, there was an increase in waste intensity indicators, primarily attributable to lower production volumes in the Soda Ash and Polyester Businesses.

Guided by the 4R philosophy, Refuse, Reduce, Reuse, Recycle, the Company recognises that the first step toward effective waste minimisation is avoiding unnecessary consumption. In alignment

with this principle, the Company has eliminated the use of single-use PET water bottles across all its office locations as part of its Catalyst 2030 - Climate Action Plan.

To reinforce this initiative, communication campaigns and sustainability challenges encouraged employees to replace single use bottles with reusable alternatives. These efforts have contributed to cultivating a culture of environmental responsibility across the organisation.

Key Initiatives FY 2024-25

Leading the Way in Zero Discharge and Quality Improvement

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

A Cleaner Tomorrow

To commemorate World Clean Up Day, employee volunteers from LCI's Animal Health Business organised a clean-up activity in surrounding areas of its plant in Lahore. Employees from all levels of management participated actively, collecting 30 kilograms of waste, which was later sent for recycling. This initiative reflects the Company's commitment to environmental stewardship and highlights the power of employee-led action in driving meaningful change within local communities.



The Animal Health Business team celebrating World Cleanup Day 2024

Sustainability Highlight

Building Circular Communities

As responsible stewards, the Company actively works to raise awareness on environmental issues amongst its employees and other stakeholders. This highlight showcases the Company's initiatives in the area of waste management.

At LCI we remain committed to operating our businesses in a manner that minimises the environmental impact of our manufacturing activities. This includes optimising raw material usage, reducing waste generation, and promoting circularity across the value chain.

As part of this ongoing commitment, the Company partnered with Metro Pakistan Limited to expand its PET bottle deposit scheme, engaging consumers directly in responsible plastic disposal. Formalised through a Memorandum of Understanding (MoU), this partnership introduced a consumer-facing recycling model aimed at raising awareness about plastic pollution and encouraging positive behavioural change. By involving households, the initiative extends the Company's sustainability efforts beyond industrial boundaries and into the wider community.

Furthermore, the Polyester Business joined hands with the Planning and Development Division of the Punjab Government and the Aabroo Foundation under the province's Zero Waste Initiative. This partnership enabled the collection and recycling of waste from government offices, with proceeds directed towards supporting the education and welfare of underprivileged children. To further reinforce the Company's commitment to shared value and inclusive environmental progress, plans are underway to expand the model across additional government offices.

Together, these initiatives reflect LCI's holistic approach to sustainability, one that leverages strategic partnerships to drive collective action, empower communities, and enable a more circular, equitable future.



Social Performance

As a leading organisation, LCI is committed to creating meaningful social impact through inclusive initiatives and enduring community partnerships. The Company strives to uplift lives, empower people, and contribute to long-term, shared progress.

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

Material Topics Covered



Management Approach

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

Data Relating to Employees

The Company considers its 2,500+ employees as one of the key stakeholders that is responsible for the success of both the organisation and the magnitude of its positive impacts on other stakeholders and the environment. The HR function oversees the Company’s people agenda and all related policies and practices are governed by LCI’s Code of Conduct, applicable laws, and regulations. Depending on the nature of the initiative, approvals relating to the Company’s people agenda are sought either from the Company’s Board of Directors or the EMT.

LCI adheres to a holistic grievance mechanism to support ethical and fair social performance. The Company’s whistleblowing policy, Speak Up, is open to all employees for the confidential reporting of Code of Conduct violations. Details on the Code of Conduct are available on page 13 of this Report.

Goals and targets of related disclosures undergo thorough annual review, resulting in the identification of medium and long-term objectives. The HR function facilitates the dissemination of these

goals at an individual level, and their delivery becomes part of the Company’s Performance and Development System. Training needs, individual development plans, and overall effectiveness of social performance are gauged through LCI’s annual performance appraisal tool, P&DD, or employee engagement survey.

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

Where possible, the Company hires Senior Management (G37 and above) from the local community. During the year, Senior management hired from Karachi, Lahore, Sheikhpura, Khewra was 100%, 0%, 0%, and 0%, respectively.

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

Occupational Health and Safety

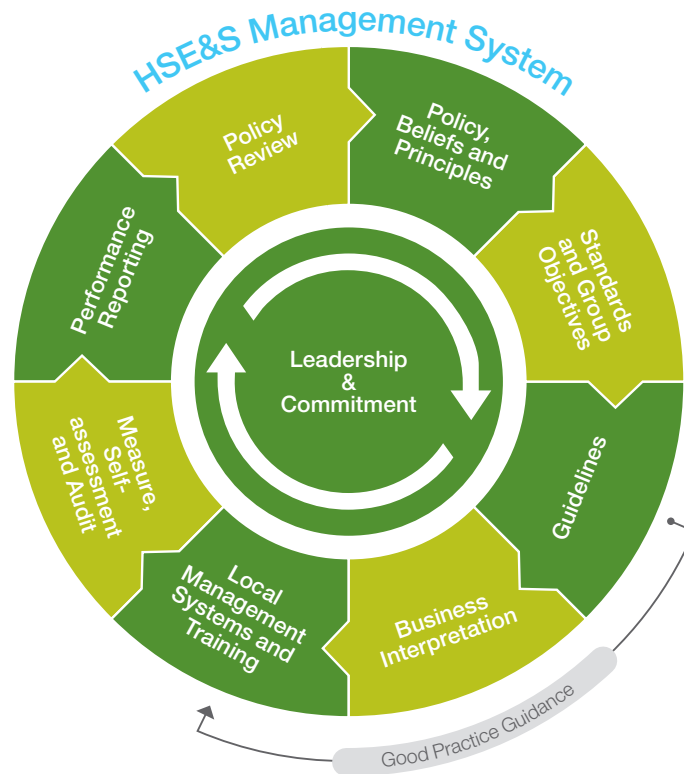
LCI remains steadfast in its commitment to ensuring a safe, healthy, and secure work environment for all employees, contractors, and visitors. The Company’s approach to Occupational Health and Safety (OHS) is guided by its integrated Health, Safety, Environment, and Security (HSE&S) Management System, which is consistently applied across all business segments, functions, and operational sites.

