engro fertilizers

sustainability report 2025

rooted in character driven leadership

engro fertilizers

About the report

This Sustainability Report provides an overview of Engro Fertilizers Limited's sustainability efforts and performance. The Company was incorporated in June 2009, post demerger from parent company Engro Corporation Limited (formerly Engro Chemicals Pakistan Limited) effective from January 1, 2010. Today Engro Corporation holds 56.27% of shares of the Company. EFERT is a renowned name in the Pakistani fertilizer industry, trading on the Pakistan Stock Exchange (PSX) under the symbol "EFERT". The Company holds nationwide fertilizer production and marketing infrastructure, producing leading fertilizer brands optimized for local cultivation needs. EFERT has earned itself a distinguished name by continually striving to uphold the trust of its customers.

This report details how EFERT's core values and governance model incorporate sustainable practices into day-to-day operations, ensuring a sustainable future. This report was prepared in view of the core business and corporate functions of EFERT including its manufacturing, marketing, and supply chain operations, as well as its community outreach programs.



Organizational details

Legal Name	Engro Fertilizer Limited
Nature of Ownership & Legal Form	Public Listed Company
Location of Headquarters	Karachi, Pakistan

Reporting period

The reporting period for this Sustainability Report covers the period from 1 January 2025 to 31 December 2025, aligning with EFERT's annual reporting cycle. This reporting period ensures consistency with the Company's financial and operational reporting framework, enabling stakeholders to assess our sustainability performance over the same timeframe.

Organizational boundary

EFERT's operational boundary covers its integrated fertilizer manufacturing, blending, storage, and distribution network across Pakistan. The Company's urea manufacturing facility is located at Daharki, Sindh, with an annual production capacity of approximately 2.3 million tonnes. The Company's Zarkhez Plant at Port Qasim further strengthens its fertilizer portfolio, with a nameplate capacity of 145 thousand tonnes and is recognized as Pakistan's largest blended NPK fertilizer production facility. Through these operations, EFERT continues to support agricultural productivity and contribute to Pakistan's food security.

EFERT's operational footprint extends to a nationwide network of warehouses and distribution centres, enabling reliable and efficient supply of fertilizer products to farming communities across the country.



Keys for the map

	Marketing & distribution – North Region
	Marketing & distribution – Central Region
	Marketing & distribution – South Region
	Daharki Plant, Ghotki Zarkhez Plant, Port Qasim Head office, Karachi

Reporting framework

This Sustainability Report has been prepared in alignment with internationally recognized sustainability reporting frameworks and local regulatory guidance to provide transparent, consistent, and decision-useful information to stakeholders.

As part of its first-year transition to the IFRS Sustainability Disclosure Standards, EFERT has prepared this report with reference to IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures, ahead of the Securities and Exchange Commission of Pakistan's (SECP) phased adoption of these standards for listed companies. This transition supports greater consistency and connectivity between sustainability-related and financial disclosures.

This report has also been prepared with reference to the following frameworks and guidance:

- Sustainability Accounting Standards Board (SASB) Chemicals Standard
- Global Reporting Initiative (GRI) Standards
- World Economic Forum (WEF) Stakeholder Capitalism Metrics (Core Metrics)
- Securities and Exchange Commission of Pakistan (SECP) ESG Disclosure Guidelines

The report further highlights EFERT's contribution towards the United Nations Sustainable Development Goals (UN SDGs).

EFERT continues to strengthen its reporting processes, governance mechanisms, and data management systems to enhance the quality and maturity of its sustainability-related disclosures.

Report methodology and data collection

The sustainability information presented in this report has been compiled through EFERT's internal data collection, calculation, validation and reporting processes. Sustainability data has been gathered from relevant functions across the Company and internally reviewed to support its accuracy, completeness, and consistency.

Financial information included in this report has been derived from EFERT's Annual Report 2025 which provides detailed information on the Company's financial performance, governance and business activities during the reporting period.

Reporting audience

This report has been prepared for EFERT's stakeholders, including investors, employees, customers, suppliers, regulators, local communities, and other parties with an interest in the Company's activities and performance. It provides a transparent and balanced account of EFERT's sustainability-related risks, opportunities, impacts, and performance, and details how the Company creates long-term value across economic, environmental, and social dimensions.

Feedback

For any suggestions or questions, please contact:
EFERT Communications
Email: eferticommunications@engro.com
Phone: +92 21 111 211 211

About Engro Fertilizers

EFERT is a leading name in Pakistan's fertilizer industry supported by a nationwide production and marketing network and a portfolio of trusted brands tailored to local agricultural needs. Guided by a long-standing commitment to quality and customer trust, EFERT's focus extends beyond product performance to creating lasting value for farmers, communities, and the environment. Through innovation and customer-centric solutions, the Company works to enhance soil fertility, increase crop yields, and support Pakistan's food security agenda, contributing to the achievement of Sustainable Development Goal 2: Zero Hunger.

The primary business segments of the Company are:

- Straight Fertilizers (urea, phosphatic fertilizers)
- Specialty Fertilizers (Zabardast Urea, Zarkhez Grades)
- Agriservices (site-specific fertilizer recommendations based on the 4Rs principles (Right source, Right dose, Right time, and Right method of application))

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Company

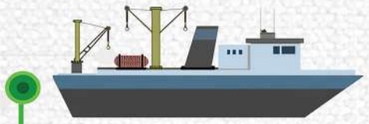
overview

Our business model

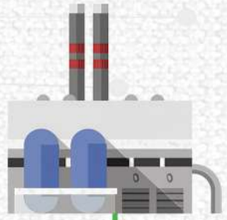
EFERT's business model is founded on creating long-term value while supporting the sustainable development of Pakistan's agricultural sector. Guided by strong leadership and its shareholders' trust, the Company leverages strategic partnerships, reliable access to resources, and its people's dedication to delivering high-quality products and solutions that enhance farm productivity and strengthen national food security. Customers remain at the heart of EFERT's operations, supported by robust logistics, warehousing, and dealer network ensuring reliable fertilizer availability nationwide.

Continuous investment in operational excellence and innovation enables EFERT to maximize efficiency and respond to farmers' evolving needs. Through a diversified product portfolio, digital platforms, and farmer-focused initiatives, the Company is advancing modern agricultural practices and delivering value beyond products. Programmes focused on farmer training, consumer protection, community development, and environmental stewardship further reinforce EFERT's commitment to responsible growth and shared prosperity.

EFERT remains committed to empowering farmers, advancing agricultural productivity, and supporting Pakistan's food security through innovation, sustainability, and stakeholder collaboration, creating lasting value for all stakeholders.



Continuous optimization of manufacturing facilities.





Broadening opportunities through quality products with wider distribution networks.



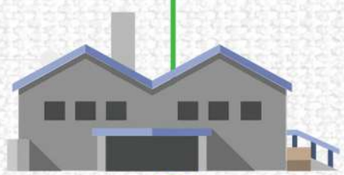
Transportation we transport our product through our contractors.



Community engagement
We work with our employees and local communities. We strive to build trust in our Company to enhance business and become a trusted partner for stakeholders.



Product use
We work with farmers to improve crop yields and farmers' incomes.



Distribution
We work with our dealers to reach customers.

Product

portfolio & services



Product portfolio & services

EFERT is committed to delivering quality beyond brand performance by enhancing crop yields, enriching nutrient-deficient soils, addressing malnutrition, and supporting Pakistan's food security agenda.



Fertilizers

EFERT's premium fertilizer portfolio, including trusted brands like Engro Urea and DAP (Di-Ammonium Phosphate), focuses on balanced crop nutrition and improved crop yields for Pakistani farmers.



Straight Fertilizers

Engro Urea

EFERT established Pakistan's first urea production facility in 1968 and has since expanded its capacity through continuous growth initiatives, reaching a current annual production capacity of 2.3 million tons. Engro Urea, containing 46% Nitrogen, is a highly concentrated fertilizer that supports healthy plant growth and improved yields across diverse crops.



Phosphatic Fertilizers

Engro NP Plus

Engro NP Plus is a balanced (18:18) Nitrogen-Phosphorus fertilizer enriched with Boron and organic fillers, promoting crop health, improved grain filling, higher grain weight, and reduced flower shedding. It is ideal for soil application during sowing and early crop growth stages.



Engro DAP

Engro DAP has been imported and marketed by EFERT since 1996 and is one of Pakistan's most trusted sources of Phosphorus. With an 18:46 Nitrogen-Phosphorus ratio, it strengthens roots, supports flowering and fruit formation, and improves grain size and weight through high-quality, standards-compliant fertilizer.



Engro TSP

Engro TSP is a highly concentrated phosphorus fertilizer containing 46% P_2O_5, with over 90% water-soluble phosphorus for rapid nutrient availability. Suitable for diverse crops, it improves rooting, reproductive growth, and yield quality while effectively addressing phosphorus deficiencies in soils.



Engro Zorawar

Engro Zorawar (MAP) is a high-efficiency granular fertilizer containing 50% Phosphate and 10% Nitrogen. It supports seed germination, root development, tillering, and improved crop quality across cereals, cotton, vegetables, and fruit trees. EFERT is Pakistan's only importer of MAP, offering a trusted, low-adulteration solution for crop nutrition.



Specialty Fertilizers

Specialty fertilizers are innovative, R&D-driven solutions that enhance crop productivity, improve fertilizer-use efficiency, and support sustainable agriculture while contributing to the Zero Hunger goal.



Engro Zarkhez

Most Pakistani soils lack essential nutrients, impacting crop yield and quality. Engro Zarkhez addresses this gap with balanced Nitrogen, Phosphorus, and Potassium in a single granule, enabling efficient nutrient uptake and convenient application. It is available in two variants: Zarkhez Plus and Zarkhez Khaas.



Engro Zarkhez Plus

This has added organic fillers and bio stimulants which ensure prolonged availability of nutrients resulting in higher yield and good quality of produce. It has an NPK ratio of 8:23:18 and it is used for all major crops.



Engro Zarkhez Khaas

Engro Zarkhez Khaas is a unique recipe with Boron and Sulphur, enriched with organic fillers and bio stimulants.

Engro Zabardast Urea, Zarkhez Plus, Zarkhez Khaas, and NP Plus improve nutrient availability and uptake, enhancing fertilizer-use efficiency throughout the crop cycle. Revenue from these products qualifies as income from solutions designed to increase resource efficiency during use.

During 2025, total sales volume of these products amounted to 216.5 thousand tonnes, generating revenue of PKR 23.8 million.



Engro Zingro

Engro Zingro is a premium fertilizer containing 33% Zinc that addresses widespread zinc deficiency, particularly in rice crops. Its high purity and improved zinc efficiency promote faster response, healthier growth, and enhanced crop yields. Zinc is a micronutrient which the crop requires in small dosages, and it complements the functions of major nutrients.



Engro Zabardast Urea

Engro Zabardast Urea launched in 2017, is yet another leap forward by EFERT in pioneering next generation fertilizers in Pakistan.

This product is developed in collaboration with Niha Corp USA. It has a unique combination of Nitrogen (42%), Bioactive Zinc (1%) and a consortium of beneficial microbes that mobilize nutrients in soil and enhance crop resistance. Engro Zabardast Urea is beneficial for all the crops as it increases crop yields, improves quality and enriches zinc contents in produce.



Engro MOP

Engro Muriate of Potash (MOP) is a highly concentrated 60% Potassium fertilizer that improves crop yields, disease resistance, and fruit quality. Suitable for most soils and crops, it enhances color, flavor, and shelf life of fruits and vegetables.



Engro SOP

Engro SOP is a premium, chloride-free form of Potassium that can be applied as a straight fertilizer. Engro SOP is available in granular form, targeting all potash-loving crops such as potato, maize, sugarcane, wheat, rice, cotton, vegetables, fruits, orchards and tobacco. Engro SOP contains Potassium (50%) nutrients and Sulphur (17.5%). Engro SOP not only improves quality and crop yields, but also makes plants resilient to drought, frost, insects and diseases.



Engro Ammonium Sulphate

Engro Ammonium Sulphate with Ammoniacal Nitrogen (20.6%) 21% and Sulphur 24% is used primarily to fulfill the supplemental need of Nitrogen and Sulphur in growing plants. It is an acidic fertilizer which is highly soluble in water and contains plant preferred Sulphate form. Farmers are becoming increasingly aware of the importance of Sulphur as a secondary nutrient as it helps in nutrient uptake and increases resistance against diseases like fungal attacks.



Engro Zoron

Engro Zoron is a 100% water soluble fertilizer which contains 20% Boron as an essential micronutrient. Engro Zoron increases the efficacy of other fertilizers, nourishes the plants, increases crop yields, retains the shape of the produce, reduces flower and fruit shedding as well as improves overall quality. It can be used for soil or foliar application. Engro Zoron is recommended for cotton, cereals (rice, maize, oat), vegetables (onion, potato, tomato, cauliflower), fruits (apple, banana, grapes, guava, apricot, pear, peach, plum), roses and other ornamental plants.



Engro Potash Power

Engro Potash Power has a high composition of Potassium (44%) in addition to Nitrogen (13%). It is 100% water soluble and acidic in nature especially, designed for high-efficiency drip irrigation systems. It enables availability of other nutrients to the soil and is suitable for both soil and foliar applications with a high efficiency irrigation system.

Engro Potash Power provides greater resistance against frost. It increases fruit size, fruit appearance, organoleptic features and shelf life. Engro Potash Power is for all crops including cotton, wheat, rice, sugarcane, sunflower, maize, flowers and fruits at mid to late-stage application for improving health, yield, optimal plant nutrition and overall quality.



