



We're committed to reducing our impact on the planet and delivering more sustainable products and solutions to our customers. And we can only do this if sustainability is at the heart of everything we do. That's why we aim to integrate sustainability into every area of our business.

The Sustainability Report covers our sustainability strategy, Key Performance Indicators, our annual and long-term targets and the work we have done so far.

Sustainability Report

The work we do to create a better future stems from our Economic, Social and Environmental Performance, which form the basis of our sustainability framework.

Leadership Statement

Dear Stakeholders,

Welcome to the ICI Pakistan 2012 Sustainability Report. In the changing world of today with resources depleting every minute, sustainability is no longer a 'nice to have'; it's a matter of survival. Sustainability reporting thereby assumes an integral role as stakeholders need to be informed of the measures and initiatives taken to ensure future organizational sustainability.

At ICI Pakistan, we are committed to reducing our impact on the planet and delivering more sustainable products and solutions to our customers. And we can only do this if sustainability is at the heart of everything we do. That's why we aim to integrate sustainability into every area of our business - for the benefit of our customers, shareholders, employees and the world around us.

Sustainability is a not merely a futuristic approach to business management, it is a sensible way to conduct business and any smart and outward looking organization realizes that. Thinking ahead is how we do things at ICI Pakistan and we began reporting progress on our sustainability journey five years ago. We are now forerunners in sustainability reporting in Pakistan bagging all local awards including the ACCA WWF award and the ICAP Award.

In this report you will read about our sustainability performance in the year 2012 as well as the challenges we faced. In our case studies, we share some key economic, environment and social initiatives we undertook. We hope to receive your feedback and views in order to help us build on our strengths today, and create a more sustainable tomorrow for all.

Regards,

Ali A Aga

Sustainability Strategy

During 2010 we put in place a framework built around the triple bottom line concept of economic, social and environmental factors. Based on the framework we conducted a stakeholder engagement program and developed KPIs for each segment in complete alignment with our parent company. A companywide awareness of the sustainability framework was created to unify understanding of the sustainability agenda. The next steps were to restructure the Sustainability Council broadening the base and extending the scope and functionality within the organization to bring about a more defined action based approach.

Due to strategic changes within the organization including demerger of the Paints Business, leadership changes and change of majority shareholders of the company, we have not yet achieved our objective of restructuring the Sustainability Council. While smaller groups within each Business are working to develop plans to achieve our 2015 goals, the broad base of decision makers to be inducted in the Sustainability Council has not happened and we continue on the structure established previously. This council was made up of a multi-disciplinary team representing each segment of our operations.

About the Report

We began voluntary reporting on sustainability for the first time in 2008 with the first report published along with the Annual Report covering the period 1 January 2008 to 31 December 2008. This is our fifth effort on presenting a Sustainability Report and we have used the G3 Reporting Framework issued by the Global Reporting Initiative (GRI) and are applying the GRI Reporting Framework at Application Level B+.

Report Boundary

This report covers our four Businesses and all our Corporate Functions. After the demerger of our Paints Business in June 2012, we now have three manufacturing sites, three corporate offices and five regional/business offices.

The text and statistics in this Report cover sites owned and operated wholly by ICI Pakistan Limited during the period 1 January 2012 to 31 December 2012. Employee data includes management and non-management staff. Community Investment is handled by the ICI Pakistan Foundation which is a separate legal entity registered as a Trust. All monetary amounts in this Report are Pakistani Rupees, unless otherwise indicated.

Reporting Period

The reporting period is January 01, 2012 to December 31, 2012 and data has mainly been obtained from our financial management reporting systems, corporate HR information management system and our reporting systems for Health, Safety, Environment & Security (HSE&S) performance indicators.

Report Content

In 2010, an important step towards integrating sustainability within the organization was conducting a stakeholder dialogue and establishing Key Performance Indicators (KPIs). These KPIs also have targets set for 2015 which shall serve as pathfinders for us. Like last year, the content of this report has been developed in accordance with the KPIs and our performance against these. The content of this report has been decided upon by the Sustainability Council and has been developed in accordance with our Sustainability framework based on the triple bottom line concept of economic, social and environmental parameters.

Data Collection

Collection:

All our environmental, health, safety and security data is derived from our EPM database which till December 28, 2012 was centrally managed by our Corporate Headquarters in Amsterdam. A quarterly reporting cycle is in practice and all related information is gathered and entered by respective businesses and functions while the Corporate Health, Safety and Environment Manager, reviews and manages the data for ICI Pakistan Limited as a whole. Data pertaining to integrity management, employment practices, sourcing and community investment is compiled and monitored by sustainability council members responsible for each area.

Due to the divestment of AkzoNobel shareholding on December 28, 2012, many shared systems such as our HR Systems, IT and HSE&S reporting systems are under transition and we are developing local systems of our own. We have limitations therefore in collecting some data and appropriate explanations have been made throughout the report.

Accuracy:

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

Consistency:

The KPIs set and the data reported this year serve as a baseline and reporting standard for the years to come. Any additional developments shall be reported accordingly however, the reporting framework established this year shall be a consistent baseline standard.

Assurance & Verification

Our sustainability performance is monitored through a multi-disciplinary Sustainability Council. This Sustainability Summary Report forms part of our sustainability reporting and is designed for general readership only. United Registrar Systems (URS) has conducted an independent verification and assurance of data presented in this report. The indicators for our sustainability reporting are selected from the G3 Reporting Framework issued by the Global Reporting Initiative (GRI). The GRI is a large multi-stakeholder international network of thousands of sustainability experts. The GRI G3 Reporting Framework is the most widely accepted global standard for corporate responsibility reporting.

Contact Us

We encourage feedback on our Sustainability Report. If you would like to comment on the report or find out more about our Sustainability strategy and program, please e-mail us at: sustainability.council@ici.com.pk

A soft copy of this report and additional information on our business units and products is available on our website at www.ici.com.pk If you are unable to access these resources or need further information, please contact:

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Sustainability Framework

Economic Performance

Integrity Management
Sourcing

Social Performance

Health, Safety and Security
Employment Practices
Community Investment

Environmental Performance

Emissions Control
Water Usage
Waste Management
Product Stewardship
Energy Efficiencies



Stakeholder Engagement

Sustainability is a shared journey and engaging with our stakeholders systematically and proactively is an essential part of being a responsible company.