This system is aligned with internationally recognised frameworks, including ISO 45001, ISO 14001, ILO OHS 2001, and the Responsible Care Management System. It is designed to proactively mitigate risks related to personnel, products, and process safety, and reinforces LCI's commitment to continuous improvement and responsible business practices. The HSE&S Management System is structured around six foundational pillars:

- Managing Improvement
- Employee and Contractor Health, Safety, and Security

- Product Stewardship (including Distribution)
- Community Awareness and Emergency Response
- Process and Equipment HSE&S
- Environmental Protection and Pollution Prevention

Implementation of the system is supported by a comprehensive manual comprising 21 Corporate HSE&S Standards and 79 Guidelines. These documents serve as the foundation for business-specific procedures and performance monitoring, ensuring alignment with both corporate expectations and regulatory requirements.



With a strong focus on continuous improvement, all business units prioritise occupational health and safety performance through leadership accountability, employee engagement, and adherence to the highest professional standards.

Hazard Identification and Risk Assessment

To uphold the safety of construction, commissioning, and operational activities at its manufacturing sites, LCI has institutionalised a multi-tiered hazard identification and risk assessment framework. This includes six layers of structured hazard studies that assess HSE&S implications throughout the project lifecycle. Risk assessments are conducted through:

- Job Safety Analysis (JSAs) and Hazard and Operability Studies (HAZOPs) for operational tasks
- Pre-startup safety reviews for new or modified processes

- Routine inspections, audits, and walkthroughs conducted by trained HSE personnel

The Company systematically applies the hierarchy of controls: elimination, substitution, engineering controls, administrative controls, and Personal Protective Equipment (PPE), to address identified risks and ensure comprehensive mitigation.

Ensuring Quality and Competency

Risk assessments are undertaken by qualified personnel who receive regular training and are subject to competency evaluations through internal audits, refresher programmes, and independent third-party assessments. The Corporate HSE function oversees the standardisation, governance, and continuous improvement of these processes across all sites.



Continuous Improvement

Insights gained from risk assessments are used to update operational procedures, revise training content, and introduce necessary engineering controls. Lessons learned are integrated into the occupational health and safety framework, enhancing its resilience and responsiveness.

HSE&S Incident Reporting Framework

LCI has established a transparent and easily accessible incident reporting mechanism through its Learning Event Database, encouraging all employees to raise concerns without any fear of reprisal. This strong reporting culture is reinforced across the organisation, enabling swift resolution and systemic improvements. All submissions are formally recorded and reviewed, serving as valuable inputs to strengthen safety systems. Moreover, behavioural safety discussions, daily toolbox talks, online communications, and focused workshops continuously serve to further reinforce awareness on all essential HSE&S priorities.

Empowering Employees

Aligned with its HSE&S Policy, LCI empowers all employees to withdraw from any work situation they believe presents a risk of injury or ill health. This right is clearly communicated during onboarding and reinforced through regular safety briefings. Supervisors are trained to respond appropriately, ensuring that corrective measures are implemented before work resumes.

Incident Investigation and System Improvement

All workplace incidents, including near misses, are thoroughly investigated using a root cause analysis methodology based on the '5 Whys' approach. The process includes:

- Immediate containment and reporting
- Hazard identification and risk reassessment
- Implementation of corrective and preventive actions, guided by the hierarchy of controls
- Documentation and dissemination of findings across relevant departments

Insights from investigations are utilised for procedural revisions, training updates, and ongoing improvement of the Company's HSE&S management system.

Occupational Health Services and Risk Management

Occupational health services are a key component of LCI's commitment to providing a safe and productive workplace. These services focus on the early identification, assessment, and management of health-related risks to ensure the well-being of employees across all operations.

Key functions include:

- Health Risk Assessments for job roles with exposure to chemicals, noise, vibration, or ergonomic stressors
- Medical Surveillance through pre-employment, periodic, and return-to-work assessments
- Workplace Hygiene Monitoring is carried out regularly for the assessments of air quality, noise levels, and other environmental factors in compliance with Occupational Exposure Limits (OELs)
- Emergency Medical Response through on-site medical teams and first-aid facilities

- Health Promotion Initiatives including wellness programmes, vaccination drives, and awareness campaigns
- Provision of medical facilities accessible to employees for both occupational and non-occupational health needs

Quality Assurance and Accessibility

To ensure quality and accessibility of occupational health services:

- All health professionals are certified and regularly trained, with competency periodically assessed
- The Health Assessment Performance Index (HAPI) monitors participation in medical assessments across business units
- The Hygiene Performance Index (HYPI) tracks compliance with exposure limits and the performance of engineering controls and evaluates the effectiveness of workplace hygiene controls
- Health records are maintained with strict confidentiality and are accessible to employees upon request
- Occupational health services are available at all major sites, supported by multilingual communication and clearly outlined employee rights

Continuous Improvement and Integration

Findings from health assessments and hygiene monitoring are used to update control measures, inform training content, and refine operational procedures. These insights contribute to the continual enhancement of LCI's occupational health and safety systems and ensure compliance with national regulations and global best practices. These efforts are supervised by the Corporate HSE&S function, with regular evaluations conducted through audits and performance reviews.

Process Safety

Process safety is a core element of LCI's Health, Safety, Environment, and Security (HSE&S) Management System, with a specific focus on preventing high-consequence events such as fires, explosions, and other catastrophic events. Unlike general occupational safety, which addresses day-to-day risks to individuals, process safety is concerned with the integrity of systems, processes, and equipment operating under high risk or complex conditions.

LCI applies a systematic, stage-gated approach to hazard identification and risk mitigation throughout the project life cycle. This includes the design-phase evaluations, operational reviews, and post-commissioning assessments to ensure that process related hazards are addressed through appropriate engineering and procedural controls.