Engro Phos Power

Engro Phos Power, imported from Europe, is acidic in nature and 100% water soluble which is specially designed for high-efficiency irrigation systems. It contains Phosphorus (44%) and Nitrogen (17%). It is a premium product, free from impurities which improves the availability of calcium, magnesium and other trace elements to the plant. It can be used for soil or foliar applications, and applied to all types of crops, orchards and vegetables for improving health, vigor, yield and overall quality of produce.



Engro SOP Power

Engro SOP Power is a 100% water-soluble 50% Potash fertilizer that ensures efficient nutrient absorption across crops. Suitable for drip irrigation, it strengthens roots, improves crop quality, and helps reduce soil alkalinity.



Services

Beyond its premium fertilizer portfolio, Engro Markaz enables sustainable agriculture and financial inclusion by providing farmers with direct access to quality inputs, agronomic advisory, and financial solutions. Located in Bahawalpur, Sahiwal, Sargodha, and Muridke, these company-owned outlets are transforming fertilizer retail by ensuring authentic products, transparent pricing, reliable availability, and value-added services.

By eliminating intermediaries, Engro Markaz strengthens farmer trust through controlled pricing, counterfeit prevention, and consistent service quality. The outlets provide a dedicated space for farmer engagement and consultations, while multiple payment options—including digital channels and agricultural cards—improve accessibility. Partnerships with Bank Alfalah and Bank of Punjab further support farmers through financing solutions that address liquidity challenges.

The Small Parcel Delivery service promotes greater inclusion by providing farmers with direct access to quality agricultural inputs, reducing transportation challenges, and improving accessibility for small- and medium-scale growers. The service has achieved strong adoption, accounting for 64% of total outlet sales.

The pilot phase of Engro Markaz delivered strong results by the end of 2025, generating over PKR 390 million in revenue, achieving more than 2,400 MT in fertilizer sales, and onboarding over 1,300 farmers, reinforcing its role as a catalyst for modern, inclusive agricultural growth.



Vision

We are passionate about transforming the agricultural landscape, bringing change, and helping the farmer grow.

Core values

At Engro we never forget what we stand for - our people, our purpose, and our unwavering commitment to doing what is right.

Health, Safety & Environment

Cares deeply about environmental impact and safety of people

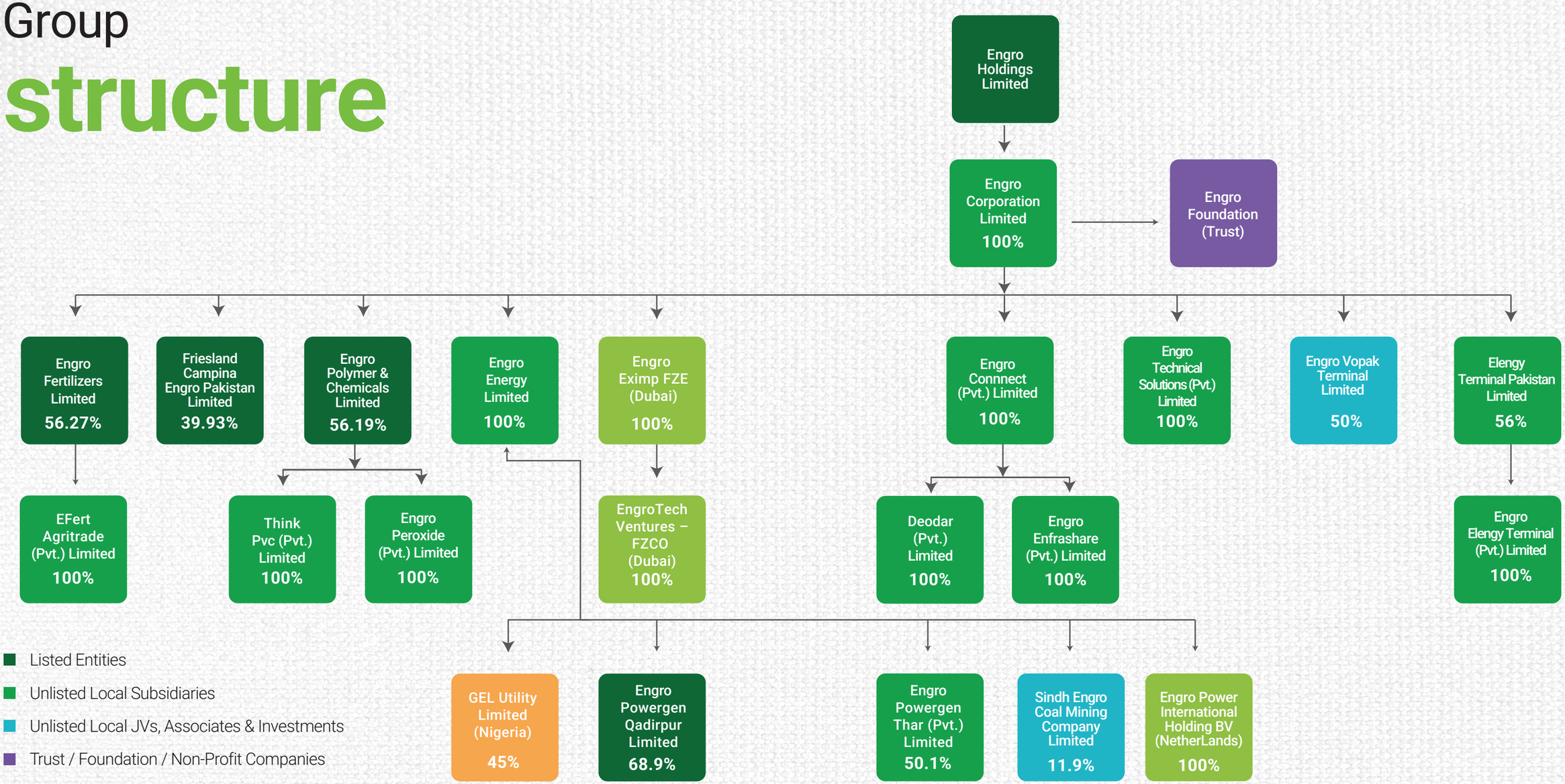
Ethics & Integrity

Has impeccable character and lives by highest standards of integrity and accountability

Community & Society

Nurtures passion to serve country community and company belief in the dignity and value of people

Group structure



Note: The above companies include all the active business entities under Engro Holdings Limited during the year ended 31st December 2025.

Awards & recognition

In 2025, EFERT's continued pursuit of excellence was recognized through numerous local and international accolades, highlighting its achievements across key areas.

Health, Safety and Environment (HSE)

IFA Protect & Sustain Certification
Enhanced its global compliance and sustainability profile by successfully retaining the IFA Protect & Sustain certification, reaffirming its position among responsible fertilizer producers worldwide

International Safety Award (Distinction)
for outstanding HSE performance, highlighting sustained commitment to safety excellence

CEO Award (Finalist)
shortlisted among global leaders (10 in total) for championing best-in-class safety practices across business footprint

General Management and Finance

PSX Top 25 Companies Award 2024
Ranked 4th among the top 25 companies

Best Corporate Report 2024
2nd position in the Chemical and Fertilizer Category

Amir S Chinoy Corporate Excellence Award
Secured 1st Position in Overall Industrial Category at MAP's 40th Corporate Excellence Awards

22nd Annual Excellence Award
Won runner-up award for investor relations

SAFA Best Presented Annual Report Awards
Won awards for Transparent Reporting in the Manufacturing Sector and Merit Certificate for the SAARC Anniversary - Corporate Governance & Disclosures

People

IFC-PBC Employer of Choice Awards 2025
Won 1st place overall for IFC-PBC Employer of Choice at the International Finance Corporation-Pakistan Business Council Awards

Marketing

Effie Award 2025
One Attained 1st position in the Influencer Marketing Category and 2nd Position in the Social Media Category at the Effie Award 2025

Digital

Pakistan Digital Awards 2025
3 wins for UgAi, 1 win for Centralized Historian (Aspen Tech 1P21)

Chairman's review

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Sustainability Report of Engro Fertilizers Limited for the year ended 2025. This report reflects our continued commitment to responsible growth, resilient agricultural systems, environmental stewardship, and long-term value creation for our stakeholders.

The operating environment in 2025 was characterized by volatility in global nutrient markets, driven by energy price movements, supply constraints, and shifting trade flows, which continued to influence fertilizer affordability and farmer sentiment. Domestically, low water availability, climate-related disruptions, and weak farmer economics at the start of the year underscored the increasing importance of climate resilience, resource efficiency, and sustainable agricultural practices. These challenges further strengthened our conviction that long-term value creation requires balancing economic performance with environmental responsibility, social development, and sound governance, thereby contributing to a more sustainable and climate-resilient agricultural ecosystem.

A particularly important milestone during the year was the approval of the industry's gas allocation proposal for the Base Plant, resolving a long-standing structural issue and strengthening the foundation for reliable domestic fertilizer production.

In line with Engro's purpose and values, EFERT continued to uphold responsible business practices, strong governance, and a focused social impact agenda. Recognizing the evolving expectations of stakeholders, the Company also formalized its Sustainability Strategy 2030, during the year, which provides a comprehensive framework for advancing environmental stewardship, social progress, and responsible governance while creating enduring value for stakeholders.

Guided by our culture of Character and Good Manners (CGM), the Company advanced community initiatives in education, healthcare, livelihood support, and environmental stewardship, ensuring that operational progress was matched by meaningful contributions to the communities we serve.

Looking ahead, EFERT remains focused on enabling a more productive, inclusive, and resilient agricultural landscape for Pakistan. Long-term value will be shaped by our ability to ensure operational excellence through platforms such as Ennovate and strategic investments including Pressure Enhancement Facility (PEF), which strengthens operational flexibility and readiness for the years ahead. Alongside this, the Company will continue expanding its digital and agri-technology solutions, while advancing farmer-centric innovative platforms. As demand for reliable nutrient supply continues to grow, EFERT is committed to advancing technology-enabled outreach, climate-smart solutions, and strategic discipline to reinforce national food security and create sustainable, long-term value for all stakeholders.

On behalf of the Board of Directors, I extend my sincere gratitude to our shareholders, regulators, customers, business partners, farming communities, and employees for their continued trust and support. Together, we will continue advancing sustainable growth, strengthening agricultural resilience, and creating enduring value for future generations.



Ahsan Zafar Syed
Chairman

CEO’s statement

Dear Shareholders,

As I assume the role of Chief Executive Officer, my focus is on building upon EFERT's strong foundations while accelerating our sustainability ambitions. Our vision," We are passionate about transforming the agricultural landscape, bringing change and helping the farmer grow." remains the cornerstone of our approach and shapes how we create value for farmers, colleagues, communities, shareholders, and the wider economy. Sustainability is therefore not a parallel agenda but an integral component of how we operate, innovate, and grow.

This year, despite a challenging operating environment shaped by climate variability, geopolitical uncertainty, regulatory changes, and volatile fertilizer markets, EFERT remained steadfast in its commitment to Pakistan's food security. The Company continued to provide reliable, affordable, and sustainable fertilizer solutions while ensuring a consistent supply of urea at prices significantly below international parity. Through resilient operations and a dependable supply chain, EFERT supported farmers, enhanced agricultural productivity, and contributed to the stability and sustainability of the agricultural sector.

In 2025, the domestic fertilizer market continued to show resilience despite pressures on farmers from depressed crop prices and weather-related disruptions. Urea offtake rose to 6,730 KT, compared to 6,574 KT in 2024, reflecting a recovery in seasonal demand supported by sufficient channel inventory and government-driven incentives that strengthened farmer purchasing power. These factors helped offset broader challenges of weak farm economics and climatic setbacks, reinforcing the need for affordable inputs, climate-adaptive practices, and inclusive farmer support.

On the domestic industry supply front, urea production remained steady at 6,676 KT, (2024: 6,670 KT), while DAP offtake declined to 1,317 KT from 1,636 KT in 2024, reflecting a modest contraction driven mainly by farmer affordability constraints and cautious nutrient application amid higher phosphate prices.

Moving to EFERT, operational excellence remained a key enabler of sustainable performance. Improved plant availability enabled urea production to rise to 2,289 KT from 2,147 KT in 2024, supporting EFERT's achievement of a 34% domestic market share compared with 31% last year.

In the phosphates segment, sales closed at 176 KT compared with 306 KT in 2024, reflecting the Company's strategically cautious procurement stance amid heightened global price volatility. The Specialty Fertilizer Business operated under constrained demand conditions, shaped by unfavorable farmer economics and rising category-level competition.

Despite these challenges, Zabardast Urea, EFERT's enhanced efficiency fertilizer, delivered a resilient performance through activation of over 1,000 dealers nationwide and maintained its leadership position with a 75% category market share, supporting balanced nutrition and improved crop productivity.

A defining milestone during the year was the development of EFERT's Sustainability Strategy 2030,"THRIVE" (**T**alent & Inclusion, **H**ealth, Safety & Wellbeing, **R**esource resilience, **I**mpacting Farmers, **V**alue from Circularity, **E**nergy & Emissions Stewardship). Developed through stakeholder engagement, materiality assessments, and alignment with emerging sustainability expectations, THRIVE provides the roadmap through which we will translate ambition into measurable outcomes and sustainable value creation.

From an economic sustainability perspective, EFERT continued to play a pivotal role in supporting Pakistan's agricultural sector. A key milestone during the year was the approval of the industry's gas allocation framework by the ECC and Federal Cabinet. This decision strengthens the long-term viability of domestic fertilizer production, enhances supply security for farmers, and supports a more reliable gas supply for the fertilizer industry. The Company however, continued to operate under a comparatively higher gas cost structure, impacting its competitive position within the industry. We aim to address this structural disadvantage and work towards a more equitable framework that supports the long-term sustainability of our operations.