In 2010, we conducted a formal stakeholder engagement process where we conducted a dialogue with our customers, suppliers, contractors, regulatory agencies and local communities. During 2011, we addressed the issues and concerns that emerged from these dialogues and provided an update in our Sustainability Report 2011 on the actions taken. We try to engage our key stakeholders such as our shareholders, regulators, suppliers, customers, employees and the community on a regular basis by listening to their ideas, concerns and advice. Some examples of our stakeholder engagements in 2012 are:

Analyst briefing

Following the announcement of our Q1 2012 financial results, we held an Analyst Briefing on 27th April, 2012 at our Head Office in Karachi. The invitees included financial analysts, bankers and select media personnel.

Public Hearing for the Installation of Coal Fired Boilers

More than 125 participants including representative of regulatory authorities, environment consultants and members of the community attended the hearing. The participants appreciated our community development efforts for the area and were in agreed to the implementation of the project.

Employee Engagement Survey

Engaged teams produce better results and for the past three years, we have been conducting a Q12 survey for all employees to gauge their engagement level. Conducted by Gallup, the survey is open to all and in 2012, 94.72 % of our employees participated in the survey giving us feedback on their work and work environment. Much more than just a survey, it is a long-term program that will help empower employees to make a difference and give them a tool to improve productivity and performance of their teams.

Extra Ordinary General Meeting of shareholders

Before finalizing the proposed demerger and divestment of the company, an Extra Ordinary General Meeting of our shareholders was held. Attended by our minority shareholders, we received their complete consensus before embarking upon the restructuring.

HSE Training for PU customers of our Chemicals Business

In September 2012, we conducted HSE awareness sessions for our customers. The sessions comprised coaching and training on the safe Handling and usage of MDI- Isocyanate a raw material used in PU manufacturing. Six sessions were conducted with customers at their locations. These customers included:

- Amjad Sports Pvt Limited Sialkot
- New Spall Impex Pvt Limited Sialkot
- Force Five Industries Pvt Limited
- Penna Overseas Industries Pvt Limited

Key Performance Indicators

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

* Number of Management and Non-Management Employees.

** We aim to achieve 100% training level by including contractual staff as well.

Sourcing		2009	2010	2011	2012	2015
						Target
Vendor Policy signed by key suppliers	%	88	83.8	85	92	96
Vendor Policy signed by Central NPR Suppliers*	%	x	x	28**	28	0
Supportive Supplier Visits since 2007	Number	21	79	31	59	146

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

** Monitoring started in 2011 only by Polyester Business.

Employment Practices		2009	2010	2011	2012	2015
						Target
Women executives*	%	0	0	0	0	12
On-line P&D Dialog Participation	%	77	80	83	**	90
Management Development Program	No of managers	34	121	211	***	338
Employee Engagement Index	% favorable		75	82		80

* Functional and Business Head positions

Community Investment		2009	2010	2011	2012	2015
					Target	Target
Community Program Investment	PKR Million	16.5	42.5*	24.3	6	30

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

Health, Safety & Security		2009	2010	2011	2012	2015
						Target
Fatalities	number	0	0	0	1	0
Total reportable injury rate employees/supervised contractors	/million hours	0.28	0.28	0.28	0.27	0
Occupational Illness Rate employees	/million hours	0	0	0	0	0
Total illness absence rate employees	%	1.79	1.92	1.76	1.72	1.76
Fatalities contractors (supervised and independent)	numbers	1	0	0	0	0
Total reportable injury rate independent contractors	/million hours	0.52	0	0	0	0
Lost time injury independent contractors	numbers	1	0	0	0	0
% sites with BBS program	%	0	100	100	100	100
Distribution incidents	numbers	1	1	1	0	0
Motor vehicle incident with injury	numbers	0	1	2	0	0

Water Usage		2009	2010	2011	2012	2015
						Target
Total Fresh water use	million m ³	6.49	4.59	4.12	3.48	4.36
Per ton production	m ³ /te	9.8	9.9	9.7	8.53	8.9
% of sites with sustainable fresh water	%	25	25	25	25	100

Emissions Control		2009	2010	2011	2012	2015
						Target
Total COD emissions	te	105.37	52.59	53.78	39.52	49.96
Per ton production	kg/te	0.15	0.11	0.13	0.10	0.1
Total VOC emissions	te	161.25	81.81	72.34	57.12	77.72
Per ton production	kg/te	0.23	0.18	0.17	0.14	0.16
Total NOx emissions	te	422.42	430.70	422.93	420.28	409
Per ton production	kg/te	0.61	0.93	0.99	1.03	0.83
Total SOx emissions	te	1431.4	2209.1	2672.9	2590.15	2430
Per ton production	kg/te	2.05	4.76	6.29	6.35	4.95
Total Direct CO ₂ emissions (Scope 1)	million te	0.47	0.39	0.35	0.35	0.37
Per ton production	kg/te	676.1	834.7	829.5	847.95	753
Total Indirect CO ₂ emissions (Scope 2)	te	39907	2447	5642	3235.61	2324
Per ton production	kg/te	57.3	5.3	13.3	7.93	4.7

Waste Management		2009	2010	2011	2012	2015
						Target
Total waste	kte	19.015	4.412	2.73*	2.28	4.191
Per ton production	kg/te	27.32	9.53	6.44	5.60	8.53
Total hazardous waste	kte	0.31	0.54	0.52	0.53	0.51
Per ton production	kg/te	0.45	1.17	1.22	1.30	1.04
Total non-reusable waste	kte	0.408	0.295	0.384	0.385	0.28
Per ton production	kg/te	0.59	0.64	0.90	0.94	0.57
Total non-reusable Hazardous waste	kte	0.151	0.251	0.327	0.323	0.238
Per ton production	kg/te	0.22	0.54	0.77	0.79	0.48
Total Hazardous waste to landfill	kte	0	0	0	0	0
Per ton production	kg/te	0	0	0	0	0

* Total Waste: Reduction in 2011 is due to waste reduction projects initiated at Polyester and Soda Ash.

Product Stewardship		2009	2010	2011	2012	2015
						Target
Product Eco-premium solutions	% sales			15.7	*	30

* ??????????????