Key mechanisms include Management of Change (MoC), which governs safe modifications to equipment and operations, and critical equipment integrity protocols that ensure sustained mechanical reliability. These are complemented by rigorous pre-startup safety reviews and formal documentation practices maintained within HSE&S dossiers.

Process safety performance is monitored through a combination of internal audits, third-party assessments, and data-driven evaluations. Continuous improvement is further supported by active employee engagement, which helps embed a culture of accountability, vigilance, and operational discipline across all business functions.

Disclosures Related to Corporate Social Responsibility

Creating Shared Value through Lucky Core Foundation

The Company, directly and through Lucky Core Foundation (the 'Foundation'), carries out Corporate Social Responsibility (CSR) initiatives through partnerships to support and uplift the communities. This commitment focuses on fostering positive change and socioeconomic development among underserved populations through a collaborative approach.

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

Annually, the Company contributes a set percentage of its Profit after Tax towards its CSR initiatives. Donations received are used to support various initiatives in the areas of Health, Education, Community Development, Women's Empowerment, and Environment. The effectiveness of the Company's social

performance is evaluated based on the impact generated by ongoing CSR initiatives. Details on CSR performance and the impact it has created are available on page 156 of this Report.

Alignment with Sustainable Development Goals (SDGs)

In advancing its sustainability and social impact agenda, the Company has contributed to several United Nations Sustainable Development Goals. Among these, SDG 3 (Good Health and Well-being) and SDG 4 (Quality Education) remain central to its focus. Beyond community investments through CSR, the Company advanced SDG 3 by prioritising occupational health and safety, robust HSE&S practices, and employee well-being initiatives, while SDG 4 was supported through employee training and development programmes, employee awareness campaigns, and capacity-building initiatives.

Further details on these Company-wide initiatives are available on pages 145–154, while information on community-focused investments aligned with the SDGs is provided in the Community Investment section on pages 156–160 of this Report.

Occupational Health and Safety

Key Performance Indicators

	Units	2020-21	2021-22	2022-23	2023-24	2024-25	Target 2025-26
Total reportable injury rate (employees/contractors)	\million hours	0.44	0.2	0.48	0.29	0.09	0
Occupational illness rate (employees)	\million hours	0	0	0	0	0	0
Total illness absence rate (employees)	%	1.39	1.66	1.53	1.16	0.99	1.3
Fatalities	number	0	0	0	0	0	0
Total reportable injury rate (independent contractors)	\million hours	0	0.16	0.21	0.24	0	0
Lost time injury (independent contractors)	number	0	0	0	0	0	0
% sites with BBS programme	%	100	100	100	100	100	100
Distribution incidents	number	0	0	0	0	0	0
Motor vehicle incidents with injury	number	0	0	0	1	0	0

Overview:

During the year in review, LCI maintained an exemplary safety record, with no fatalities, severe injuries, or cases of work-related ill health. However, one reportable injury was documented, resulting in a Total Reportable Injury Rate (TRIR) of 0.09 per million manhours worked. Each incident was thoroughly investigated, with targeted corrective actions implemented to prevent recurrence.

As of June 30, 2025, the Company achieved a cumulative total of 49.9 million safe man-hours, underscoring the Company's steadfast commitment to occupational health and safety. The Soda Ash Business was the leading contributor with 36.7 million safe man-hours, followed by Corporate Offices, Chemicals & Agri Sciences, Polyester, Pharmaceuticals and Animal Health Businesses at 4.54 million, 2.70 million, 2.12 million, 2.08 million, and 1.76 million safe man-hours respectively.



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

The Company has established robust mechanisms to ensure a healthy working environment across all its operations. The Health Assessment Performance Index (HAPI) and Hygiene Performance Index (HYPI) programmes continued to operate Company-wide, identifying and mitigating health risks such as respiratory diseases, hearing loss, and ergonomic issues. These proactive measures led to zero reportable cases of occupational illnesses during FY 2024-25.

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

Furthermore, LCI offers a competitive and comprehensive employee benefits package, including life insurance, medical coverage, disability protection, parental leave, and retirement plans, reflecting its sustained commitment to supporting the overall wellbeing of its workforce.

These outcomes exemplify LCI's enduring focus on fostering a rigorously governed safety culture across its diverse operations, anchored by stringent protocols, vigilant oversight, and continuous employee engagement.

HSE&S Management Audit

In February 2025, a comprehensive HSE&S management audit was conducted across the Pharmaceutical Business, covering three manufacturing sites. The audit, led by independent consultants ASCENTIA in partnership with the corporate HSE team, validated the effective implementation of LCI Pakistan's HSE&S Management System and highlighted significant progress. Key observations and recommended improvements were jointly reviewed with site teams, forming the foundation for a structured improvement plan. The audit process demonstrated strong team engagement and a clear organisational commitment to continuous improvement in HSE&S practices.

Key Initiatives FY 2024-25

Awards and Recognition

In 2025, the Soda Ash and Chemicals & Agri Sciences Businesses were awarded a Distinction in the International Safety Awards by the British Safety Council, United Kingdom. Competing among 874 organisations from 45 countries, the businesses were acknowledged for their exemplary efforts in promoting

occupational health, safety, and employee well-being. This marked the second consecutive year these business functions received this prestigious international honour, underscoring the Company's strong leadership, integrated HSE management systems, and a deeply embedded culture of safety.

The Soda Ash Business further earned a Certificate of Appreciation at the 14th Annual Fire Safety Awards, held in December 2024. Organised by the National Forum for Environment and Health (NFEH) in collaboration with the Fire Protection Industry of Pakistan (FPIP) and the Institution of Fire Engineers (IFE), the recognition highlighted the proactive fire safety measures undertaken by the business's HSE Department to safeguard personnel and assets through robust fire prevention protocols.

The Chemicals & Agri Sciences Business was recognised with the 21st Annual Environment Excellence Award by NFEH for its continued efforts in energy efficiency, waste reduction, and environmental innovation. This recognition reflects the business's commitment to minimising its environmental footprint while enhancing operational sustainability. In addition, the business was recognised as the Social Responsibility Leader at the Annual Supplier Sustainability Award 2024 hosted by the Packages Group, in recognition of its impactful environmental initiatives and commitment to responsible sourcing practices.