In addition to the above, the industry has entered into strategic investments such as the Pressure Enhancement Facility (PEF), to strengthen operational resilience, support efficient resource utilization, and reinforce industry's and EFERT's contribution to national food security.

Our pursuit of excellence has been acknowledged on prominent national and international platforms, earning distinctions such as Overall 1st Prize at the Management Association of Pakistan Awards, 4th Position in the PSX Top 25 Companies Award 2024, and 1st Place Overall for Employer of Choice at the IFC-PBC Awards. These recognitions reflect our continued focus on governance, operational discipline, innovation, inclusion, and responsible business practices, and serve as a testament to the dedication of our people and partners.

Environmental stewardship remains a key pillar of our strategy. Through initiatives such as Engro Markaz Mobile Application, we continue helping farmers adopt knowledge-driven and technology-enabled farming practices, while products such as Zabardast Urea support balanced crop nutrition and improved agricultural productivity. We also continued advancing resource efficiency, responsible water management, and climate-smart agricultural solutions as part of our commitment to sustainable agriculture.

Our social priorities remain equally important. The safety, wellbeing, and development of our people continue to guide our decisions and actions. In 2025, we achieved a Total Recordable Incident Rate (TRIR) of 0.04 with zero Lost Workday Injuries and zero fatalities, reflecting our unwavering commitment to safe operations. Beyond our workplace, we continued investing in education, healthcare, livelihood development, water access, and community resilience initiatives to create positive and lasting impact in the communities we serve.

Strong governance remains the foundation of everything we do. Guided by Character and Good Manners (CGM), we continue to foster a culture of integrity, accountability, transparency, and ethical conduct. Effective governance enables responsible decision-making, strengthens stakeholder trust, and supports sustainable business performance over the long term.
As we look ahead, EFERT remains committed to creating long-term shared value by integrating economic performance with environmental stewardship, social responsibility, innovation, and strong governance. We recognize that the challenges facing agriculture and society require collaborative action, innovation, and responsible leadership. Together with our colleagues, customers, shareholders, regulators, farming communities, and other stakeholders, we will continue working to strengthen food security, support sustainable agricultural productivity, and create enduring value for future generations.

I would like to thank our Chairman and Board of Directors for their guidance and support, as well as our colleagues for their dedication and commitment to excellence. Their guidance and trust have played a pivotal role in steering the organization through a dynamic period, strengthening governance and fostering sustainable long-term value. I am equally grateful to our customers, business partners, shareholders, and stakeholders for their continued trust. With their support, EFERT remains well positioned to build a more resilient, productive, and sustainable future for Pakistan.



Imran Ahmed
Chief Executive Officer

CSO’s statement

As Chief Sustainability Officer, I am pleased to present the Sustainability Report of Engro Fertilizers Limited (EFERT) for the year ended 2025. This report reflects our commitment to integrating sustainability into our strategy, operations, and decision-making processes while creating sustainable value for our stakeholders through responsible environmental stewardship, social progress, and strong governance.

At EFERT, sustainability is embedded within our strategy and guides the way we create value for our stakeholders. Our focus extends beyond operational excellence to strengthening food security, supporting farmers through innovation, advancing climate resilience, investing in our people, and maintaining the highest standards of governance. These priorities guide our decisions and shape the way we respond to an evolving operating environment.

Despite pressures on the agricultural sector from depressed crop prices, climatic disruptions, and volatile global markets, EFERT continued to support Pakistan's food security through the reliable supply of essential nutrients. During the year, domestic urea offtake increased to 6,730 KT from 6,574 KT in 2024, while EFERT strengthened its position in the domestic market by achieving a 34% urea market share, compared with 31% in the previous year.

The Company also continued supporting farmer productivity through innovative products and services. Zabardast Urea, an enhanced efficiency fertilizer, maintained its leadership position with a 75% category market share, reinforcing EFERT's commitment to sustainable agriculture, balanced nutrition, and improved crop productivity.

A key milestone during the year was the development of THRIVE, EFERT's Sustainability Strategy 2030. THRIVE provides a structured framework for managing our material environmental, social, and governance priorities and establishes the foundation for measurable progress across the Company's sustainability agenda.

To drive accountability and measurable progress, we have begun establishing sustainability targets and implementation roadmaps across priority areas including water stewardship, health and safety, employee wellbeing, farmer outreach, diversity and inclusion, and operational resilience. These roadmaps will guide decision-making and resource allocation over the coming years as we transition from activity-based sustainability management towards target-driven performance. At the same time, we strengthened our sustainability reporting capabilities, data management processes, and governance mechanisms to support evolving disclosure requirements and enhance transparency for stakeholders.

EFERT's progress continues to be guided by a culture of Character and Good Manners (CGM), which shapes how our people work, lead, and support one another. Choosing what is right, staying humble, and showing empathy remain central to our identity. The Company's commitment to governance, responsible business practices, and organizational excellence was also recognized through several prestigious national and international awards.

As we look forward, our focus will be on implementing THRIVE, strengthening resilience to climate and sustainability-related risks, and delivering measurable outcomes across our environmental, social, and governance priorities. Sustainability is a journey of continuous improvement, and we remain committed to delivering sustainable value while supporting a stronger agricultural future for Pakistan.

I would like to thank my colleagues in the Management Committee for their unwavering support and to the Sustainability Committee for their dedication in implementing and managing sustainability initiatives and reporting. I would also like to thank the CEO and Board of Directors for their leadership, guidance, and commitment, as well as for entrusting me with the opportunity to lead this important initiative. Their collective efforts have been instrumental in advancing EFERT's sustainability journey and building the foundation for long-term sustainable success.

Muhammad Imran Khalil
Chief Financial Officer
&
Chief Sustainability Officer



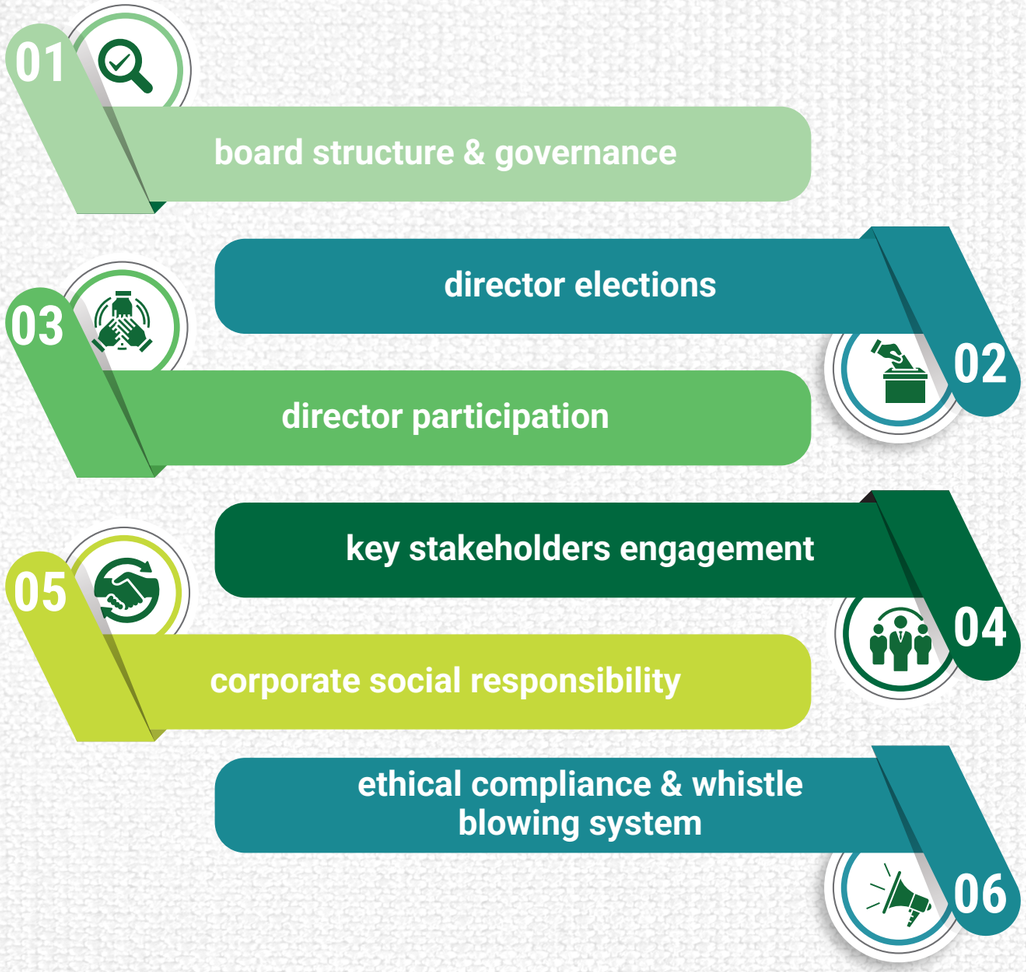
Principles of

governance

Our governance framework

We are committed to implementing sound corporate governance practices that enhance the effectiveness of our board and management while engaging with our shareholders on matters of corporate governance.

EFERT's governance framework is structured around six pillars:



Board composition

The Board of Directors carries out its duties with a sense of objective judgment and in good faith in the best interests of the Company and its stakeholders. There are eight (8) Directors on the Board, comprising three (3) Independent Directors, four (4) Non-Executive Directors and one (1) Chief Executive Officer. The board's diversity ratio stood at 12.5% in 2025.

Mr. Ahsan Zafar Syed	Non-Executive Director-Chairman	4/5
Mr. Farooq Barkat Ali	Non-Executive Director	4/5
Mr. Ahmad Shakoor	Non-Executive Director	5/5
Mr. Asad Said Jafar*******	Non-Executive Director	5/5
Mr. Mohammad Younus Dagha****	Independent Director	3/5
Mr. Rizwan Khalil Sheikh*****	Independent Director	3/5
Ms. Sadia Khan ******	Independent Director	3/5
Mr. Ali Rathore	Chief Executive Officer	5/5
Mr. Asim Murtaza Khan*	Independent Director	2/5
Mr. Javed Akbar**	Non-Executive Director	2/5
Ms. Danish Zuberi***	Independent Director	1/5

* Retired as Independent Director on March 24, 2025.
** Retired as Non-Executive Director on March 24, 2025.
*** Retired as Independent Director on March 24, 2025.
**** Mr. Mohammad Younus Dagha was elected as Independent Director on March 24, 2025.
***** Mr. Rizwan Khalil Sheikh was elected as Independent Director on March 24, 2025.
****** Ms. Sadia Khan was elected as Independent Director on March 24, 2025.
*******Mr. Asad Said Jafar Retired as Independent Director on March 24, 2025, and was elected as Non-Executive Director on March 24, 2025.
******** Mr. Ali Rathore served as CEO till May 09, 2026. He was replaced by Mr. Imran Ahmed joined as CEO from May 11, 2026.

The Board meets at least quarterly to assess the performance of the Company. The roles and responsibilities of the Board can be referred to from the Annual Report 2025.

Role of Chairman & CEO

Chairman

Mr. Ahsan Zafar Syed is the Chairman of the Board. In compliance with corporate governance best practices, the positions of the Chairman of the Board of Directors and the office of the Chief Executive are held by separate people.

Every meeting of the Board is presided over by a Chairman. The chairman of a Board meeting by virtue of his position and nature of his duties is responsible for the leadership of the board and to ensure that the board plays an effective role in fulfilling its responsibilities and amongst other things, he is empowered to:

- Issue a letter to Directors setting out their roles, obligations, powers and responsibilities at the beginning of the term of each Director, set the agenda of the meeting of the Board and ensure that reasonable time is available for discussion of the same.
- Ensure that the minutes of meetings of the Board of Directors are kept in accordance with the requirements of Sections 178 and 179 of the Companies Act, 2017

Chairman's significant commitments

Mr. Ahsan Zafar Syed is the CEO of Engro Corporation Limited and serves on the boards of several other companies. The details of his other engagements as Director and Trustee are given in his profile.

Delegation of responsibilities

The Board ensures effective delegation of financial powers within the legal framework through a formally approved delegation policy.

This policy establishes:

Matters specifically reserved for determination by the Board of Directors; and Matters delegated to the management to empower it to act effectively and make key decisions. The powers of the Board of Directors and the management of the Company have been defined in the said policy with special reference to and in compliance with, the Companies Act, 2017, the Code of Corporate Governance Regulations, 2019 and the Articles of Association of the Company.

In addition to approving the vision, core values, corporate strategy and the policies for conduct of business of the Company, matters specifically reserved for the Board in relation to delegation of financial powers are listed below:

- Investment and disinvestment of funds where the maturity period of such investments is six months or more
- Determination of the nature of loans and advances made by the company and fixing a monetary limit thereof
- Defining the level of materiality, keeping in view the specific circumstances of the company and the recommendations of any technical or executive sub-committee of the Board that may be set up for the purpose
- Review and approval of related party transactions
- Appointment, removal, remuneration, terms and conditions of employment of Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit
- Constitution of committees and appointment of Committee Chairs and approving their terms of reference
- Governance of risk and determining Company's level of risk tolerance including annual review
- Powers vested with the Board as per Section 183 of the Companies Act; and Significant issues to be placed for decision of the Board of Directors as per Clause 14 of the Code of Code of Corporate Governance Regulations, 2019, as and when applicable

Matters delegated to the management

All matters not specifically reserved for the Board have been entrusted to the CEO of the Company who has the primary responsibility for routine business operations of the Company. The authorities necessary for the day-to-day management of the organization and the implementation of corporate objectives have been delegated to the management of the Company and are documented in the form of a Limits of Authority Manual.