Energy Usage		2009	2010	2011	2012	2015
						Target
Total Energy Consumption	1000Tj	6.5	4.8	4.3	4.3	4.6
Per ton production	GJ/Te	9.3	10.4	10.1	10.4	9

Economic Performance

Management Approach

We are very clear that only through a strict focus on ethics and responsible care, can we deliver long-term business value and be the partner of choice for our customers and suppliers. Integrity and responsibility in our actions is one of our core values and defines how we operate as a business.

We aim for the highest standards of performance and behavior in all our operations and aim to do business with partners who also endorse our ethical values and our social and environmental standards. Our suppliers are integral to our operations and we choose to work with those whose actual working practices should meet our requirements.



In the business of being ‘in business’

The goal of economic sustainability is to establish profitability over the long term. A profitable business is much more likely to remain stable and continue to operate from one year to the next and continue to contribute to the financial welfare of its owners, employees, community and the overall economy. At the end of the day, it is about being in the business of being ‘in business’.

With an abundant supply, natural gas had been the only source of fuel for industries and domestic consumers in Pakistan for a long time. However, for the last few years the country is facing a large gap between demand and supply that is growing each year. Gas curtailments that were previously restricted to a month or so during winters have now become a year round phenomenon. A forecast by Oil & Gas Regulatory Authority (OGRA) shows a reduction of almost 80% in local gas supply by 2027-28 compared to 2010-11.

Our Soda Ash plant in Khewra, with a capacity of 350,000 tons per year, is the fourth largest Soda Ash plant in South Asia. Apart from catering to about 70% of Pakistan’s Soda Ash requirements, it also earns precious foreign exchange for the country through exports of soda ash. The plant provides employment

and economic activity to the remote town of Khewra and its surrounding areas. The business has been a valuable contributor of cash for the company as well as the country through its contribution to the national exchequer. However, severe gas shortages over the last three years have affected profitability, severely impacting margins due to forced usage of more expensive alternate fuels and hindering full capacity utilization.

The enormity of the challenge required finding a sustainable solution to ensure economic viability of the business. In 2011, the Board of Directors of the company approved a PKR 2 billion investment in the installation of two coal fired boilers for the plant to safeguard margin erosion and help optimum utilization of the plant.

The project is now in its final stages with commissioning expected in the middle of 2013. Two coal fired boilers, each with a nameplate capacity of 45 tons per hour (tph) are being installed along with auxiliary equipment including the latest state of the art emission control technology. We are hopeful that the investment shall soon put our Soda Ash business back on track to add value to the company and the country.



Integrity Management

We aim for the highest standards of performance and behavior in all our operations. There is also company-wide awareness on compliance. Our Values and Business Principles are reflected in our Code of Conduct. Compliance is embedded in our businesses and there are clear monitoring and reporting lines. We have an open dialog with employees and keep them updated on the latest standards through training.

Key Performance Indicators:

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

* Number of Management and Non-Management Employees.

** We aim to achieve 100% training level by including contractual staff as well.

2011 Overview:

2011 Management Audit included audit of our 5 Businesses, Head Office, IT, a sustainability audit and a production gain/loss audit for our Paints Business. For 2011, 20 Speak Up (Code of Conduct Incidents) cases were logged which were all appropriately investigated and reported. 2015 target is zero.

A serious incident of Level 3 occurred in February in Karachi where a bridge was being painted as a public service project. While the job was in progress, a bus moving on the adjacent road skidded, went out of control and hit the barricades and two ladders resulting in one fatality and serious injuries to two workers. The incident was reported as per Serious Incident 13.4 Protocol. Investigation process involved root cause analysis.

Future Plans:

We aim to continue our focus on code of conduct training and awareness for all employees.

Sourcing

In order to achieve sustainable growth, it is essential for us to build strong business relationships with suppliers whose actual working practices should meet our requirements. We aim to do business with partners who endorse our ethical values and our social and environmental standards.

The two main measures of our progress are signing of the Vendor Policy by suppliers and Supplier Support Visits by our teams. By signing the Vendor Code of Code, our suppliers endorse and agree to follow the Health, Safety, Environmental and Security standards, as formulated in our Code of Conduct and legislative requirements of the country. Our program of on-site visits to Critical Suppliers aims to identify and develop critical suppliers as sustainable business partners. Through formal feed-back and follow-up visits, we work together with our suppliers to improve their overall sustainability. We also conduct HSE assessments which outline a two year process as to where they are at present and where they need to be and then work them to ensure they get there.

Traditional dimensions like price, cost, time, delivery, punctuality and product quality no longer define a sustainable business. Our vendor partnerships are linked to suppliers and vendors accepting a code of behavior similar to ours. Breaking this code of conduct jeopardizes future relationships and agreements.

Key Performance Indicators:

Sourcing		2009	2010	2011	2012	2015
						Target
Vendor Policy signed by key suppliers	%	88	83.8	85	92	96
Vendor Policy signed by Central NPR Suppliers*	%	x	x	28**	28	0
Supportive Supplier Visits since 2007	Number	21	79	31	59	146

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

** Monitoring started in 2011 only by Polyester Business.

2011 Overview:

We could only sustain the 2010 levels in terms of vendor policy signed by the suppliers. Non-product related suppliers sign-off also showed a beginning in 2011 with the Polyester Business.

Future Plans:

Our future continues to bring all our direct suppliers both product and non-product related into our umbrella of sustainability efforts. Apart from the targets defined for 2015, we would also like to carry out a relook and review of direct level 1 suppliers to ensure we have covered everyone while measuring our above mentioned KPIs.

Social Performance

Management Approach

For us, the safety and health of our employees and communities is both a business and personal value and we therefore have systems and practices in place that help us work towards our ultimate goal of zero harm.

As a responsible company, we seek to develop and empower our employees and people from the communities that surround us. We embrace diversity and are committed to fair and equitable treatment of all, irrespective of origin, race or gender in an environment that fosters performance and personal growth for employees. We practice and endorse equal opportunity employment and ensure adherence to all labor legislations. We encourage mutually beneficial relationships with our communities and support them through economic development and corporate social investment initiatives.



Drop by drop

The mortality rate for children under five in Pakistan is among the highest in the world, with 101 deaths per 1000 children. Water and sanitation-related diseases are responsible for 60% of the country's disease burden in children under five. It is estimated that diarrheal disease kills more than 200,000 children under the age of five each year. According to UNICEF, 40% of hospital beds are occupied by patients with water borne diseases.