The Chemicals & Agri Sciences and Pharmaceuticals Businesses were honoured with the 18th Occupational Health and Safety Award 2024 by the Employers' Federation of Pakistan (EFP). This award reflects the businesses' dedication to maintaining high HSE standards and promoting a culture of continuous safety enhancement across its operations.

The Animal Health Business also received the 2024 Environment Excellence Award from NFEH, acknowledging its ongoing efforts to reduce environmental impact and uphold sustainable practices. The business was further recognised with a Certificate of Appreciation at the 14th Annual Fire Safety Awards for its commitment to implementing stringent fire safety measures across its facilities.

In the Pharmaceuticals Business, the Company was conferred the EHS International Award 2024 in the Best HSE Performance category. Presented by the Professionals Network and the Pakistan Safety Council, the award highlights the business's proactive approach to risk mitigation, employee well-being, and environmental responsibility.

These accolades reaffirm LCI's sustained pursuit of excellence in health, safety, and environmental performance, reflecting its enduring commitment to protecting people, preserving the planet, and contributing positively to the communities it serves.

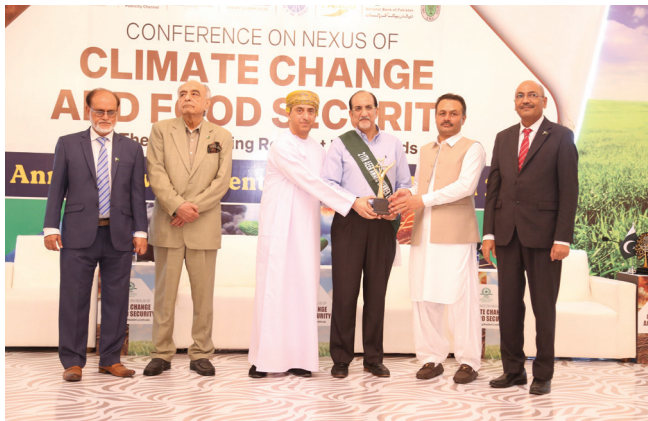
Reinforcing a Safe and Resilient Work Environment

To commemorate the World Day for Safety and Health at Work 2025, a unified series of activities aligned with the International Labour Organisation's theme of "AI and Digitalisation in Safety." Organised across all businesses, the campaign promoted innovation, awareness, and proactive engagement on workplace safety and employee well-being.

Key HSE&S Trainings Conducted

In line with its ongoing commitment to workplace safety and continuous improvement, LCI conducted a range of HSE&S trainings across its businesses during the year.

- The Polyester Business organised a training session in collaboration with Rescue 1122 to enhance employee preparedness for emergencies. The session included first aid training, establishment of a backup fire team, and SCBA (Self-Contained Breathing Apparatus) training for designated personnel.
- A comprehensive Civil Defence Mock Exercise and Evacuation Drill was conducted at the Polyester plant in Sheikhpura, to strengthen workforce preparedness for critical emergencies, including fire incidents and large-scale evacuations.
- In observance of World First Aid Day, the Soda Ash Business partnered with Rescue 1122 to deliver Basic Life Support and First Aid training to its Fire and Rescue team. The session enhanced emergency response readiness by equipping participants with essential life-saving skills.
- An ISO 14001 Environmental Management System Awareness and Internal Audit training was conducted at the Hattar Plant, with active participation from multiple departments.
- A Hazard Area Zone Classification training session was led by the Manager E&I – Polyester to build employee understanding of flammable atmospheres, classified zones, and appropriate equipment selection in high-risk areas.
- To promote systematic risk assessment, a Process Hazard Analysis (PHA) training session was held in collaboration with the Chemicals & Agri Sciences Business. The training focused on methodologies such as HAZOP and FMEA, reinforcing operational safety and hazard identification.
- During the year in review, Road Safety and Defensive Driving training sessions were conducted at the Hawke's Bay plant for management, field teams, and logistics drivers. The sessions aimed to improve hazard anticipation, risk assessment, and safe driving practices under various road conditions.
- Powered Air-Purifying Respirator (PAPR) training and RPE fit testing were carried out to ensure effective use and maintenance of respiratory protective equipment. The session included both qualitative and quantitative testing.
- Behaviour-Based Safety (BBS) training sessions were conducted at the Soda Ash, Polyester, Hattar, and B2 sites. The sessions promoted proactive safety behaviours, hazard recognition, and risk mitigation across operations.
- An Accident Investigation training was held at the Hattar Plant. The session covered root cause analysis, evidence gathering, and reporting techniques to support a systematic approach to incident management and prevention.



The Animal Health Business received the 2024 Environment Excellence Award



The Company celebrated International Firefighters Day 2024 across its Soda Ash and Polyester Business sites



The Soda Ash Business observed World First-Aid Day with specialised training for the Fire and Rescue personnel

Employee Engagement and Wellness

LCI's employees are at the heart of the Company's ability to deliver on its strategic objectives and long-term aspirations. In the spirit of collective progress, the Company continues to accelerate the development and growth of its employees through inclusive engagement and wellness programmes.

Gauging Engagement

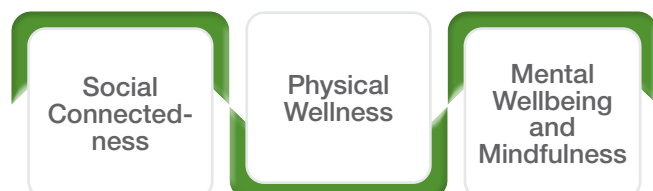
At LCI, employee engagement is recognised as an ongoing journey, one that lies at the core of the organisation's culture and performance. Building on the successful launch of its engagement platform, Core Connect, FY 2024-25 began with leadership-led townhalls to share survey results, explore key engagement themes, and align teams on a unified path forward. These sessions enabled business functions to take ownership of their engagement priorities, resulting in the successful implementation of action plans across the Company.