Chief Executive Officer

The Board collectively has the responsibility to ensure that the affairs of the Company are governed competently and with integrity. Biographical details of all the Directors are given in the Annual Report 2025.

Mr. Ali Rathore* was the Chief Executive Officer (CEO) of the Company. Mr. Ali Rathore* also served as a Director on the Boards of:

1. EFERT Agritrade Private Limited (Chairman & CEO)
2. Elengy Terminal Pakistan Limited
3. Engro Vopak Terminal Limited

*Mr. Ali Rathore served as CEO till May 09, 2026. He was replaced by Mr. Imran Ahmed who joined as CEO from May 11, 2026.

Board committees

Our governance framework is designed to ensure that the Company lives up to its core values and principles, institutionalizing EFERT's commitment to enabling excellence. The Board has established two committees:

Board People Committee (BPC)

The Committee meets several times during the year to approve, review, and recommend all elements of the Compensation, Organisation and Employee Development policies relating to the senior executive's remuneration and to approve all matters related to the remuneration of the executives of the Company and members of the management committee. The committee met four times during the financial year 2025.

Names	Meetings Attended
Mr. Rizwan Khalil Sheikh (Chairman)	3/4
Mr. Asad Said Jafar	3/4
Ms. Sadia Khan	3/4
Mr. Asim Murtaza (chairman BPC) *	1/4
Mr. Javed Akbar**	1/4
Mr. Ahsan Zafar Syed***	1/4

*Retired on March 24, 2025
** Retired on March 24, 2025
*** Retired on March 24, 2025

Salient features of the Terms of Reference

1. To ensure corporate standards/human resource policies and fundamental beliefs are aligne with the corporate guidelines
2. To recommend the selection, performance evaluation, compensation, development and succession plan of the CEO and his direct reports
3. Recommend the salary and bonus programme to the Board
4. Review engagement survey results

Board Audit & Risk Committee (BARC)

The BARC meets at least once every quarter and assists the Board in fulfilling its oversight responsibilities, primarily in reviewing and reporting financial and non-financial information to shareholders, systems of internal control and risk management, sustainability agenda and the audit process. It has the power to call for information from management and to consult directly with the external auditors or their advisors as considered appropriate.

The Chief Financial Officer regularly attends the Board Audit & Risk Committee meetings by invitation to present the financial statements. After each meeting, the Chairman of the Committee reports to the Board. The Committee met four times during the financial year 2025.

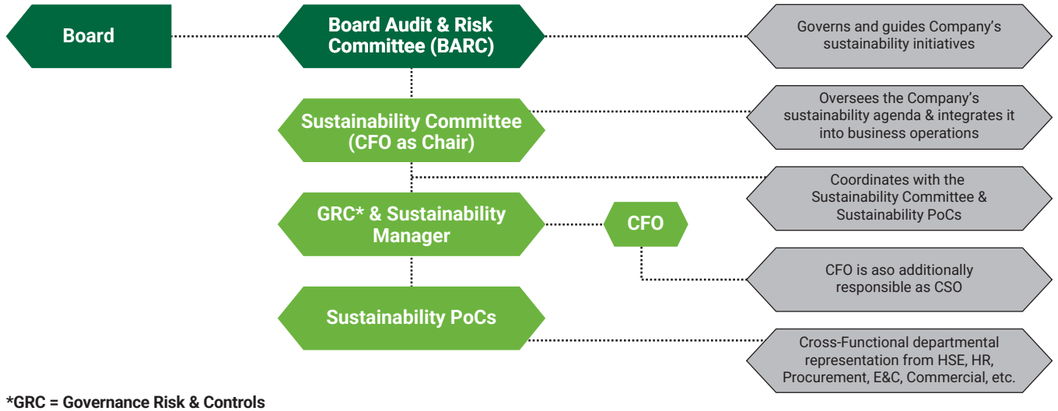
Names	Meetings Attended
Mr. Mohammad Younus Dagha (Chairman)	3/4
Mr. Farooq Barkat Ali	2/4
Mr. Asad Said Jafar	4/4
Mr. Javed Akbar*	1/4
Mr. Asim Murtaza**	1/4

*Retired on March 24, 2025
** Retired on March 24, 2025

Salient Features of the Terms of Reference

1. To recommend to the board the appointment and removal of external auditors
2. To review quarterly, half-yearly and annual financial statements
3. To review the internal control systems and internal audit function
4. To review the enterprise risk management systems and assess the adequacy and monitoring of the same by the management
5. To monitor management's compliance with all Company policies including complaints
6. To monitor compliance with statutory requirements
7. To oversee climate and sustainability related matters.

Sustainability governance structure



*GRC = Governance Risk & Controls

Leadership commitment to sustainability

The Board of Directors has ultimate responsibility for the oversight of sustainability-related matters. This responsibility is exercised through the Board Audit and Risk Committee (BARC), whose mandate includes oversight of sustainability and climate-related matters, including sustainability-related risks and opportunities, strategy, targets, performance, and disclosures. The BARC supports the Board in overseeing the integration of sustainability considerations into the Company's strategy, risk management processes, and business operations to support long-term value creation.

The Board People Committee (BPC) supports the Board in overseeing workforce-related matters, including talent management, succession planning, learning and development, diversity, equity and inclusion (DEI), employee engagement, recruitment, and attrition. The BPC reviews these matters in detail and provides oversight of the Company's people-related strategies, policies, and performance, while the BARC maintains oversight of the associated sustainability-related impacts, risks, opportunities, and disclosures.

The BARC receives regular updates on sustainability-related matters through established governance and reporting processes, including updates on material sustainability- and climate-related risks and opportunities, impacts, performance against targets, and progress against strategic initiatives. Sustainability-related matters are presented to the BARC as part of the Committee's regular meetings, and the Board is apprised of significant strategic matters requiring its attention.

As at the reporting date almost 87.5% of the Board members are ESG Certified.

To support effective oversight, Directors participate in professional development programs, including training on sustainability and ESG-related topics through various programs including the Directors' Training Program. These programs strengthen the knowledge and competencies required to oversee sustainability-related strategies, risks, opportunities, and disclosures and support informed Board decision-making.

Sustainability-related risks and opportunities are integrated into EFERT's Enterprise Risk Management (ERM) Framework, which is based on the Committee of Sponsoring Organizations (COSO) ERM Framework. As part of the Company's risk management approach, sustainability-related matters are identified, assessed, monitored, and managed alongside strategic, operational, financial, reporting, legal, and compliance risks to support the achievement of corporate objectives and long-term value creation.

Cross-functional teams, including Finance, Commercial, Business Development, Operations, and HSE, periodically assess sustainability-related risks and opportunities, evaluate potential impacts and trade-offs, and develop appropriate mitigation and response strategies. Significant risks are escalated through the ERM governance structure and monitored in line with the Company's defined risk appetite and risk management processes.

EFERT has developed a robust sustainability strategy to address its material sustainability-related impacts, risks, and opportunities. Key sustainability topics have been identified by the Company and measurable targets have been established for some of the priority areas, while the Company continues to advance and refine the development of quantitative targets in the remaining areas, supported by ongoing roadmaps and action-planning initiatives.

The Board and BARC oversee sustainability-related priorities, targets, and performance, and monitor progress through regular management reporting and performance reviews. Certain sustainability-related metrics or KPIs are incorporated into executive performance assessments and incentive arrangements.

At the management level, responsibility for monitoring, managing, and implementing the Company's sustainability strategy, sustainability-related risks and opportunities, and sustainability reporting is delegated to the CFO, who also serves as the Chief Sustainability Officer (CSO) and Chair of the Sustainability Committee. The Sustainability Committee comprises senior representatives from key business functions and is responsible for coordinating sustainability initiatives, overseeing implementation of sustainability priorities, monitoring performance against targets, and reviewing material sustainability-related risks and opportunities. The CSO provides regular updates to the BARC and Board, enabling oversight of management's activities and sustainability performance.

The CFO is also supported by the GRC & Sustainability Manager, who oversees Governance, Risk and Controls and coordinates sustainability initiatives through designated Sustainability Points of Contact (PoCs) across key business functions. These individuals facilitate data collection, performance monitoring, reporting, and implementation of sustainability-related initiatives across the business.

Management's oversight of sustainability-related risks and opportunities is supported by established governance processes, internal controls, and reporting procedures. These include processes for identifying, assessing, monitoring, and reporting sustainability-related risks and opportunities, monitoring progress against targets, and reviewing sustainability performance and disclosures. These controls and procedures are integrated within the Company's existing risk management, finance, governance, compliance, operational, and strategic planning functions, ensuring that sustainability considerations are embedded within core business processes and decision-making.

Board nomination and selection

Selection of independent directors

The selection of independent directors is carried out from a list maintained by the Pakistan Institute of Corporate Governance (PICG) under the Companies (Manner and Selection of Independent Directors) Regulations, 2018. PICG has no other connections with the Company, except for providing access to the database on independent directors besides Directors' training and evaluation of Board and/or individual Directors' performance.

Collective knowledge of the highest governance body

The Board is routinely informed about and upskilled on relevant and pressing matters to the company, including those related to sustainability. During 2025, the Board was briefed by external consultants on sustainability-related matters.

Conflict of interest among board members

A formal code of conduct is in place that promotes an ethical culture in the company and prevents conflict of interest in the capacity as a member of the board. Further, the Board of Directors has duly complied with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the 'Corporate and Financial Reporting Framework' of the Securities and Exchange Commission of Pakistan. Each member of the Board accordingly understands its fiduciary responsibilities including the following:

- Duty not to place themselves in a position of conflict between their personal interests and those of the company — this includes the duty to disclose any such personal interests to the Company and the duty not to make secret and/or incidental profits at the expense of the Company.
- Duty not to act on behalf of the Company in any matter in which they have an interest that conflicts, or may conflict, with their duties.
- The Directors of the Company excuse themselves from the meetings when the matters under discussion involve a conflict or potential conflict of interest with the activities of any undertaking in which they may hold a real or beneficial interest.

Communication of critical concern

Critical concerns are reported to the Board primarily through board meetings.

Performance evaluation of directors

The Board conducts a formal performance evaluation of the Board, its members, and committees annually, with feedback used to enhance the evaluation process. The performance evaluation focuses on:

- Clarity of agenda and objectives.
- Preparation for the meetings.
- Quality and diversity of discussions:
- Clarity of decisions and outcomes.
- Quality of discussion topics; and
- Overall satisfaction

The above process is carried out internally every quarter by the board secretariat after each Board meeting. An evaluation form is circulated amongst the directors for their feedback

Review of the company's performance by the board and its own performance evaluation

The Board conducts quarterly self-assessments to evaluate its performance, committees, and members against defined criteria covering governance, financial and non-financial oversight, risk management, and economic, environmental, and social matters.

Director's remuneration

The Board of Directors have approved a formal policy which sets out the requirements and methodology for determining the remuneration for Non-Executive Directors including Independent Directors of the Company.

The policy entails:

- The remuneration shall be appropriate and commensurate with the level of responsibility and expertise of the Directors
- It shall be aimed at attracting and retaining the Directors needed to govern the Company successfully and to encourage value addition
- It shall not be at a level that could be perceived to compromise or influence in any way the independence of the Director
- No Director shall determine his/her own remuneration nor of a Director who may be a related party
- No remuneration shall be paid to Executive Directors, Chief Executive Officer and Non-Executive Directors who are employees in other Engro entities, for attending meetings of the Board and its committees; and
- The Board, if deemed appropriate, may engage an independent consultant to determine the appropriate level of remuneration of its directors and recommend it to the Board for consideration and approval

Remuneration policy — senior management

The Board People's Committee and the Board approve the EFERT's Chief Executive's salary.
For information on remuneration of Directors and the CEO in 2025, please refer to the consolidated financial statements.

Annual total compensation ratio

In the interest of confidentiality and competitiveness, EFERT does not report these ratios.

Management committees

Functional committees

These committees act at the operational level in an advisory capacity to the Chief Executive Officer, providing recommendations relating to business and employee matters.

Management committee

The Management Committee is headed by the President & CEO and includes the functional heads of all departments. The committee meets to discuss the Company's performance and works in an advisory capacity to the President & CEO.

Members:	
Mr. Ali Rathore	Chairman*
Mr. Aneeq Ahmed	Member
Mr. Muhammad Imran Khalil	Member
Mr. Atif Mohammad Ali	Member
Mr. Bilal Mustafa	Member
Ms. Nazia All	Member
Mr. Farrukh Saeed Khan	Member

The secretary of the Management Committee is Mr. Faizan Rafiq.
* Mr. Ali Rathore served as CEO till May 09, 2026. He was replaced by Mr. Imran Ahmed joined as CEO from May 11, 2026.

Corporate HSE committee

Engro's HSE Governance & Responsibility Framework ensures safety excellence through clear accountability, defined roles, HSE committees, risk-based management systems, incident reporting, MIS oversight, and regular audits for continuous improvement and compliance.

HSE committee structure

Engro's integrated HSE structure across group companies is supported by three key committees:

- Corporate HSE Committee – Led by the CEO and comprising senior executives. Responsible for owning and maintaining the HSE policy, providing strategic leadership, allocating resources, and ensuring alignment with corporate goals.
- Divisional HSE Committee – Headed by the divisional head with participation from all department heads. Overseas and coordinates HSE efforts, stewards' safety performance, reviews serious incident investigations, and ensures timely resolution of action items.
- Sub-Divisional HSE Committees – Led by department heads and consisting of subject matter experts (SMEs), focused on operational-level HSE matters with a documented charter outlining membership, roles, and responsibilities.