Near the end of 2011, a tsunamic deluge of monsoon rains hit Pakistan once again and floods devastated the lives of another 7.4million people. Millions who were already displaced because of the 2010 floods once again lost their livelihoods, crops and livestock. Heavy monsoon rains caused widespread damage over a million acres of land, primarily in the southern province of Sind. As the water collected, water borne diseases began to spread as the stagnant water became breeding ground for swarms of insects. Lack of availability of clean drinking water became a major health hazard.

To provide relief, we set up medical camps across Sind and after treating hundreds of patients mostly children, we realized that a more sustainable solution was required. To help the victims, in 2012 we put together a 'Clean Drinking Water' program and installed water purification plants in five districts of Sind. Each plant has a capacity of 2000 gallons per hour and a five step cleaning process comprising pre chlorination, sand filter, post filter, carbon purifier and UV sterilizer. With stainless steel vessels, each unit is a standalone plant customized for each area depending upon quality of water.

We adopted a community self-help model whereby we trained the local community to run and manage the plant on their own. Every day, more than 20,000 people now have access to clean drinking water and we hope to go forward with this program in other parts of the country as well.

Employment Practices

Talent is the lifeblood of any organization, and we view our employees as our highest-priority resource.

We take a thorough approach to providing skills and value to employees while our policies and employment practices ensure an environment that encourages diversity and engagement and thereby room for personal growth and development. We need to ensure that all employees are knowledgeable about and engaged in the business. We measure our progress in this area using the Gallup

Q12 survey. The results of the survey provide a comparison against a database of approximately 500 organizations.

To attract, retain and bring out the best in its people, we invest in leadership and development training and offer rewarding careers where employees are able to continuously learn. We are also committed to providing safe and healthy working conditions. We prohibit exploitation of labor or harassment of any kind and ensure adherence to the minimum legal age requirements.

Total Number of Employees

1326

Total Number of Employees: 1326

Management: 833

Non Management: 493

Employment Practices		2009	2010	2011	2012	2015
						Target
Women executives*	%	0	0	0	0	12
On-line P&D Dialog Participation	%	77	80	83	**	90
Management Development Program	No of managers	34	121	211	***	338
Employee Engagement Index	% favorable		75	82		80

* Functional and Business Head positions

2011 Overview:

The most significant achievement of 2011 was an increase in our engagement score. We scored 4.14 out of 5 with an increase of 0.4 points over 2010. This indicates a step change in employee engagement levels across our teams and places us at the 63rd percentile within the Gallup global database, compared with 35th percentile last year. Our survey participation rate of 97% and our engagement score this year have been marked as the highest across all AkzoNobel business units in 2011.

The P&D Dialog incorporates both a performance review and development planning. Our company Values and Success Factors (behavioral competencies) are an integral part of all development discussions and have been integrated into the system and annual performance appraisal process. This is an online tool and for employees who do not have access to computers we have a paper

based process. To ensure a consistent and transparent mechanism for all employees, we aim to increase online participation and this year we had over 83% participation bringing us closer to our 2015 target of 90%.

The Management Development Program is a global standardized best practice with AkzoNobel and is being implemented across 32 countries. This year we doubled the number of managers attending the AMP and MEP programs which aim to create common understanding of leadership and management competencies.

Our KPI on female executives is defined as Business or Functional Heads. While females constitute 6.6% of our senior management positions however, at present; we have no female executives. We intend to continue to further support diversity within our Businesses and Functions and increase the percentage to at least 12% for Women Executives by 2015.

Community Investment

Our community investment activities are managed through the ICI Pakistan Foundation which is a separate legal entity with its own Board of Trustees. The Foundation is governed by a Trust Deed that clearly outlines policies and procedures and clearly defines the scope of community investment activities. The accounts of the Foundation are audited every year by A.F. Ferguson & Co.

The Foundation is focused towards community development through investment in education, health, environment and infrastructural development along with disaster relief.

Future Plans:

The Foundation plans to initiate a rehabilitation program for flood affectees of Sind. Due to water stagnation, water borne diseases have spread across the region. We plan to start a project to provide clean drinking water to at least five locations within Sind. Other plans are to expand the scope of IIm-o-Hunar program and take it to more locations.

Community Investment		2009	2010	2011	2012	2015
					Target	Target
Community Program Investment	PKR Million	16.5	42.5*	24.3	6	30

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

2011 Overview:

In 2011, we completed our rehabilitation program for affectees of the 2010 floods. We built two villages in the affected areas of Munda Headworks in Khyber Pakhtoon Khuwa and Rajanpur Village of Rahim Yar Khan in Punjab. Both villages were completed and handed over to the communities in 2011.

In 2011, excessive monsoon rains brought about another series of floods, this time severely affecting the province of Sind. We put together a relief program for over 7000 flood victims in 8 areas, including Nawabshah, Umerkot, Badin, Mirpurkhas and T. M. Khan. These areas were especially chosen as there was little or no access to medical facilities. Along with this, 4 veterinary camps (T. M. Khan, Umarkot, Badin and Kario) were set up, and approximately 12,000 animals were treated.

This year, we launched a skill development program 'IIm-o-Hunar' with aim of creating opportunities for sustainable development. So far, a painter training course and an electric wiring program has been launched under the program.

Our staff actively contributes their time in giving back to our communities and in 2011 a total of 3675 hours were spent by 197 employees and their families on volunteering.

Health, Safety & Security

Zero harm in terms of health, safety and security in our workplace remains our underlined philosophy of conducting sustainable business. To achieve this, we wholeheartedly practice our HSE&S Management System to remain best in class in terms of health and safety performance indicators mainly reporting injuries to employees and contractors per million man-hours worked and zero reportable occupational illness for the same population.

People security is ensured by assessing each new security threat and defining appropriate controls, review and monitor previous assessments and recommended actions to ensure their completeness. Similarly, this assessment, improvement actions and review process is also applied to the security of assets and information. Our Product Stewardship programs ensure Product Security from raw material supplies to eventual product delivery at the customers end.