To further embed cultural values and enhance cross-functional collaboration, the Company introduced EngageX Sessions, interactive, activity-based experiences designed to deepen team connections and promote a more collaborative workplace environment.

Through these efforts, engagement was not only measured, but actively shaped, reinforcing LCI's enduring commitment to listening with intent, acting with purpose, and continuously evolving the employee experience.

Building a Healthy and Inclusive Work Environment

Recognising that a thriving organisation stems from a healthy and energised workforce, LCI continued to invest in the wellbeing of its people through a diverse range of wellness initiatives through its Employee Wellness Programme. These activities were centred around three key focus areas:



Social Connectedness

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

To recognise the valuable contributions of its employees, LCI launched a range of initiatives in FY 2024-25. The year began with the 'Sound of Synergy Drum Circle' at the Karachi Head Office, bringing employees together through a shared, team-based experience. This was followed by site-led initiatives across the organisation, including Game Day in the Karachi and Lahore offices, a week-long Table Tennis Tournament at the Lahore Corporate Office, and a friendly cricket match at the Pharmaceutical Business's Hattar plant, all aimed at strengthening team harmony and promoting a collaborative workplace culture.

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

Details of LCI's employee volunteer programme are available on page 161 of this Report.



The 'Sound of Synergy Drum Circle' event at the Karachi Head Office

Physical Wellness

The Company considers the physical well-being of its people as an important dimension as it ensures a strong, energetic and motivated workforce. An open-access gym and sports court at the Head Office, Lahore Corporate Office and Khewra locations ensure that employees can access quality training facilities at their convenience all year round. Moreover, a range of wellness initiatives were organised throughout the year, both independently and in collaboration with external partners.

The Chemicals & Agri Sciences Business led a 30-Day Fitness Challenge, engaging employees across key Company locations. To further promote healthy habits, a dedicated session on physical wellness was conducted by a certified nutritionist at the Head Office, which was made available virtually across key locations, to ensure inclusive access. Additionally, the B2 site of the Pharmaceuticals Business hosted a Wellness Jog, uniting teams for a morning of physical activity and shared motivation.

Mental Wellbeing and Mindfulness

LCI recognises the growing importance of supporting the mental and emotional well-being of its people. To help employees manage stress and maintain balance, several initiatives were introduced over the year.

A Mindful Moves session was held in November, inviting employees from the Head Office, Lahore Corporate Office, and Khewra locations to participate in guided meditation, breathing exercises and light stretching, offering tools to manage stress and recharge in a fast-paced work environment. A Virtual Stress Management Workshop further reinforced this focus by providing employees with mindfulness practices, time management techniques, and breathing exercises, designed to strengthen employees' ability to stay composed and productive throughout the workday.

Together, these initiatives underscore LCI's commitment to creating a healthy and supportive work environment, one that values wellness, embraces cultural moments, and promote a deep sense of belonging.



A fun-filled game day at the Corporate Office, Lahore



A 'Mindful Moves' session was held in November at the Corporate Office, Lahore

Diversity, Equity and Inclusion

Key Performance Indicators

	2020-21	2021-22	2022-23	2023-24	2024-25
Governance Body					
Percentage by gender	78% M: 22% F (7, 2)	89% M: 11% F (8, 1)	89% M: 11% F (8, 1)	90% M: 10% F (9, 1)	75% M: 25% F (6, 2)
Percentage by age	Less than 30: 14% Between 30-50: 44% Above 50: 56% (2, 4, 5)	Less than 30: 0% Between 30-50: 44% Above 50: 56% (4, 5)	Less than 30: 0% Between 30-50: 44% Above 50: 56% (4, 5)	Between 30-50: 50% Above 50: 50% (5, 5)	Between 30-50: 50% Above 50: 50% (4, 4)
Employees					
Percentage of management employees by gender	94% M: 6% F	93.9% M: 6.1% F	92.6% M: 7.4% F	92.2% M: 7.8% F	91.5% M: 8.5% F
Management	1599 M: 104 F	1603 M: 105 F	1608 M: 129 F	1617 M: 131 F	1849 M: 150 F
Trainees	11 M, 4 F	22 M, 18 F	19 M, 11 F	32 M, 9 F	35 M, 17 F
Contractual					65 M, 14 F
Percentage of management employees by age	Less than 30: 28% Between 30-50: 63% Above 50: 9% (474; 1077; 153)	Less than 30: 25% Between 30-50: 66% Above 50: 9% (427; 1132; 149)	Less than 30: 27% Between 30-50: 64% Above 50: 9% (462; 1115; 160)	Less than 30: 25% Between 30-50: 63% Above 50: 12% (452; 1124; 213)	Less than 30: 27% Between 30-50: 63% Above 50: 10% (570; 1339; 221)

Overview

LCI remains steadfast in its commitment to promoting a vibrant, inclusive workplace culture anchored in the principles of diversity, equity, and inclusion (DE&I). During FY 2024-25, the total employee base expanded following the integration of the newly acquired pharmaceuticals manufacturing site. As part of its ongoing efforts to cultivate an inclusive environment, LCI continued to advance several targeted initiatives. Among these was the Impact Scholarship Programme which offers scholarship opportunities to underprivileged female students to pursue their undergraduate degree from reputable universities of Pakistan.

Key Initiatives FY 2024-25

IMPACT Scholarship Programme

Reinforcing its commitment to gender equity, the Company continued investing in the IMPACT Scholarship Programme, a structured four-week internship designed for high-potential students from diverse backgrounds. The programme provides scholarship opportunities to females with financial limitations to pursue undergraduate degrees at prestigious universities in Pakistan, along with offerings first-hand corporate exposure, professional development, mentorship and networking to empower the next generation of women professionals.

Gender Sensitisation Sessions

LCI prioritises promoting empathy and awareness within the workplace to support an inclusive environment for all employees. This year, the Company conducted sensitisation sessions focused on Persons with Disabilities (PWD), aiming to deepen understanding of the challenges faced by differently-abled individuals.