This committee is responsible for bringing excellence in the domains of Health, Safety, and Environment.

Members:	
Mr. Ali Rathore	Chairman*
Mr. Aneeq Ahmed	Co-Chairman
Mr. Muhammad Imran Khalil	Member
Mr. Atif Muhammad Ali	Member
Mr. Farrukh Saeed Khan	Member
Mr. Mahmood Siddqui	On Invitation
Mr. Tariq Raza	On Invitation

The secretary of the Corporate HSE Committee is Mr. Syed Ali Raza Sani**.

* Mr. Ali Rathore served as CEO till May 09, 2026. He was replaced by Mr. Imran Ahmed joined as CEO from May 11, 2026.
** Mr. Syed Ali Raza Sani was replaced by Meer Salman Mudassar from July 9, 2026.

Sustainability committee

The Company has established a Sustainability Committee to strengthen sustainability governance and enhance the credibility of ESG disclosures. The Committee provides strategic oversight of sustainability strategy, reporting, and integration of ESG considerations into business decisions, risk management, and operations.

It oversees material ESG topics, sustainability policies, climate-related risks, targets, and performance indicators, ensuring alignment with corporate objectives, regulatory requirements, and reporting frameworks including IFRS S1 and IFRS S2 sustainability disclosure standards. The Committee monitors progress on commitments related to resource efficiency, emissions reduction, health and safety, diversity, inclusion, and community investment, while ensuring the

The Committee reports regularly to the Board Audit and Risk Committee (BARC), reviews sustainability performance and emerging risks, and oversees the annual sustainability report approval process. Its Terms of Reference are reviewed annually to maintain effectiveness and relevance.

Members:	
Mr. Muhammad Imran Khalil	Chairman and Chief Sustainability Officer (CSO)
Ms. Gul Zareen Khan	Member
Mr. Anees Amin	Member
Mr. Muhammad Hussain	Member
Mr. Meer Salman Mudassar	Member

The Committee reports regularly to the Board Audit and Risk Committee (BARC), reviews sustainability performance and emerging risks, and oversees the annual sustainability report approval process. Its Terms of Reference are reviewed annually to maintain effectiveness and relevance.

The Secretary of the sustainability committee is Ms. Sara Riaz.

Board approved policies

Corporate governance

EFERT continues to strengthen its governance framework by embedding its longstanding values, supported by its Code of Conduct, ethics policies, corporate governance principles, and best practices.

Key board policies in relation to governance over sustainable value creation

EFERT's culture promotes responsible growth by balancing profitability with social and environmental responsibility. The Board has established policies that uphold ethical conduct and protect the Company's reputation.

Philanthropic contributions and charitable donations

EFERT's philanthropic policy ensures structured evaluation and approval of charitable contributions, guided by inclusive business and strategic community investment principles to create sustainable social and economic impact for underprivileged groups, youth, and women.

Investors' grievance policy

The Company strives to develop and maintain trustworthy relations with all its stakeholders, including shareholders and investors. It recognizes the importance of timely and fair disclosure of all material information to them, without advantage to any investor, group or investment advisor / analyst, in order to enable them to make informed decisions about investing in the Company.

The Company's contact details are disclosed in "Company Information" section of this annual report and on its website under "Investors relation" section to facilitate shareholders / other investors' and timely resolve their complaints, if any.

Disaster recovery and business continuity planning

EFERT maintains documented Disaster Recovery and Business Continuity Plans to ensure critical operations can be restored promptly during disruptions. Regular testing exercises validate recovery strategies, enhance organizational readiness and train recovery personnel and ensure that strategies and actions accurately reflect current business recovery requirements.

Social and environmental responsibility policy

The Company believes that businesses, in their normal course of operations, create positive and adverse impacts. The policy aims to build on the Company's commitment to manage and improve social and environmental impacts of its operations on the lives of its customers, suppliers, and communities at large.

Code of conduct

EFERT follows Engro Holdings' Code of Conduct, which underpins its ethical culture by promoting integrity, accountability, respect, legal compliance, anti-corruption, a safe workplace, and protection of stakeholder trust and Company assets.

Empowerment with accountability
Engro seeks to empower its employees to facilitate business decision-making but at the same time, it holds them accountable for their actions.

Commitment to the company's stakeholders
Engro regards its stakeholder engagement as an important element of corporate responsibility. Adherence to the highest ethical standards fosters trust. We want our stakeholders to know that they can depend on us. We are answerable to our shareholders, our customers, our families, our vendors and suppliers, the communities where we operate, and of course to each other.

Promoting a positive work environment
All employees want and deserve a workplace where they feel safe, respected, and appreciated always. Engro's policies are designed to ensure this. It is our intent to attract, induct, develop, retain and motivate high caliber talent who are qualified, capable, and willing to contribute towards the achievement of Company objectives.

Managing business relationships
Employees' dealings with customers, suppliers, contractors, competitors, or any person or organization doing or seeking to do business with the Company (our business interfaces) must be in the best interest of the Company, must exclude any consideration of personal preference or advantage, and must avoid conflicts of interest, apparent or otherwise.

Anti-corruption & bribery
Engro has a zero-tolerance approach towards bribery and/or corrupt practices and ensures all its business dealings and relationships are based on merit. In this regard, employees are bound by the policies pertaining to Anti-corruption & Bribery, gifts and business entertainment and fraud risk management policy.

Legal compliance
When making decisions to conduct business, employees must ensure they are aware of their actions and choose not to violate the law. In addition to having systems in place to monitor and report violations, clarifications can be readily sought from the company's legal advisors.

Protecting the company's assets
Employees must use the Company's physical assets/ equipment carefully and diligently and take steps to protect the Company's proprietary and confidential information.

Statement of ethics

Engro upholds a robust culture of ethics and integrity, guided by a robust code of conduct and governance framework. This culture is sustained through continuous reinforcement, periodic review, and accountability. We have a dedicated Ethics and Compliance (E&C) team to look at all E&C related matters. Engro ensures compliance with all regulatory and governance requirements while conducting its operations and has formulated various policies and standards which are being continuously monitored through our Ethics and Compliance function which reports into the Board Audit and Risk Committee (BARC). Our values and commitment to ethical practices are reflected in our statement of Ethics and Business practices:

Integrity is a vital part of Engro's core values and how we conduct business. Our reputation is built on our values as a company, the values of our employees and our collective commitment to acting with integrity throughout our organization

The Company ensures that its business is conducted in compliance with the highest ethical standards of business practice and in compliance with all relevant legal principles. Where the law allows flexibility, we commit to upholding the highest standards of integrity.

These values are ingrained into our identity as a company and guide the way we interact with each other, customers, business partners and other stakeholders. We are committed to fostering a strong ethical culture that upholds these principles in every aspect of our business.

Ethical conduct lies at the heart of Engro's culture and human capital philosophy. This philosophy is anchored in Character and Good Manners (CGM), which we view as the foundation of sustainable organizational success. Strong organizations are shaped by thousands of everyday interactions across teams, and when individuals engage with one another through the principles of CGM, collaboration, growth, and performance naturally follows.

Engro has established a range of corporate governance policies that reflect the high standards of ethical and responsible conduct to which we are committed. This commitment is strengthened through mechanisms such as Learn-Share-Improve LSI (Self reporting), regular reviews and audits of business practices, and transparent external reporting.

Code of conduct

Engro's Code of Conduct outlines the Group's position on an array of topics and highlights the key commitments and principles of our compliance program and applies to all Engro employees, whether full-time, part-time, permanent, or temporary, and to the members of the Board of Directors as well as in our interactions with all suppliers, business partners, customers or any other external party

The Code of Conduct is reviewed periodically and is available on our website. The policies emanating from the Code of Conduct include, but are not limited to:

- Anti-Harassment policy
- Share trading and insider trading policy
- Fraud risk management policy
- Conflict of interest policy
- Statement of ethics and business practices
- Whistle blow policy
- Gift & business entertainment policy
- Anti-corruption & bribery policy

The company also has centralized portals for all employees where they are mandatorily required to:

- Disclose on actual/perceived conflicts of interest (COI).
- Disclose any gift received.

These portals are managed and handled by the E&C team.

Whistleblower policy — “Speak Out”

Engro maintains a comprehensive whistleblower and grievance mechanism to identify risks, investigate concerns, and take appropriate action. The Company engages with employees, customers, suppliers, community members, and other stakeholders on a regular basis through various channels including regular operational engagement, business meetings, networking sessions, townhall meetings, performance discussions, and more. Investor concerns are addressed through dedicated contact channels disclosed in the annual report and on the Company’s website. Through discourse and engagement, stakeholders are facilitated to share feedback and raise any complaints or critical concerns.

Engro has a dedicated platform, “Speak Out”, for both internal and external stakeholders to share any concerns or complaints. The Speak Out email is available on the website for individuals to report concerns related to ethics, safety, environmental issues, human rights, employment matters, misconduct or other issues. This platform is managed by the Ethics & Compliance (E&C) team, which independently reports to the Board Audit & Risk Committee. The platform ensures confidential and independent investigation and allows for anonymous reporting. Stakeholders can also reach out directly to the E&C team to seek advice and guidance on ethical and compliance-related matters.

Engro is committed to fostering a safe and respectful work environment, free from all forms of harassment. A dedicated Harassment Committee is responsible for handling all harassment-related matters within the workplace and ensures the highest standards of confidentiality in investigating complaints, whether received through the Speak Out platform or directly by the Committee. Engro promotes a culture where concerns can be raised without fear of retaliation.

All adverse impacts, grievances, and complaints—whether reported through the Speak Out platform, identified through audits and reviews, or raised through other channels—are assessed and investigated in accordance with the Internal Investigation Procedure. This structured and systematic process is led by the E&C department and involves the appointment of independent individuals or teams to conduct confidential investigations.

Appropriate corrective, remedial, and/or disciplinary actions are taken for cases depending on the findings and outcome. In all cases, regardless of outcome, feedback is provided to the complainant upon case closure. A consolidated summary of all investigations, whether substantiated or not, along with actions taken, is presented quarterly to the Board Audit and Risk Committee

In 2025, no cases pertaining to corruption and bribery were reported (substantiated) for Engro Fertilizers, whereas in 2024, the number of cases was one (01).

The company has in place policies pertaining to ethical conduct and Anti-corruption & Bribery. The policies are approved by the board of directors and circulated to all employees and made available for all external stakeholders on the website.

Engro’s commitment to contributing towards improving the broader work environment was characterized through our partnership with ACCA global on the celebration of the Global Ethics Day, 2025, in Pakistan. In this regard, Engro was also represented in the ACCA global webinar titled “The future of ethics in a changed world”. In addition, our anticorruption policies and procedures were communicated to our business partners through in person engagement session and official correspondences.

Trainings and awareness

Given the importance of the subject, E&C conducts in-person Awareness Roadshows covering code of conduct, anti-corruption policy, speak out platform, workplace harassment and conflict of interest policy for all Engro companies. E&C Awareness roadshows are open to the entire Engro workforce wherein these sessions impart key learnings from sanitized cases to promote a forward-looking approach for continuous improvement. This year, the organization’s anticorruption policies and procedures have been communicated to business partners through awareness sessions and official correspondences.

Additionally, two group wide employee engagement activities and several awareness communications were shared during 2025.

Ethics & Compliance	2024	2025
Training Hours	2,233	2,387
Number of Attendees	893	983
Training Sessions	14	14

83% of the workforce has attended the awareness sessions.

In order to facilitate better understanding and promote a culture of ethics and integrity, all applicable policies and training materials are available on the internal portal. In case of any ambiguity, employees can reach out to the E&C team for clarity.

Sustainability
highlights

Sustainability

highlights 2025

TRIR	0.04
Safe manhours since last Lost Work Injury	84 Mn
MT CO_2e GHG emissions	1,986,782
GJ energy consumed	31,837,216
m^3 water consumed	12,667,658
Gender diversity	10%
Employee Engagement score	80%
Community investments	PKR 403 Mn
Farmers engaged on sustainable agriculture solutions	155,053
Training hours	13,775

Material impacts, risks, and

opportunities

Material impacts, risks, and opportunities

Double materiality

During FY2025, EFERT adopted a double materiality approach to identify and assess material sustainability-related impacts, risks, and opportunities across its value chain.

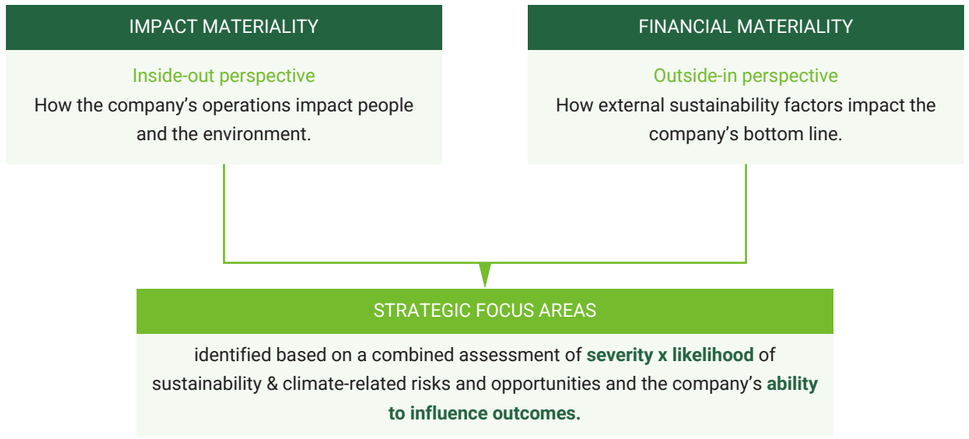
EFERT has historically assessed the environmental, social, and economic impacts of its activities to understand the matters most significant to stakeholders. During the year, the Company further strengthened this process by integrating sustainability- and climate-related risks and opportunities into its Enterprise Risk Management (ERM) framework, supporting greater alignment with the IFRS Sustainability Disclosure Standards.