Health, Safety & Security		2009	2010	2011	2012	2015
						Target
Fatalities	number	0	0	0	1	0
Total reportable injury rate employees/supervised contractors	/million hours	0.28	0.28	0.28	0.27	0
Occupational Illness Rate employees	/million hours	0	0	0	0	0
Total illness absence rate employees	%	1.79	1.92	1.76	1.72	1.76
Fatalities contractors (supervised and independent)	numbers	1	0	0	0	0
Total reportable injury rate independent contractors	/million hours	0.52	0	0	0	0
Lost time injury independent contractors	numbers	1	0	0	0	0
% sites with BBS program	%	0	100	100	100	100
Distribution incidents	numbers	1	1	1	0	0
Motor vehicle incident with injury	numbers	0	1	2	0	0

Overview 2011:

In 2011, there were two injuries to supervised contractor employees during the year and a distribution incident reported by our Polyester Business. We had a reportable injury rate of 0.28 which is the same as last year actual. There were no Reportable Injuries to Independent Contractors. This performance remained best in class within the Group.

Reportable Injuries

April 2, 2011: A supervised contractor of our Life Sciences was hit by an Auto Rickshaw in Shikarpur, Interior Sind, when he was traveling on his bike, causing a fracture to knee cap.

July 18, 2011: An Interior Decoration Consultant (Supervised Contractor) of Paints received injury to her right ankle while attempting to avoid collision with another car in Islamabad.

Distribution Incident

A distribution incident took place in September when a haulier trailer loaded with 61.6 MT of PTA was set on fire by some miscreants. The trailer, its prime mover and all PTA bags were completely burnt. Fortunately, no injury to trailer staff was reported.

Million Man Hours without LTI (Lost Time Injury) to Employees and Supervised Contractors:

Soda Ash	25.6	Life Sciences	6.6	Head Office	10.6
Polyester	21.8	Chemicals	5.8		

Health & Hygiene assessment and monitoring program was robustly practiced across the company resulting in a zero Reportable Occupational Illness, Occupational Illness absence rate improved by 8% over 2010 driven by our employee engagement process. Launch of Behavior Based Safety Program last year and close monitoring of 2011 HSE&S Improvement Plans at sites and locations level remains a key strategic item on the corporate planning. This year, the emergency handling protocol was reviewed and converted to a standardized template to facilitate better handling of such situations.

Future Plans:

Achieving reference level standards in all the elements of our HSE&S Management System, continued follow-up of Behavior Based Safety program and conclusion of residual actions relating to asset integrity guidelines implementation shall be our focus during 2012.



Environmental Performance

Management Approach

In line with global charters on sustainable development and our internal environmental management systems, we aim to reduce impact of our operations on the environment covering all eco systems, land, air and water. We achieve this by striving for resource efficiency by seriously looking at renewable resource and actively offer resistance to climate change by improving energy efficiency and reducing our greenhouse emissions.

Our strategic thrust clearly is to align our financial performance with our sustainability goals. Despite having to use high sulphur furnace oil for the production of our energy and steam requirements in view of the prevalent energy crises in the country, we aim to reduce our carbon footprint per ton of production by 10% by 2015 in relation to 2010 baseline.

Environmental objectives are integrated into our Corporate and Business operational strategies and plans. The company remains wholeheartedly committed to provide the resources, training, consultancy and auditing to ensure that we comply with National Environmental legislation.

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Emissions Control

Salient features of our environmental performance system which is derived from Responsible Care Management System (RCMS) are as follows:

- Waste management plans that include the identification and characterization of all waste streams and appropriate reuse, recycling, and disposal routes, as well as minimization opportunities.
- Systems of work to ensure that emissions to water, land and air are identified, characterized, treated and monitored and, if significant, are mitigated.
- Environmental Impact Assessments (EIAs) for all new operations

and for significant changes to current operations that are in line with local regulations and international good practice. For all significant projects, Environmental and Social Impact Assessments in line with the Equator Principles are required.

- Impact assessments to identify, characterize and address community health and community nuisance issues.
- Internal and external reporting of impacts to the environment.
- Systems to prevent pollution of land and groundwater arising from operations activities including landfills.

Key Performance Indicators

Emissions Control		2009	2010	2011	2012	2015
						Target
Total COD emissions	te	105.37	52.59	53.78	39.52	49.96
Per ton production	kg/te	0.15	0.11	0.13	0.10	0.1
Total VOC emissions	te	161.25	81.81	72.34	57.12	77.72
Per ton production	kg/te	0.23	0.18	0.17	0.14	0.16
Total NOx emissions	te	422.42	430.70	422.93	420.28	409
Per ton production	kg/te	0.61	0.93	0.99	1.03	0.83
Total SOx emissions	te	1431.4	2209.1	2672.9	2590.15	2430
Per ton production	kg/te	2.05	4.76	6.29	6.35	4.95
Total Direct CO ₂ emissions (Scope 1)	million te	0.47	0.39	0.35	0.35	0.37
Per ton production	kg/te	676.1	834.7	829.5	847.95	753
Total Indirect CO ₂ emissions (Scope 2)	te	39907	2447	5642	3235.61	2324
Per ton production	kg/te	57.3	5.3	13.3	7.93	4.7

Additional Focus Areas:

Green house gas emissions are calculated on the basis of fuel consumption.

Persistent Organic Pollutants	Not used at any manufacturing site
Hazards Air Pollutants	Paints: Xylene from Bulk Storage tanks. Soda Ash: Only in Laboratory, Chemicals and at Polyester: Ethylene Glycol and minor Chemicals. All sites are in compliance with the local air and environmental permit requirements.
Stack and Fugitive Emissions	All sites are in compliance with the local air and environmental permit requirements.
Particulate Matter	Chemicals: Diesel Generators. Soda Ash: Boilers are operated on Furnace Oil. Polyester: Engines and Boilers are operated on Furnace Oil. All sites are in compliance with the local air and environmental permit requirements.
Other standard categories of air emissions identified in regulations	None

2011 Overview:

In 2011, our atmospheric emissions have been severely hit by greater natural gas curtailment periods and our need to use high sulphur heavy furnace oil instead. SOx are up by 21% and Indirect CO₂ up by 230% as reflected in the above table. There was a very marginal reduction in Total Direct CO₂ (1%) and Total NOx (1.8%) due to energy conservation measures at our Sites. On the positive side the VOC emissions show a 5.5% reduction due to R&D efforts at our Paints Site. COD (Kg/ton) are higher by 12% (but remained within NEQS limits) due to operational issues at our Polyester site.

Future Plans:

Energy shortages specifically natural gas in the country, have forced us to look at alternate fuels with coal being the fuel of the future figures prominently in our development strategy. The work on the Soda Ash Coal Fired Boiler Project has already begun. We shall ensure that the desulphurization technology we have incorporated in the project scope adequately mitigates the adverse impact of the CO₂ / SOx and NOx emissions on the environment.