Further reinforcing its commitment, LCI participated in the PWD Career Fair, engaging with diverse talent pools and championing equitable employment opportunities for differently-abled candidates.

Empowering Women in Business

To celebrate the accomplishments of women in business, the Company marked International Women's Day with a series of thoughtfully curated sessions on financial literacy, mental wellness, and personal empowerment. The occasion also included dedicated moments of recognition, honouring the contributions of women across the organisation.

Celebrating Inclusivity as One Team

LCI's commitment to Diversity, Equity, and Inclusion (DE&I) has been central to its talent acquisition and engagement strategies. During the year, the Company continued fostering a culture of

inclusion and respect by celebrating various faith-based festivals, including Diwali, Holi, Christmas, Easter, Eid ul Fitr, Eid ul Adha, Women's Day, Mother's Day, Father's Day, Nowruz, and Men's Day. These festive events brought employees together across cultures, fostering unity across its diverse workforce.

Collective Bargaining

Reinforcing its commitment to fair labour practices and employee representation, LCI ensures that 365 employees, representing 14% of the total workforce, are covered under collective bargaining agreements. These agreements support open dialogue and

mutual understanding between the Company and its workforce.

Parental Leave

During FY 2024-25, 75 female and 1,371 male employees were entitled to parental leave. Of these, 4 female employees availed maternity leave, while 75 male employees availed paternity leave. One year following their return, all 4 female employees and 66 of the 75 male employees remained with the Company. This reflects a parental leave retention rate of 100% for females and 88% for males, demonstrating a strong level of employee continuity and engagement post-leave.

Total employees by region

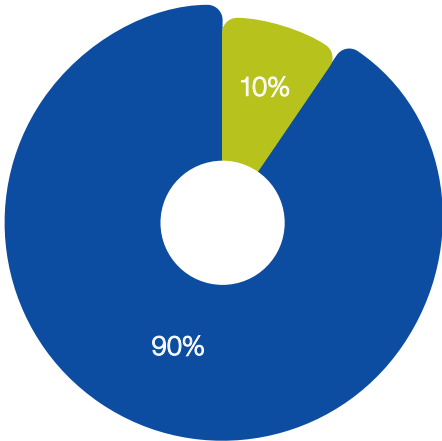
	Punjab	Sindh	KPK	Balochistan	AJK	Others	Total
Permanent	998	682	208	25	8	78	1999
Temporary (Contractual + Trainees)	59	68	0	0	0	4	131
Non-Management	406	34	0	0	0	0	440
Total	1463	784	208	25	8	82	2570

(All permanent and temporary employees are full time)

Total employees by gender

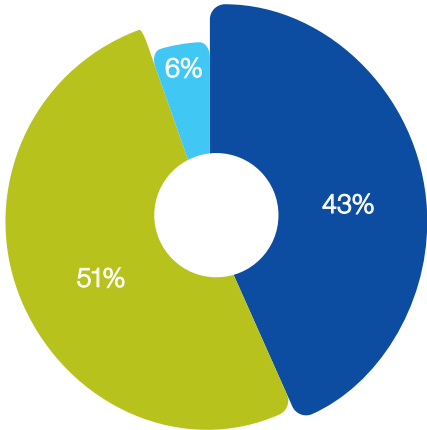
	Male	Female	Others	Not Disclosed	Total
Full-time	1949	181	0	0	2130
Part-time	0	0	0	0	0
Non-management	434	6	0	0	440
Total	2383	187	0	0	2570

Total number of employees hired during the year by gender



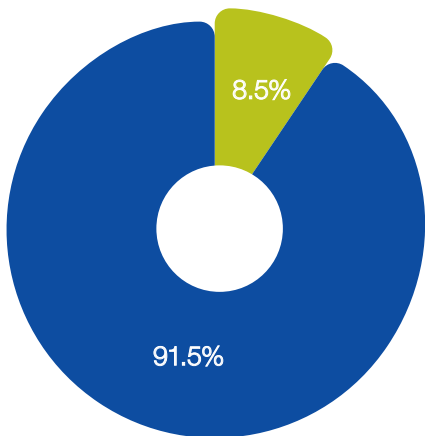
Total: 704
Male: 637
Female: 67

Total number of employees hired during the year by age



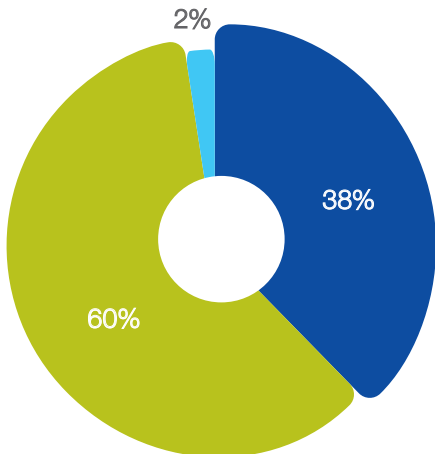
Total: 704
Under 30: 305
30 to 50: 361
Above 50: 38