Accordingly, sustainability matters were evaluated from two complementary perspectives:

- **Impact materiality** – the actual and potential impacts of EFERT's activities on the environment, people, and communities.
- **Financial materiality** – the sustainability-related risks and opportunities that could reasonably be expected to affect the Company's prospects, including its financial performance, cash flows, resilience, and long-term value creation.

By combining these perspectives, EFERT identified and prioritized the sustainability and climate-related topics that are most significant from both a stakeholder and business perspective. The outcomes of the assessment informed the Company's risk management processes, sustainability strategy, decision-making, and sustainability-related disclosures, ensuring focus on matters that are critical to long-term value creation.

Double materiality process diagram



Double materiality topics

The table below indicates the key sustainability topics that are material to EFERT's stakeholders and/or are financially material to the Company.

Material topics	Impact materiality	Financial materiality
1. Economic Performance	●	●
2. Tax	●	○
3. Anti-corruption	●	○
4. Hiring & Turnover	●	●
5. Employee Benefits & Wellbeing	●	●
6. Health & Safety	●	●
7. DEI	●	○
8. Community Investments	●	○
9. Materials (Availability, Procurement and Utilization)	●	●
10. Water	●	●
11. Energy	●	○
12. Emissions	●	●
13. Climate Change	●	●
14. Waste	○	●
15. Procuring from Local Vendors	●	○

Impact materiality

EFERT conducted an impact materiality assessment to identify and prioritize key sustainability topics based on the Company's impacts on the economy, environment, people, society, and stakeholder priorities.

Stakeholder engagement

EFERT values stakeholder engagement as a key driver of long-term value creation, regularly interacting with stakeholders through various channels to understand expectations and inform decision-making.

The following stakeholder engagement strategy was adopted in 2025:

Stakeholder group	Key engagement methods	Key purpose
Shareholders	Annual General Meetings, investor briefings, financial reports, corporate website	Communicate performance, strategy, and governance matters
Employees	Townhalls, surveys, training sessions, feedback mechanisms	Understand workforce needs and support engagement and development
Customers	Meetings, visits, surveys, digital platforms	Understand customer needs and improve products and services
Suppliers & Vendors	Meetings, site visits, correspondence, training	Promote responsible and resilient supply chain practices
Lenders & Insurers	Regular meetings, financial disclosures, compliance reporting	Maintain transparency and access to capital
Government & Regulators	Meetings, regulatory submissions, industry forums	Ensure compliance and support constructive policy dialogue
Local Communities	Community engagements, grievance mechanisms, Speak Out hotline	Understand local impacts and address stakeholder concerns

As part of the materiality assessment process, EFERT conducted a structured stakeholder survey on key ESG topics, guided by international sustainability frameworks and engaging employees, customers, suppliers, lenders, and regulators. The feedback helped identify sustainability issues that were most significant to stakeholders.

Internal Impact Assessment

EFERT complemented stakeholder input with an internal assessment of sustainability-related impacts associated with its operations and value chain. The assessment considered both quantitative and qualitative factors across environmental, social, governance, and economic dimensions and evaluated the actual and potential impacts of and on the Company's activities. Each topic was assessed based on the severity and likelihood of its impact taking into account the scale, scope and nature of the effects, where relevant.

Prioritization

Stakeholder perspectives and internal assessment results were consolidated to determine the relative significance of each topic. A structured scoring methodology, aligned with principles of the Company's Enterprise Risk Management framework, was applied to ensure a consistent and objective evaluation process. Topics exceeding the defined materiality threshold were identified as material and prioritized for management focus and disclosure as shown in the double materiality table above.

Financial materiality and sustainability Risk assessment

During FY2025, EFERT enhanced its sustainability management approach by integrating sustainability-related risks and opportunities into its Enterprise Risk Management (ERM) framework. This enabled the Company to assess sustainability matters not only from an impact perspective, but also from the perspective of their actual and potential effects on EFERT's prospects over the short (one year or less), medium (one to three years), and long term (more than three years).

Sustainability-related risks and opportunities

Sustainability-related risks and opportunities are identified, assessed, prioritized, and monitored through EFERT's established ERM processes. These processes are integrated into the Company's overall risk management framework and are applied consistently across strategic, operational, financial, and compliance risk categories.

Potential sustainability-related risks and opportunities are identified through risk assessments, stakeholder engagement, business planning activities, operational reviews, regulatory developments, and monitoring of emerging trends. Identified risks and opportunities are evaluated using the Company's established risk assessment methodology, considering their likelihood of occurrence and potential impact on EFERT's business, strategy, financial performance, financial position, cash flows, access to capital and long-term value creation.

The assessment supports the identification of sustainability-related matters that could reasonably be expected to affect the Company's prospects and informs risk mitigation measures, management actions, resource allocation, strategic decision-making, and sustainability-related disclosures.

The financially material sustainability-related risks have been identified below. Due to the level of measurement uncertainty involved in estimating the anticipated financial effects of these sustainability-related risks, the quantitative financial impact has not been disclosed.

Material topic	Materials (availability, procurement and utilization)
Risk title	**Sustainable availability, procurement and utilization of natural gas**
Risk description	Natural gas is a critical input for EFERT's operations and prolonged shortages could potentially disrupt plant operations, such disruptions have not occurred historically, and all plants currently have reliable access to natural gas with no major supply disruptions forecasted.
Value chain	Upstream Activities, Own Operations
Time horizon	Long-Term
Financial impact	The production facility is solely dependent on natural gas for urea production. As a result, low availability of natural gas will result in low production, directly impacting the profit after tax (PAT) of the company.
Mitigation measures	EFERT maintains long-term gas supply contracts and regularly reviews supply projections to ensure operational continuity. It is also investing in the Gas Pressure Enhancement Facilities project to secure a sustainable long-term supply of natural gas. Additionally, EFERT is exploring alternative resources for urea production to reduce dependence on a single energy source and enhance supply resilience. In 2022, the Company, Fauji Fertilizer Company Limited (FFC) and Fatima Fertilizer Company Limited (FATIMA) (collectively the Fertilizer Manufacturers) entered into a Framework Agreement dated November 30, 2022 for Gas Pressure Enhancement Facilities (PEF) project. Under the Agreement, the Fertilizer Manufacturers have decided to jointly develop and install pressure enhancement facilities at Mari Energies Limited's (MEL) (formerly as Mari Petroleum Company Limited delivery node to sustain the current level of pressure of gas supply from HRL reservoir of MEL for an investment of 300 million dollars approx.
Opportunity	EFERT will pursue multiple initiatives to optimize energy use and enhance operational efficiency to reduce gas dependence. Energy audits will be conducted regularly to maximize energy recovery and identify opportunities for operational optimization. Process improvements will be implemented through air enrichment projects, advanced process controls, and the use of advanced catalysts. Efforts will focus on enhancing the efficiency of power and steam networks and integrating renewable energy where feasible.

Material topic	Water availability
Risk title	**Scarcity of canal water**
Risk description	Declining canal water availability leads to greater reliance on groundwater for EFERT's operations. This has increased chemical treatment for steam generation and cooling processes, resulting in higher operating costs. Water scarcity also affects the agricultural sector, where reduced water availability can lower crop activity and, consequently decrease demand for fertilizers that depend on water as a key input.
Value chain	Own Operations, Downstream Activities, Upstream
Time horizon	Medium-Term to Long-Term
Financial impact	Scarcity of canal water can impact EFERT's cash flows due to cost incurred on proposed water management projects and cost of chemicals used to treat groundwater in the absence of canal water.
Mitigation measures	EFERT has established a structured water governance framework under the Alliance for Water Stewardship (AWS). Key stakeholders within the catchment have been systematically identified and engaged to assess shared water-related challenges, leading to the development of a comprehensive site Water Stewardship Plan. This plan encompasses targeted initiatives across water efficiency, water quality, and governance, all aligned with the site's five-year water conservation roadmap. Multiple projects are currently underway to ensure sustainable water management and compliance with AWS principles.
Opportunity	EFERT has implemented enhanced water management and efficiency initiatives, including rehabilitation of cooling towers to restore structural integrity, improved circulation efficiency, and steam ejector systems upgrades to lower water consumption in steam generation.

Material topic	Energy
Risk title	**Fuel gas availability and pricing**
Risk description	EFERT's operations are exposed to natural gas price volatility and potential fuel supply constraints resulting from the gradual depletion of the HRL reservoir. In addition, the Zarkhez plant relies on a single electricity provider, EPCL, making it vulnerable to power supply disruptions. These factors may adversely affect production continuity, plant availability, and operating costs.
Value chain	Upstream Activities, Own Operations
Time horizon	Short- to Medium-Term
Financial impact	A reduction in gas availability could lead to lower production volumes, increased operating costs due to the use of alternative fuels, and reduced profitability arising from decreased plant availability and higher energy expenses.
Mitigation measures	EFERT mitigates this risk through long-term gas supply agreements and periodic reviews of gas supply projections to support uninterrupted operations. To strengthen long-term fuel security, the Company is investing in the Gas Pressure Enhancement Facilities Project, which is expected to support a sustainable supply of natural gas. In parallel, EFERT continues to evaluate alternative feedstock and energy sources for urea production to reduce dependence on a single source and enhance overall supply resilience. At the Zarkhez plant, backup diesel generators are maintained to ensure operational continuity during power interruptions. The Company is also assessing longer-term energy security measures, including solar power integration and electricity procurement from K-Electric (KE), to diversify power sources and reduce reliance on a single supplier. Furthermore, EFERT conducts regular energy audits, maximizes energy recovery opportunities, and invests in plant efficiency, reliability, and process improvement initiatives to optimize energy consumption and enhance operational performance.
Opportunity	Improving power and steam network efficiency through energy optimization projects can enhance operational performance, reduce energy consumption, and lower production costs. The integration of renewable energy solutions and the evaluation of alternative feedstocks, such as imported RLNG, present opportunities to strengthen energy security, improve resource efficiency, and support the Company's long-term sustainability objectives.

Material topic	Waste
Risk title	**Non-compliance with sustainable waste management regulations**
Risk description	Failure to properly dispose of hazardous and non-hazardous waste in accordance with applicable environmental regulations may result in regulatory non-compliance, environmental contamination, and adverse stakeholder perceptions.
Value chain	Own Operations
Time horizon	Short Term
Financial impact	Legal non-compliance of waste handling practices can result in a reputational impact on EFERT as a result of potential regulatory fines.
Mitigation measures	EFERT developed a Waste Management Roadmap under which all waste streams across its sites have been identified and mapped, followed by a comprehensive assessment of existing waste management and segregation practices to identify improvement opportunities. To support effective implementation, the Company has also conducted employee awareness and training programs on sustainable waste management and waste segregation practices.

Material topic	Emissions - air pollutants
Risk title	**Air pollutant emissions (NOx, SOx, Ammonia)**
Risk description	Emissions of air pollutants such as NOx, SOx, and ammonia occur as part of combustion and process operations. Non-compliance could result in regulatory penalties, operational disruptions, financial costs, and reputational impact. Emissions are monitored by third parties and reported monthly to SEPA.
Value chain	Own Operations
Time horizon	Long-Term
Financial impact	Non-compliance with SEQS may result in regulatory actions, penalties, potential operational disruptions and shutdown and reputational damage.
Mitigation measures	Regular reporting to environmental regulators is conducted, while EFERT has been in compliance with SEQS requirements, with no penalties to date. Stack emissions are monitored monthly by a SEPA-approved third-party environmental laboratory to ensure compliance with applicable regulatory standards. EFERT submits monthly reports to SEPA.

Material topic	Health & safety
Risk title	**Employee safety risk**
Risk description	EFERT faces health and safety risks as fertilizer manufacturing involves handling of high-pressure systems, toxic gases and heavy industrial equipment. Operational risks include potential exposure to chemical leaks, fire and explosion hazards, and process safety incidents that could result in worker injuries, fatalities, environmental damage, and plant shutdowns. In addition, extreme weather conditions such as heat waves can increase occupational health risks, particularly for field workers, potentially affecting productivity and increasing medical or compliance costs.
Value chain	Own Operations
Time horizon	Short-Term
Financial impact	Employee safety incidents have the potential to incur litigation costs, and medical expenditure, while hindering employee productivity, which has reputational impact on the Company.
Mitigation measures	EFERT mitigates HSE risks through a comprehensive, layered management system aligned with DuPont principles and ISO Standards. Process safety and occupational health risks are managed through engineered, administrative, and behavioral controls. These controls are reinforced through robust preventive and predictive maintenance programs, strict Permit-to-Work (PTW), Management of Change (MoC), and Process Hazard Analysis (PHA) systems to ensure operational discipline and asset integrity. Emergency preparedness, workforce training, digital monitoring, and occupational health measures such as heat stress management and medical surveillance further strengthen proactive risk identification, response, and continuous improvement across operations.