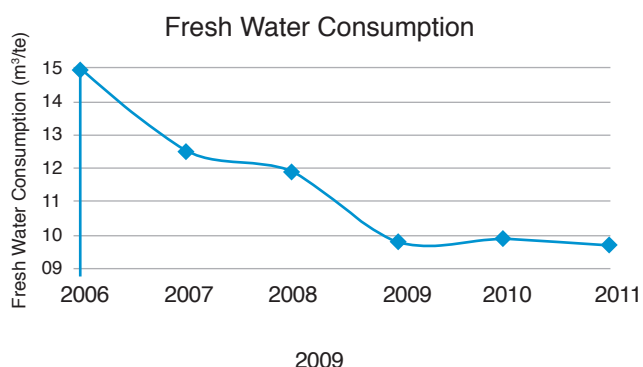
We will continue to dig deep into the possibilities of employing renewable energy (wind) for our own requirements. Each site will be focusing on projects that contribute in the overall carbon footprint reduction.

Water Usage

Resource conservation of which water management is a vital element remained a key driver towards business continuity and sustainability. All our manufacturing sites are on course to become totally fresh water sustainable by 2015.

Water Usage		2009	2010	2011	2012	2015
						Target
Total Fresh water use	million m ³	6.49	4.59	4.12	3.48	4.36
Per ton production	m ³ /te	9.8	9.9	9.7	8.53	8.9
% of sites with sustainable fresh water	%	25	25	25	25	100

2011 Overview:



The total fresh water use dropped to 9.7 m³ per ton in 2011 from 9.9 m³ per ton in 2010 which is a 2% reduction in use. Initiatives leading to this drop were:

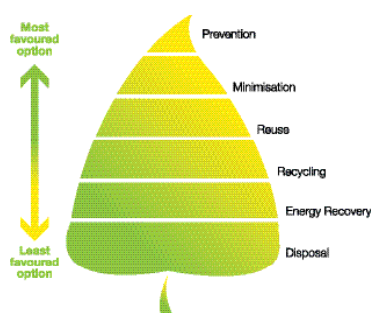
- An aggressive recon drive “Every Drop Counts” at our Soda Ash Plant
- AN effective and consistent “Stop the Drop” measures at our Polyester Plant
- Reuse of Effluent Treatment Plant treated water at our Chemicals Plant

Future Plans:

The improvement plans based upon the water management tool will be acted upon to achieve 100% sustainable water sites by 2015.

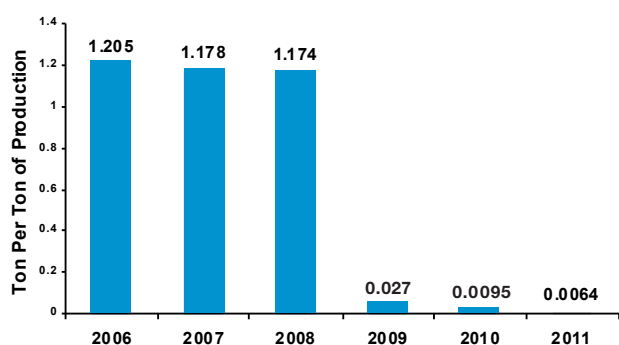
Waste Management

ICI Pakistan continues to employ “3 Rs” waste hierarchy in its Waste Management strategy. Reduce, reuse and recycle hierarchy is to extract the maximum practical benefits from products and to generate the minimum amount of waste.



Waste Management		2009	2010	2011	2012	2015
						Target
Total waste	kte	19.015	4.412	2.73*	2.28	4.191
Per ton production	kg/te	27.32	9.53	6.44	5.60	8.53
Total hazardous waste	kte	0.31	0.54	0.52	0.53	0.51
Per ton production	kg/te	0.45	1.17	1.22	1.30	1.04
Total non-reusable waste	kte	0.408	0.295	0.384	0.385	0.28
Per ton production	kg/te	0.59	0.64	0.90	0.94	0.57
Total non-reusable Hazardous waste	kte	0.151	0.251	0.327	0.323	0.238
Per ton production	kg/te	0.22	0.54	0.77	0.79	0.48
Total Hazardous waste to landfill	kte	0	0	0	0	0
Per ton production	kg/te	0	0	0	0	0

* Total Waste: Reduction in 2011 is due to waste reduction projects initiated at Polyester and Soda Ash.



Note: The waste figures for 2009 to 2011 shown in the graph are on the basis of AkzoNobel definitions.

2011 Overview:

In 2011 Company has shown improvements over 2010 -32.35% in waste reduction specifically through the Coke Briquettes project initiated by Soda Ash. Similarly waste recycling was focused at Polyester and Chemicals Businesses.

Future Plans:

The mitigation measures identified for the waste generated from the Coal Fired Boiler operations shall be fully enacted. Similarly, all other manufacturing sites shall continue to implement their waste management plans during 2012.

Product Stewardship

We as a company continue to strive towards the possibility whereby our products are made safely with minimal risks to health and environment while safeguarding longer term resources security by their efficient use and waste minimization. This can only happen if all those involved in the life cycle of a product take responsibility to reduce the risk of adverse environmental, health and safety impacts to gain the most value from a product.

Product Stewardship		2009	2010	2011	2012	2015
						Target
Product Eco-premium solutions	% sales			15.7	*	30

* ??????????????

2011 Overview:

This year we directed our efforts on developing product eco-premium solutions. We achieved half of our target for 2015 mainly through the efforts of our Paints Business which is a direct consumer business. A major contribution to this was the launch of ICI Dulux WeatherShield Sun Reflect.

Future Plans:

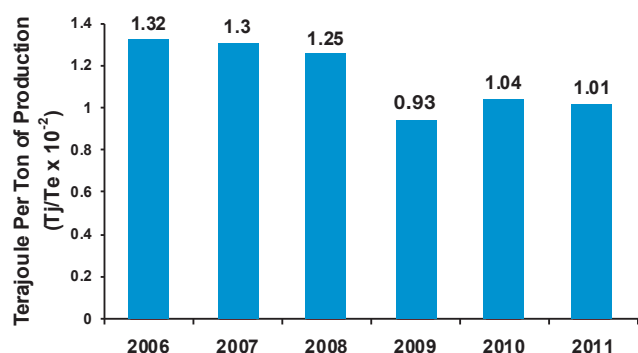
We will continue to enact our product stewardship programs across all our Businesses.