Total employee turnover during the year by gender



Total: 414
Male: 375
Female: 39

Total employee turnover by age



Total: 414
Under 30: 156
30 to 50: 248
Above 50: 10

Training and Education

Key Performance Indicators

		2020-21	2021-22	2022-23	2023-24	2024-25
Average hours of training by gender and employee category	Hour	M: 4.6, F: 3.3	M: 4.9, F: 2.9	M: 28.7, F: 40.9	M: 18.02, F: 22.72	M: 28.75, F: 27.85
		G30: 3.1;	G30: 4.4;	G30: 20.1;	G30: 17;	G30: 20.5;
		G31: 3.5;	G31: 12.9;	G31: 25.8;	G31: 12;	G31: 21.2;
		G32: 3.6;	G32: 15.8;	G32: 21.3;	G32: 16;	G32: 20.1;
		G33: 4.5;	G33: 14.2;	G33: 44;	G33: 15;	G33: 25.2;
		G34: 4.6;	G34: 22.3;	G34: 48.3;	G34: 17;	G34: 24.1;
		G35: 5.2;	G35: 32.4;	G35: 35.5;	G35: 19;	G35: 21.1;
		G36: 5.7;	G36: 12.7;	G36: 31;	G36: 30;	G36: 15.9;
		G37: 4.9;	G37: 11.7;	G37: 23.6;	G37: 29;	G37: 7.8;
		G38: 5.5;	G38: 9.2;	G38: 20.9;	G38: 24;	G38: 11.0;
		G39: 7.2;	G39: 11;	G39: 6.8;	G39: 28;	G39: 8.5;
		G40: 6.3	G40: 12.4	G40: 14.1	G40: 21;	G40: 1.4;
		Trainee: 3.03; WL-4:	Trainee: 3.8; WL-4: 16	Trainee: 359.3; WL-4: 20	Trainee: 15 WL-4: 45	Trainee: 32.5 WL-4: 0.0
P&DD participation	%	100%	100%	100%	100 %	100 %
Management development programme	No. of Managers Participated	86	126	129	97	132
Employee engagement index		7.9 (3.95)	8.04 (4.02)	8.2 (4.10)	4.13	4.28

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

Overview

Guided by the belief that continuous learning is fundamental to personal and professional growth, LCI continued to invest in structured training and development opportunities for employees across the organisation. Our Corporate Run Training Programmes served as a key platform for enhancing knowledge, strengthening capabilities, and promoting a culture of continuous improvement.

During the reporting year, a total of 6,670 training days were delivered, reflecting a notable increase of over 40% compared to 4,763 training days in the previous year. This translates to an average of 3.59 training days per employee. During the year in review, the Company leveraged its internal faculty for programme delivery, with 23% of the training days provided through Corporate Run Programmes, of which 20% were conducted by our Internal Faculty via in-person and online platforms.

Key trainings conducted during the year in review included HR Essentials, Finance for Non-Finance, the Code of Conduct, and MS Excel, and other topics that broadly cover themes that equip employees with the skills required to perform their roles effectively

and support them in navigating career transitions. Moreover, the Learning Lounge series continued to offer engaging and experiential learning opportunities on emerging topics such as artificial intelligence, Microsoft Planner, and personal branding, delivered by a diverse mix of internal and external speakers.

The external training programmes, conducted by specialised trainers from leading training organisations included modules such as the 7 Habits of Highly Effective People, Elevating Your Presence, Influence and Creativity, Self-Leadership, Building High-Performance Teams, and Train the Trainer, among others.

The success of the training programmes was reflected in participant feedback, demonstrating their effectiveness. Internal training programmes received an overall rating of 92%, while external training programmes achieved 88%, both exceeding the target of 80%. These training and development programmes help employee to learn necessary skills to perform their roles and help them during career transitions as well.

Key Training Programmes FY 2024-25

Power BI

This two-day session equipped participants with the skills to develop interactive dashboards and visual reports using Power BI. The programme enabled employees to convert raw data into significant insights, supporting LCI's digital transformation agenda and a culture of data-driven decision-making.

The 7 Habits of Highly Effective People

This globally recognised two-day programme was executed across Karachi and Lahore, to enhance personal leadership, effectiveness, and productivity. Participants engaged with the renowned 7 Habits framework to strengthen self-management, interpersonal skills, and proactive problem-solving, enabling them to lead with purpose and integrity.

AI in Business Applications

As part of the Learning Lounge series, a dedicated session introduced participants to the practical applications of artificial intelligence in modern business contexts. The two-hour session covered real-world use cases and emerging technologies, reinforcing the Company's commitment to innovation.

Great Technical Speaking

A two-day workshop was conducted to enhance the public speaking and storytelling capabilities of technical professionals. The training focused on simplifying complex technical content, structuring presentations effectively, and delivering with clarity and confidence. This initiative supported LCI's broader objective of strengthening cross-functional communication and leadership presence.

Train the Trainer

This immersive three-day programme, held in Lahore, was designed to build internal training capability. Participants were introduced to adult learning principles and modern facilitation techniques, equipping them to design and deliver engaging learning experiences across the organisation.

Finance for Non-Finance

This two-day training programme, executed in Khewra, was tailored for employees from non-financial functions. It provided a practical understanding of financial statements, budgeting principles, and cost analysis, thereby enhancing participants' business acumen and decision-making skills.

The Art of Effective Communication and Presentations

This two-day programme, held in Karachi and Lahore, focused on strengthening communication and presentation capabilities. Employees learned techniques for delivering clear messages, handling difficult conversations, and building stronger interpersonal connections, contributing to improved collaboration and team dynamics.



A two-day training session on '7 Habits of Highly Effective People' was executed across Karachi and Lahore



A Learning Lounge Session on 'AI in Business Applications' was organised at the Head Office, Karachi

Non-Discrimination

Key Performance Indicators

	Units	2020-21	2021-22	2022-23	2023-24	2024-25	Target 2025-26
Total number of incidents of discrimination	No.	0	0	0	0	0	0

Overview 2024-25

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

Details of our whistleblowing policy are available on page 66 of this Report.

During the FY 2024-25, there were no reported incidents of discrimination at the Company. LCI remains dedicated to maintaining this record and continuously improving its focus on ethical and responsible conduct through ongoing initiatives.

Freedom of Association and Child Labour

The Company upholds the right of employees to freedom of association. During the period under review, there were no instances where freedom of association or collective bargaining rights were compromised. Currently, 365 employees, representing 14% of our total workforce, are covered by collective bargaining agreements. The minimum notice period for operational changes, as stipulated in these agreements, is four weeks. LCI strictly prohibits all forms of child labour, forced labour or slavery and complies with local regulations concerning legal minimum age requirements for work permits.