Material topic	Hiring & attrition
Risk title	**Employee turnover**
Risk description	Employee attrition can impact business continuity and operational stability, while incurring higher recruitment costs, time and resources to onboard new hires. Employees may operate at a lower efficiency post-onboarding as they are adjusting to their new role. Highest attrition rates were experienced in manufacturing roles.
Value chain	Own Operations
Time horizon	Short-Term to Medium-Term
Financial impact	Employee turnover can have a reputational impact on EFERT as employee retention incurs higher recruitment costs and hinders employee productivity. Employee succession planning for critical roles was strengthened in FY2025 through targeted training and the launch of the EDGE Talent Accelerator, which provides mentorship and supports the development of Individual Development Plans (IDPs). The Talent Traffic Light Program was enhanced to better manage compensation, development, learning, and engagement. In parallel, a talent pipeline is being built for key roles, supported by retention packages for critical manufacturing positions and market-aligned compensation, alongside a broader organizational culture transformation initiative.

Climate-related risks and opportunities

Approach

EFERT recognizes that climate change may influence its business operations, value chain, and long-term prospects through physical and transition-related risks and opportunities. The Company assesses climate-related matters to understand their potential implications for its business model, strategy, financial performance, and resilience.
Climate-related risks and opportunities are integrated into EFERT's Enterprise Risk Management (ERM) framework and assessed alongside other business risks. The outcomes of the assessment support strategic planning, operational resilience, risk mitigation, and sustainability-related decision-making.

Methodology

EFERT conducted a climate risk assessment to evaluate the potential impacts of climate-related risks and opportunities across its operations and value chain. The assessment considered relevant physical and transition risks, informed by climate science and future climate scenarios referenced in the IPCC Sixth Assessment Report (AR6).

The assessment considered acute physical risks, such as extreme weather events, and chronic physical risks, such as changes in temperature, precipitation patterns, and water availability. Climate risk exposure was evaluated using internal assessments and external climate risk tools, including the IPCC Sixth Assessment Report (AR6), World Bank Climate Change Knowledge Portal and ThinkHazard platform.

Climate risks were assessed under the following climate scenarios:

- SSP2-4.5 (Intermediate Scenario): Represents a future with moderate mitigation efforts and a gradual transition towards lower-emission development pathways.
- SSP5-8.5 (High Emissions Scenario): Represents a higher-risk pathway with continued reliance on fossil fuels and limited climate action, resulting in significantly higher warming levels.

The assessment considered short-term (2020–2039) and medium-term (2040–2059) time horizons to evaluate potential implications for EFERT's operations, strategy, and resilience. The long-term time horizon (2081-2100) was not included as this exceeded the estimated lifetime of the facilities. The results inform climate risk management actions and support the integration of climate considerations into business planning:

Physical risks

The climate-related physical risks that were assessed are presented below:

Acute physical risks	
Extreme Heatwaves Number of days with heat Index > 41°C	Prolonged periods of abnormally high temperatures can cause heat stress, health impacts, and infrastructure damage
Heavy Rainfall and Flooding Precipitation percent change (%) based on IPCC AR6	Increased frequency or intensity of rainfall events that overwhelm drainage systems or riverbanks, leading to flooding and frequent canal outages.
Storms	Intense weather systems such as cyclones, hurricanes, or typhoons that bring strong winds, heavy rainfall, and potential destruction
Chronic physical risks	
Rising Temperatures Number of hot days with max. temperature >=35°C	The long-term increase in average surface temperatures due to climate change, affecting ecosystems and economy
Changing Precipitation Patterns Projected Anomaly Precipitation Percent Change (%) and Precipitation Trend per Decade (mm)	Shifts in when, where, and how much precipitation falls, affecting water supplies
Drought and Water Scarcity Maximum consecutive dry days (<1mm)	Extended periods of low precipitation that reduce water availability. Reduced canal water availability, and impacts on plant operations.

Transition risks

EFERT assessed transition risks associated with the shift towards a lower-carbon economy, including policy and regulatory, technological, market, and reputational factors. EFERT conducted a transition risk assessment to evaluate the potential impacts of climate-related changes associated with the global shift toward a low-carbon economy e.g. factors such as:

- Probability of carbon tax imposition on the fertilizer sector,
- Availability of more sustainable fertilizer products,
- Government incentives for sustainable fertilizer alternatives/fertilizer application practices
- Reputational impact of fertilizer as an emissions-intensive industry
- Likelihood of exporting fertilizer to regions with more stringent carbon policies (e.g. CBAM)
- Incentives for transition to renewable energy
- Policy shifts against fossil-fuel-based power generation (e.g. carbon levy)

This assessment, considers the current policy landscape as well as future developments under the SSP2-4.5 and SSP5-8.5 scenarios as follows:

- SSP2-4.5 (Moderate Transition) reflects a gradual shift to a low-carbon economy, with manageable but ongoing transition risks requiring sustained climate investment.
- SSP5-8.5 (Delayed Transition) delays transition risks in the short term but increases long-term exposure to abrupt policy changes, stranded assets, and reputational impacts.

Based on the assessment conducted, no transition risks were identified as financially material to EFERT's prospects.

The Company continues to monitor evolving regulatory requirements, low-carbon technologies, market developments, and other relevant trends through its ERM framework to identify emerging risks and opportunities.

EFERT continues to enhance operational efficiency and emissions management practices while exploring opportunities that support more sustainable agricultural solutions. Through initiatives such as enhanced-efficiency fertilizers, including Engro Zabardast Urea, the Company supports improved nutrient-use efficiency and more sustainable fertilizer application practices.

Climate risk assessment

Climate-related risks and opportunities are assessed in conjunction with EFERT's existing risk management processes and inform strategic decision-making, capital planning, and operational resilience. The results of the assessment are used to strengthen the Company's ability to respond to climate-related uncertainties and support long-term business sustainability.

The outputs of the climate risk assessment and scenario analysis are used to inform EFERT's risk management processes and support long-term strategic planning. This ensures alignment with emerging climate-related financial disclosure requirements and strengthens resilience across the Company's operations and value chain.

The climate risk assessment considered the following physical risk to be financially material for EFERT. Due to the level of measurement uncertainty involved in estimating the anticipated financial effects of these sustainability-related risks, the quantitative financial impact has not been disclosed.

Risk	Drought and water scarcity
Value chain	Upstream Activities, Own Operations
Time horizon	Short-Term (2020 - 2039) to Medium-Term (2040 - 2059)
Financial impact	Scarcity of water can impact EFERT's profit after tax (PAT) due to increase in capital expenditure from investment in proposed water management projects and in increase in operating expenditure due to increased consumption of chemicals used to treat groundwater in the absence of canal water.
Impact	Climate change is expected to intensify drought conditions and increase water stress in the Sindh region where EFERT's Daharki manufacturing complex is located. Reduced rainfall, rising temperatures, and increasing variability in river flows are projected to place greater pressure on both canal water supplies and groundwater resources over the short and long term. As a result, water availability is expected to become increasingly constrained, posing a key physical climate risk to EFERT's operations. EFERT relies on a combination of canal water and groundwater to support its manufacturing processes. Increasing canal outages and reduced water availability have already resulted in greater reliance on groundwater, which typically requires more extensive chemical treatment due to differences in water quality. This increases operating costs while also creating operational challenges associated with maintaining consistent water quality for production. In addition, government regulated water tariffs expose the Company to potential pricing changes, while continued deterioration in water availability or quality could increase cooling water costs and, if canal supply constraints become more severe, disrupt operational continuity.
Mitigation measures	EFERT closely monitors and quantifies cost differentials when substituting groundwater for canal water. Through its Alliance for Water Stewardship (AWS) engagement, the company assesses site-level water use, collaborates with nearby communities and agricultural stakeholders, and implements water stewardship initiatives focused on efficiency improvements and asset maintenance. Several water optimization projects were completed in 2025, delivering measurable process-level savings, while ongoing monitoring of historical canal disruptions and water quality trends supports long-term resilience planning.
Opportunity	EFERT recognizes the catchment-level risks associated with declining water quality and increasing water scarcity in the areas where it operates. In response, the Company has incorporated targeted initiatives into its water stewardship framework to mitigate these risks, enhance water resilience, and promote the sustainable management of shared water resources.

Sustainability

strategy

Sustainability strategy

Sustainability target setting process

EFERT's sustainability targets were developed through a structured process that aligns its long-term business strategy with its most significant environmental, social, and governance priorities. The process began with an assessment of both impact materiality and financial materiality.

Based on this assessment, EFERT identified its strategic sustainability focus areas by considering the severity and likelihood of impacts, emerging regulatory requirements, stakeholder expectations, industry trends, and the Company's ability to influence outcomes. Baseline performance was established using operational data, supported by internal performance reviews, benchmarking against industry peers, and an evaluation of existing management practices and improvement opportunities.

Targets were then developed for priority focus areas where measurable improvements could be achieved through defined initiatives and operational roadmaps. Each target is supported by implementation plans, clear performance indicators, and defined time horizons, enabling EFERT to monitor progress, strengthen accountability, and continuously improve its sustainability performance over time. As the Company's sustainability journey evolves, additional targets will be introduced for emerging priority areas as methodologies, data availability, and strategic initiatives continue to mature.

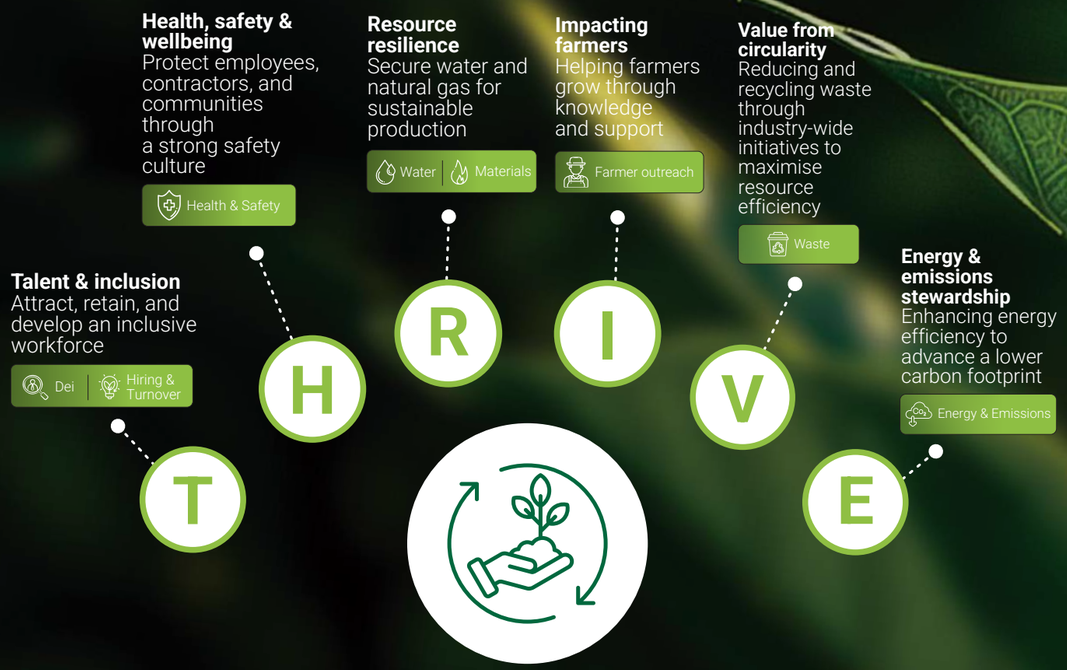
Sustainability strategy

EFERT's Sustainability Strategy is anchored in its purpose of supporting sustainable agriculture and responsible business practices by enhancing crop productivity, promoting responsible resource use, and creating long-term value for stakeholders. The strategy reflects the Company's commitment to addressing its material sustainability-related impacts, risks, and opportunities while strengthening business resilience.

Through innovative crop nutrition solutions that improve nutrient-use efficiency, support soil health, and enhance agricultural productivity, EFERT contributes to Pakistan's food security and supports farming communities, aligned with the United Nations Sustainable Development Goal 2: Zero Hunger.

The strategy integrates sustainability considerations into EFERT's operations, including environmental stewardship, climate resilience, operational excellence, process safety, occupational health and safety, supply chain resilience, and resource efficiency. Through investments in technology, process optimization, and continuous improvement, the Company aims to reduce its environmental footprint while enhancing operational resilience and long-term competitiveness.

Guided by the Company's material sustainability priorities, EFERT's Sustainability Strategy establishes strategic focus areas and targets that support responsible growth, strengthen stakeholder value creation, and contribute towards a more sustainable and climate-resilient agricultural sector.



The sustainability targets will enable EFERT to monitor and enhance its sustainability performance in some of the priority areas.

Focus area	Base Year	Baseline	Target Year	Target	Roadmap
Water management	2023	Water intensity: 5.20 m^3/T	2030	5.17 m^3/T	Implement water optimization and efficiency initiatives
Farmer outreach	2025	Farmers reached under marketing activities: 155,053	2030	187,825 +21%	Continue farmer outreach programs across various channels
Hiring & tumover	2025	Attrition: 11%	2030	8%	Continuation of EDGE Talent Accelerator alongside Succession Planning & Retention Plans.
DEI	2025	DE&I: 10%	2030	16%	Focus on 5 key pillars. Recruitment, family friendly policies, culture of inclusion, career growth & development opportunities, and external relationships with academia & industry.

Materials (availability, procurement & utilization)	In addition to above metrics and targets, EFERT remains focused on sustaining required gas pressures till 2035 by ensuring successful completion and operations of the Pressure Enhancement Facilities Project at the HRL reservoir of Mari field.
Health & safety	The company achieved 0.04 Total Recordable Injury Rate (TRIR) in 2025. The Company establishes and monitors internal HSE Key Performance Indicators (KPIs) to drive continuous improvement in health, safety, and environmental performance across its operations.