Energy Efficiencies

Energy efficiency continues to underpin the excellence of our manufacturing operations. The rising cost of energy and scarce availability due to the prevalent energy crisis in the country further reinforce the requirement of both short and long term strategic planning, employing various methodologies designed to reduce total

energy use. Through our “Energy & Innovation Forum” we continue to explore the best practices and commit appropriate resources and tools to implement energy efficiency conservation Programs across all our manufacturing sites and office locations.

Energy Usage		2009	2010	2011	2012	2015
						Target
Total Energy Consumption	1000Tj	6.5	4.8	4.3	4.3	4.6
Per ton production	GJ/Te	9.3	10.4	10.1	10.4	9

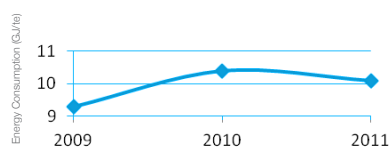


2011 Overview:

In absolute terms our 2011 energy usage per ton shows a 3% reduction over 2010. This reduction becomes significant because both of our manufacturing sites, Polyester and Soda Ash, have on an average operated on less than optimum levels of production rates throughout 2011 in view of the prevalent natural gas and power shortages in the country.

Future Plans:

We continue to remain committed to reduce the Company's carbon footprint. Energy efficiency is intended to be at the core of this ambition. Our site level energy conservations plans will be looking at technology upgrades, equipment modernization and asset maintenance to realize our objective. Installation of Glycol Ejector at Polyester, lighting upgrade and boilers major refurbishments are some highlight projects in the pipeline.



G3 Content Index

STANDARD DISCLOSURES PART 1		
Profile Disclosure	Description	Cross-Reference
Strategy and Analysis		
1.1	Statement from the most senior decision-maker of the organisation	Overview & Strategy; CE Message
1.2	Description of key impacts, risks, and opportunities	Governance & Compliance; Risk Management
Organisational Profile		
2.1	Name of the organisation	Cover Page
2.2	Primary brands, products, and/or services	Cover Page; Business Performance
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures	Governance & Compliance; Director's Report
2.4	Location of organisation's headquarters	Governance & Compliance; Company Information
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Snapshot page
2.6	Nature of ownership and legal form	Governance & Compliance; Corporate Governance and Compliance
2.7	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries)	Business Performance
2.8	Scale of the reporting organisation	Snapshot page. Overview & Strategy; Year in Review
2.9	Significant changes during the reporting period regarding size, structure, or ownership	Governance & Compliance; Director's Report
2.1	Awards received in the reporting period	Overview & Strategy; Awards & Achievements
Report Parameters		
3.1	Reporting period (e.g., fiscal/calender year) for information provided	Sustainability Performance; About the Report
3.2	Date of most recent previous report (if any)	Overview & Strategy; Awards & Achievements
3.3	Reporting cycle (annual, biennial, etc.)	Annual
3.4	Contact point for questions	Sustainability Performance; About the Report
3.5	Process for defining report content	Sustainability Performance; About the Report
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance	Sustainability Performance; About the Report
3.7	State any specific limitations on the scope or boundary of the report (see completeness Principle for explanation of scope)	Sustainability Performance; About the Report
3.8	Basis for reporting on joint ventures	NA
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report	Sustainability Performance; About the Report
3.1	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods)	NA

3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	None
3.12	Table identifying the location of the Standard Disclosures in the report	This table
3.13	Policy and current practice with regard to seeking external assurance for the report	Sustainability Performance; About the Report
Governance, Commitments and Engagement		
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight	Governance and Compliance; Corporate Governance and Compliance
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	Governance and Compliance; Our Board of Directors
4.3	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members	Governance and Compliance; Our Board of Directors
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Governance & Compliance; Corporate Governance and Compliance
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives	Amongst others, the drivers of compensation are individual performance as well as overall company performance
4.6	Processes in place for the highest governance body to ensure conflicts of interests are avoided.	Governance & Compliance; Corporate Governance and Compliance
4.7	Process for determining the composition, qualifications and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity	Governance & Compliance; Our Board of Directors, Report of the Directors
4.8	Internally developed statements of mission or values, codes of conduct and principles relevant to economic, environmental and social performance and the status of their implementation	Overview & Strategy; Our Vision, Our Mission
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities and adherence or compliance with internationally agreed standards, codes of conduct and principles	Governance & Compliance; Risk Management. Sustainability Performance
4.1	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance.	Governance & Compliance; Corporate Governance and Compliance
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	Governance & Compliance; Risk Management
4.12	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses	Governance & Compliance; Corporate Governance and Compliance
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations	UNGC, OICCI, MAP, KCC, PBC
4.14	List of stakeholder groups engaged by the organisation	Sustainability Performance; Stakeholder Dialogue

4.15	Basis of identification and selection of stakeholders with whom to engage	Sustainability Performance; Stakeholder Dialogue
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Sustainability Performance; Stakeholder Dialogue
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	Sustainability Performance; Stakeholder Dialogue

STANDARD DISCLOSURES PART III: Performance Indicators

Economic Performance

EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments	Governance & Compliance; Report of the Directors
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	Governance & Compliance; Risk Management. Case Study (Polyester Solar)
EC4	Significant financial assistance received from the government	None
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	Overview & Strategy; Community Investment

Environmental Performance

EN2	Percentage of materials used that are recycled input materials.	Sustainability Performance; Environmental Performance. Case Study (Effort not Wasted)
EN3	Direct energy consumption by primary energy source.	Sustainability Performance; Environmental Performance
EN4	Indirect energy consumption by primary source.	Sustainability Performance; Environmental Performance
EN5	Energy saved due to conservation and efficiency improvements.	Sustainability Performance; Environmental Performance
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Case Study (Polyester Solar)
EN8	Total water withdrawal by source.	Sustainability Performance; Environmental Performance
EN16	Total direct and indirect greenhouse gas emissions by weight.	Sustainability Performance; Environmental Performance
EN17	Other relevant indirect greenhouse gas emissions by weight.	Sustainability Performance; Environmental Performance
EN19	Emissions of ozone-depleting substances by weight.	Sustainability Performance; Environmental Performance
EN20	NOx, SOx, and other significant air emissions by type and weight.	Sustainability Performance; Environmental Performance