Art of Uplifting Communities

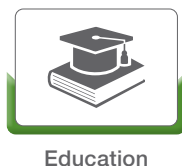


PKR
96.26
Million Disbursed
in Funding

Support for
20
Projects

Over
32,000+
Individuals Benefitted

Priority Areas



Health

In line with our steadfast commitment to enhancing community health and welfare, support continued for impactful programmes advancing access to medical services for the underserved communities. These initiatives contributed to Sustainable Development Goals (SDGs) 3 - Good Health and Well-being and SDG 10 - Reduced Inequalities, focusing on improving health outcomes and reducing disparities.

1 Continued access to primary healthcare services was made possible through the ongoing operations of Hamqadam Community Clinics in Sheikhpura and Khewra, in collaboration with **Indus Hospital and Health Network**. The clinics served 12,025 OPD cases in Sheikhpura and 6,121 in Khewra.

2 Free-of-cost community eye camps were facilitated in partnership with **Layton Rahmatullah Benevolent Trust (LRBT)**, delivering vision care through 1,839 OPDs with a continued focus on preventing avoidable blindness.

3 In partnership with **ChildLife Foundation**, support was extended in low income settings to improve access to the Quality Paediatric Care. The programme benefitted 8,800+ children at the Emergency Rooms (ERs) including 6300+ at Mayo Hospital, Lahore, and 2500+ at Lyari General Hospital, Karachi.

4 Support for underprivileged individuals requiring cardiac and renal treatments continued through the Patients' Welfare Programme, in partnership with **Aziz Tabba Foundation**. During the period, a total of 354 patients received care at Tabba Heart and Tabba Kidney Institutes. Through this partnership 02 Heart Health camps were also arranged at Khewra for the community benefitting 354 individuals.

5 In collaboration with **The Kidney Centre**, support was provided for multiple dialysis sessions for a chronic kidney patient in Karachi, ensuring continuity of life-saving treatment.



Regular Ophthalmology Camps at Khewra conducted by Layton Rahmatullah Benevolent Trust (LRBT)



Mother and Child Hamqadam Community Clinic at Sheikhpura managed by Indus Hospital and Health Network

Education

Aligned with the strategic priority of inclusive education, partnerships with credible organisations continued to enable improved learning access and well-being for underserved students. These initiatives supported Sustainable Development Goal (SDG) 4 - Quality Education and related goals by reducing educational barriers and fostering holistic development.

1

Through a sustained partnership with **Kiran Foundation**, the mental health and wellness programme at DCTO Campus, Lyari remained active, impacting around 3,430 individuals, including 600 girls, 550 boys, 700 families, 500 community members, 180 staff members and 900+ mothers separately through the Salma Ghar Programme.

2

Support for primary education continued in partnership with **CARE Foundation** at the Government Boys and Girls Primary School in Tibbi Harya, Sheikhpura, where 135 students remain enrolled.

3

Ongoing collaboration with **The Citizens Foundation** ensured continued learning for 30 students of Grade 3 at the Al-Sari Foundation Primary School in Machar Colony, Karachi.



4

In collaboration with **Ida Rieu Welfare Association**, transportation support was provided to 73 students with visual and hearing disabilities ensuring continued access to education.



Students at the Government Boys and Girls Primary School Tibbi Harya, Sheikhpura



Meditation and breathing session at Kiran Foundation's DCTO campus, Lyari

Women Empowerment

Reaffirming its pledge to gender equality and inclusive growth, efforts continued to support women's education, healthcare, and socio-economic participation. These actions contributed to SDG 5 - Gender Equality and SDG 4 - Quality Education.

1

The IMPACT Scholarship Programme, started in 2020, awarded a total of 9 fully funded undergraduate scholarships during the year, across two cohorts, in partnership with Pakistan's top universities such as **IBA, LUMS, NUST, GIKI** and **FAST**. Through these merit and need-based scholarships, the initiative aims to promote an equitable future by empowering talented female scholars and supporting their access to quality higher education.

2

Ongoing support through the **Murshid School of Nursing & Midwifery**, started in 2018, enabled a total of 40 merit-based scholarships for its 2-year Midwifery Diploma Programme, including 8 scholarships awarded this year, providing professional training opportunities for aspiring female healthcare workers.



3

Through **FRIENDS Welfare Association**, support was extended for salaries of 4 teachers, indirectly benefiting 60 female students and reinforcing learning continuity in underserved communities.



Biology class by educator at the Community Managed Girls High School (CMGHS), Bararkot



Midwifery Diploma Programme Class at Murshid School of Nursing & Midwifery

Community Development and Environment

In line with a commitment to inclusive community development and environmental responsibility, support remained in place for ongoing initiatives focused on enhancing public spaces and promoting responsible waste management. These efforts contributed to Sustainable Development Goals (SDGs) 11 - Sustainable Cities and Communities and 13 - Climate Action, aiming to strengthen community resilience, improve environmental quality, and support long term ecological well being.

1

As part of efforts to enhance community infrastructure and well-being, a Community Welfare Park for women and children was established in Khewra, providing a safe space for recreation, social connection, and inclusive community engagement.

2

In collaboration with **Abroo and Al-Wasila**, ongoing efforts focused on recycling administrative and plant waste into recyclable materials, promoting sustainable waste practices. These ongoing initiatives played an important role in minimising environmental footprint and supporting the broader goals of environmental stewardship.



Community Welfare Park for women and children at Khewra



Administrative waste collection for recycling at Head Office, Karachi

Volunteering to Create Social Value



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

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

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

260+

Volunteers Engaged

900+

Hours Dedicated

11

Initiatives Conducted

4

CSR Partners Engaged

23

Locations



A total of 54 pints of blood were donated through Company-wide blood donation drives conducted throughout the year, helping save 162 lives



Polyester Business conducted a plantation drive on account of World Environment Day 2025 at Sheikhpura



Chemicals & Agri Sciences Business, Pharmaceuticals Business, and the Corporate Function teams at the Beach Cleanup drive conducted on World Cleanup Day 2024



Our Pehchan Volunteers engaged with the children of Kiran Foundation in a fun and educational event focused on creativity and learning at Giggletown, Karachi