EN22	Total weight of waste by type and disposal method.	Sustainability Performance; Environmental Performance
EN23	Total number and volume of significant spills.	None
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	None

Social: Labor Practice and Decent Work

LA1	Total workforce by employment type, employment contract, and region broken down by gender	Sustainability Performance; Social Performance
LA4	Percentage of employees covered by collective bargaining agreements	Sustainability Performance; Social Performance
LA7	Rates of injury, occupational diseases, lost days and absenteeism and number of work related fatalities by region and gender	Sustainability Performance; Social Performance
LA10	Average hours of training per year per employee by gender and by employee category	Sustainability Performance; Social Performance

Social: Human Rights

HR4	Total number of incidents of discrimination and corrective actions taken	None
Social: Society		
SO2	Percentage and total number of business units analysed for risks related to corruption	100%
SO3	Percentage of employees trained in organisation's anti-corruption policies	100%
SO4	Actions taken in response to incidents of corruption	
SO5	Public policy positions and participation in public policy development and lobbying	Governance & Compliance; Corporate Governance and Compliance
SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country	None
SO7	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly	None
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	None

Social: Product Responsibility

PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	None
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Sustainability Performance; Stakeholder Dialogue
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	None
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	None

Assurance Statement

ICI Pakistan has commissioned United Registrar of Systems (URS) to provide external assurance on its 2011 sustainable report.

The scope of our assurance

Our assurance provides the reader with an independent, external assessment of the report. It is intended both for the general reader and for more specialist audiences who have a professional interest in ICI Pakistan's sustainability performance. Our assurance used disclosed information as its starting point and then investigated the underlying systems, processes and sustainability performance information to arrive at its conclusions.

We have also assured the performance information in the report. The criteria used are the GRI G3 Principles for Defining Report Quality. That is to say that, based upon the procedures conducted, nothing has come to our attention that causes us to believe that the data is not in accordance with the GRI G3 Principles.

ICI Pakistan is entirely and solely responsible for the contents of the report, United Registrar of Systems for its assurance.

The limitations of our review

Our work did not include physical inspections of any of ICI Pakistan's operating assets.

Opinion and findings

In our opinion ICI Pakistan's sustainable development reporting for 2011 reflects the principles of inclusivity, materiality and responsiveness.

Specific comments in relation to the key principles above are:

Inclusivity: Does ICI Pakistan accept responsibility towards those on whom it has an impact? Does ICI Pakistan involve stakeholders in developing a strategic approach to corporate responsibility and sustainability?

ICI Pakistan has taken a positive step of involving stakeholders in the development of its approach to sustainable development. The section on stakeholder engagement in the report is more detailed than in the past and reflects an open and inclusive approach towards reporting. It actively seeks to work with a wide range of other organisations to find shared solutions to common problems. This is particularly notable when tackling issues outside the boundaries of its operations such as environmental regulation and industry standards.

Last year we commented that ICI Pakistan's reporting could be strengthened by providing more clarity over the key stakeholders for each priority area. We are encouraged in this respect that this year's reporting has a much stronger focus on the company's partnership-based approach to setting sustainability objectives and to managing local issues.

Materiality: What are the issues that really matter to the ICI Pakistan's sustainability performance ("material issues")? How does ICI Pakistan identify these issues?

Previously we commented that ICI Pakistan should provide more information on the steps taken to review its priority areas and the system used for reporting against them. This year's reporting reflects work undertaken in this area during the period under review. There is also evidence of ICI Pakistan taking a more holistic approach to key issues, particularly with regard to its strategy on carbon reduction projects. The next step, as noted last year, will be to provide a more rounded assessment of the extent to which its overall objectives with regard to the management of its most material issues are being met. This would demonstrate how the business as a whole is moving to be truly sustainable in a resource-constrained world.

Given the impact of climate change, reducing carbon emissions remains a material issue for all business entities. ICI Pakistan is clearly making significant progress here. It would be helpful for ICI Pakistan to share its methodology, outturn and lessons learned fully in future reports.

Responsiveness: Does ICI Pakistan respond to stakeholder issues that affect performance through its actions and communications? There is evidence of ICI Pakistan's partnership approach to tackling issues being embedded across the business at corporate and local levels, and that this approach is informed by, and responds to, dialogue with key stakeholders. Data and case studies presented by the individual businesses and operations also evidence this.

However, as noted previously, future company-wide reporting will be strengthened by the inclusion of more of the voices and experiences of key groups and organizations, to demonstrate how ICI Pakistan responds to their needs and expectations when working with them.

Reliability of performance information

There is continued evidence of the ICI Pakistan's system for collecting and reporting sustainability having been well embedded and producing robust performance information.

While the data in the system is 'self-certified' by local operations and the corporate communications function, we believe that ICI Pakistan has an effective programme of checks and balances to help review data accuracy and ensure consistency. These checks help to improve the utility and comparability of information, particularly with regard to qualitative assessments of performance, as well as enabling operations to use the information more effectively to manage their approach to sustainable development.

No systematic or material errors or omissions were identified. Uncertainty and limitations relating to the methodologies and data used in the assessment of ICI Pakistan's sustainability performance were clearly explained to URS. ICI Pakistan expressed its commitment to continually improving the quality of its data management processes and the reliability of reported information. The Report and other sources of information to which it refers, are considered to provide a detailed account of ICI Pakistan's management approach and performance.

Looking ahead, it might be worthwhile for ICI Pakistan to take on the challenging step of evaluating the social return on investment of sustainability activities.

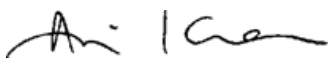
Our assurance team

Our assurance team has been drawn from our global Climate Change and Sustainability Services Practice, which undertakes engagements similar to this with a number of significant local and international businesses.

Conclusion

Through its 2011 sustainable development reporting ICI Pakistan continues to provide a robust demonstration of how it involves stakeholders and responds to their needs and interests in managing its most material issues.

Based on the scope of work carried out, URS concludes that the Report provides an accurate and fair representation of ICI Pakistan's policies, strategies, management system, initiatives and performance in 2011.



Ali Khan
CEO - United Registrar of Systems Limited
Karachi - Pakistan
March 28, 2012