Forward looking statement

Engro Fertilizers Limited (EFERT) recognizes that a resilient, productive agricultural sector is fundamental to Pakistan's long-term economic and food security outlook. Our future strategy is anchored in ensuring the reliable, affordab6.le availability of fertilizers, strengthening the agricultural value chain, and embedding sustainability considerations into core business decision-making across our operations, products and services.

A material development during the year was the Government's approval of an enhanced gas allocation framework for our Base Plant. This provides EFERT with greater visibility over long-term feedstock and fuel availability — a critical input to our manufacturing operations — and strengthens the foundation for sustained production, farmer affordability, and our continued contribution to import substitution and national resource conservation.

EFERT will continue to allocate resources towards operational excellence, asset reliability, and cost optimization, while evolving from a purely product-led model towards an integrated solutions model centered on advisory services, digital enablement, and on-ground farmer capability building. Platforms such as Engro Markaz and UgAi, together with targeted agronomic engagement, will remain central to advancing balanced nutrient use and climate-smart practices at scale.

Climate-related risks and opportunities

EFERT continues to assess the physical and transition risks associated with climate change as they relate to feedstock availability, energy use, water stewardship, and the resilience of farming communities that depend on our products. Improved visibility on long-term gas supply reduces a key transition-related uncertainty for our operations, while ongoing efficiency initiatives across our manufacturing footprint are expected to incrementally reduce the emissions intensity of our production processes.

Climate change also presents a material risk to farmer livelihoods and, by extension, to demand for our products. In response, EFERT will continue to integrate climate-resilient agronomic practices, balanced nutrient stewardship, and farmer education into its forward planning, supporting the adaptive capacity of the communities and value chain on which our business depends.

Economic resilience and value chain stewardship

Recognizing persistent liquidity pressures across the agricultural value chain, EFERT has strengthened its financial resilience through robust long-term financing arrangements, reinforcing its ability to support working capital requirements for farmers and dealers facing constrained capital availability. This supports continuity of supply and strengthens our capacity to sustain a service-oriented, locally embedded engagement model across our distribution and vendor network.

EFERT's diversified product portfolio and expanding advisory ecosystem are intended to respond responsibly to evolving farmer needs, with continued investment in value-added solutions, technology adoption, and accessible distribution and engagement networks.

People, community and social performance

EFERT's commitment to responsible corporate citizenship remains a long-term strategic pillar. The Company will continue to invest in the wellbeing, safety, and development of its employees, alongside sustained investment in community development, education, healthcare, and livelihood support programmes in the communities where it operates.

These social investments are pursued in parallel to environmental stewardship, reflecting EFERT's belief that business growth must be matched by meaningful social impact, a principle that continues to inform our approach to workforce inclusion, community partnership, and local economic participation across our value chain.

Outlook

Guided by strong governance, disciplined resource allocation, and an enduring commitment to safety, innovation and sustainability, EFERT is well positioned to respond to emerging operational, climatic and regulatory uncertainties. The Company remains focused on translating improved feedstock visibility and financial resilience into sustained contributions to national food security, responsible resource stewardship, and long-term agricultural progress.

Environmental

performance

Environmental performance

At EFERT, environmental responsibility is integral to sustainable business operations. Beyond regulatory compliance, we actively manage our operations and resources to minimize environmental impact while safeguarding employees, communities, customers, and visitors.

Our environmental management approach is built on international best practices, incorporating DuPont's globally recognized systems, regular expert audits, and advanced technologies to drive continuous improvement and sustainable value creation.

EFERT also promotes environmental stewardship through its Environmental Sustainability and Stakeholder Engagement Steering Committee, which advances community development and emergency preparedness in areas surrounding the plant.

As environmental challenges evolve, the Company adopts a proactive, precautionary approach by identifying and managing risks, implementing preventive controls, and continuously optimizing resource efficiency. Through robust governance, ongoing monitoring, and a commitment to innovation, EFERT continues to strengthen its environmental performance, reduce its ecological footprint, and contribute to a more sustainable and resilient future.

Environmental commitment & governance

Our key environmental principles are deeply embedded in EFERT's sustainability strategy and HSE policy, endorsed by the highest governing authority, the CEO. These principles serve as a guiding framework for all operations, covering both existing projects and future investments.

HSE Oversight & structure

The Corporate HSE department plays a pivotal role in overseeing health, safety, and environmental activities across EFERT. Each business unit has its dedicated HSE team, ensuring that operational and site-specific safety and environmental requirements are effectively managed.

Certifications & environmental permits

Our operations are governed by local environmental permits, and our manufacturing systems meet the highest industry standards, including ISO 9001 for Quality Management, ISO 14001 for Environmental Management, Alliance for Water Stewardship for sustainable water management, ISO 45001 for Occupational Health & Safety and IFA Protect & sustain Certification for Safety & Sustainability.

EFERT's' Zarkhez Division achieved the prestigious Green Office Certification, recognizing its commitment to sustainable office practices and environmental responsibility. This certification reflects the division's ongoing efforts to minimize its environmental impact through efficient resource management and waste reduction.

DuPont environmental management system

EFERT integrates DuPont's globally recognized environmental management systems, ensuring superior environmental performance. Periodic first-party audits validate our adherence to best industrial practices, reinforcing our commitment to sustainability.

Comprehensive environmental management & risk assessment

Our robust environmental management system includes stringent technical standards, routine audits, and inspections. Advanced tools such as Hazard and Operability Studies (HAZOP), Layer of Protection Analysis (LOPA), Qualitative risk assessments (QRA), Aspect impact assessments (AIRA), Dispersion modelling, and real-time monitoring of emissions and discharges strengthen our environmental oversight.

Energy and GHG emissions

Energy

Energy Consumption (GJ)			
Metric	**2023**	**2024**	**2025**
Total Energy Consumption	31,355,426	30,213,145	31,837,216

Energy Intensity (GJ/T)			
Metric	**2023**	**2024**	**2025**
Energy Intensity	13.01	13.41	13.45

The energy consumption and energy intensity show increasing trends in the tables above on account of a turnaround in FY 2024 and 2025 resulting in higher energy consumption respectively.

Energy Generated (GJ) 2025		
Self Generated	31,778,431	99.82%
Grid Electricity	58,410	0.18%
Renewable Energy	374	0.001%

EFERT operates energy-intensive manufacturing facilities where natural gas, steam, and electricity form the primary energy sources supporting production processes. Natural gas plays a dual role in operations, serving both as a key feedstock for urea production and as the main fuel for generating heat, steam, and electricity. The Daharki manufacturing complex operates as an energy self-sufficient facility, producing its own electricity on-site. Marketing offices and head office rely on electricity supplied through public utilities. The Zarkhez blending plant relies on electricity and steam supplied by EPCL.

The Company continuously evaluates its energy sourcing strategies and operational performance to enhance efficiency and optimize energy consumption across all facilities. Energy intensity for the reporting year stood at 13.45 GJ/metric ton of product, reflecting ongoing efforts to improve operational efficiency. In addition, 374 gigajoules of energy were sourced from renewable energy, reflecting the initial steps towards diversification of energy sources.

GHG emissions

GHG Emissions - TCO_2e			
Scope	**2023**	**2024**	**2025**
Scope 1	1,897,534	1,863,846	1,984,098
Scope 2	2,508	2,929	2,684
Total	1,900,042	1,866,775	1,986,782

Emissions Intensity - (TCO_2e/Million T)			
Metric	**2023**	**2024**	**2025**
Emissions Intensity	0.79	0.83	0.84

In the above table depicting Scope 1 and Scope 2 calculations, three of the GHGs - carbon dioxide (CO2), methane (CH4), and nitrous oxide (N2O) have been accounted for of the seven GHGs - carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), sulfur hexafluoride (SF6), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and nitrogen trifluoride (NF3) currently tracked in the original Kyoto Protocol. Furthermore, the sources of emissions include stationary, process and mobile combustion including employee commute in company-owned vehicles as applicable in Scope 1 and Scope 2 emissions categories and as per nature of businesses involved. Fugitive emissions resulting from urea production have been included in the calculation. The emissions calculations given in the table are based on our current data collection systems. We plan to continue to capture additional data to measure Scope 3 emissions, as and where applicable in our businesses.

The numbers in the table above show an increase in year-over-year emissions on account of planned plant turnaround in FY 2024 and FY2025.

Greenhouse gas emissions are an inherent outcome of fertilizer production, particularly due to the use of natural gas as both a fuel and feedstock in ammonia and urea manufacturing. Carbon dioxide emissions generated during production processes are unavoidable given current technology and the chemical nature of the process. Despite this, EFERT continues to implement operational controls and efficiency measures to minimize its emissions footprint.

For the reporting year, EFERT's greenhouse gas emissions intensity was 0.84 tCO2e/ton of production. This intensity includes both Scope 1 emissions from direct operations and transport-related emissions and Scope 2 emissions from purchased electricity.

Air emissions monitoring and compliance

EFERT monitors air emissions, including nitrogen oxides (NOx), sulfur oxides (SOx), and ammonia, which are generated from combustion and process-related activities. The Company manages these emissions through a combination of operational controls, continuous emissions monitoring systems (CEMS), and periodic third-party verification to ensure compliance with applicable environmental standards.

Stack emissions are regularly monitored and validated by SEQS-approved third-party environmental laboratories monthly. In addition, emissions data and compliance reports are submitted to the Sindh Environmental Protection Agency (SEPA) monthly, ensuring ongoing regulatory transparency and oversight.

EFERT operates in full compliance with Sindh Environmental Quality Standards (SEQS), To date, the Company has not incurred any environmental penalties or regulatory non-compliance related to air emissions.

Climate change

Climate risk assessment

Climate change is no longer a distant concern for EFERT. It is a present-day operating reality. Guided by the IPCC's Sixth Assessment Report (AR6), which confirms that climate change is unequivocally driven by human activity, EFERT recognizes that physical climate hazards and the global shift to a low carbon economy both carry material implications for its plants, supply chains, and customers.

The assessment evaluated risks across two broad categories. Physical risks arise from the increasing frequency and severity of climate hazards such as floods, heatwaves, and droughts, while transition risks arise from the policy, technology, and market shifts associated with decarbonization. Both categories were tested against two climate scenarios aligned with IFRS S2: SSP2 - 4.5, a moderate transition pathway consistent with roughly 2.1°C to 3.5°C of warming by 2100, and SSP5 - 8.5, a business-as-usual pathway consistent with 3.3°C to 5.7°C of warming. The analysis covered short term horizons from 2020 to 2039 and medium-term horizons from 2040 to 2059. It drew on internationally recognized tools, including ThinkHazard and the World Bank's Climate Change Knowledge Portal.

Physical risks

EFERT's physical risk assessment considered both acute hazards, such as extreme heatwaves, heavy rainfall and flooding, storms, and chronic hazards, such as rising temperatures, changing precipitation patterns, and drought and water scarcity. At the Daharki plant, drought and water scarcity emerged as the most financially material physical risk under both scenarios. Increasingly unreliable canal water supply is resulting in greater reliance on groundwater that is costlier to treat and exposes the plant to government regulated water tariffs. To build resilience, EFERT is investing in an expanded water management programme that includes new wells and an ultrafiltration unit. The company is also working through its participation in the Alliance for Water Stewardship (AWS) to monitor site-level water use.

Transition risks

EFERT's transition risk assessment considered policy and regulatory, technology, market, and reputational factors associated with the transition to a low-carbon economy. Based on the current operating environment, the Company does not consider these risks to be material, supported by its compliance with applicable environmental regulations, stable market demand, and the limited maturity of low-carbon fertilizer technologies in Pakistan. EFERT continues to monitor evolving regulatory requirements, technological advancements, and market developments through its ERM framework. This proactive approach enables the Company to identify emerging risks and opportunities and support its long-term sustainability and decarbonization strategy.

A comprehensive description on the Climate Risk Assessment can be found in the Climate-related Risks and Opportunities section of the Sustainability Report 2025.

Climate strategy

EFERT's climate strategy is built directly on the findings of its physical and transition risk assessment, and it is anchored around one clear priority: water resilience. Since drought and water scarcity stand out as the most financially material risk to our operations, securing reliable, good quality water supply for the Daharki plant sits at the heart of our strategy going forward. EFERT has incorporated targeted initiatives into its water stewardship framework to enhance water resilience and promote the sustainable management of water resources. We continue to work with the Alliance for Water Stewardship (AWS) to use water more efficiently and support the communities and farmers around our sites. We see this not just as a risk mitigation measure, but as an investment in the long-term reliability of our operations.

Alongside water resilience, our strategy focuses on strengthening our sites against the weather extremes that come with a changing climate. At Daharki, this means upgrading drainage infrastructure to handle heavier rainfall and protecting our electrical and processing equipment from flood related disruption. At Zarkhez, we are investing in dehumidification and structural improvements to protect product quality from rising humidity, and across our warehousing network we are tightening flood preparedness standards before new sites are brought online. We are also looking after our people, with heat management protocols in place to keep our workforce safe during periods of extreme heat. Together, these measures are about keeping our plants running reliably, whatever the weather brings.

EFERT is committed to prepare for a lower carbon future without losing sight of what makes sense for our business today. We already recover carbon dioxide at our EnVen plant to support urea production, and we are exploring alternative resources and boiler efficiency improvements that could reduce our reliance on natural gas over time. We see real promise in scaling up Zabardast Urea, our enhanced efficiency fertilizer, as a way to offer farmers a more sustainable option while strengthening our own competitive position. EFERT shall continue to evaluate the opportunities from ESG linked financing and cleaner production technologies as it continues to develop, both globally and within Pakistan.

Pakistan's fertilizer sector does not operate in isolation from these pressures. Water stress, more unpredictable rainfall, and rising temperatures are shared challenges across the industry, and government policy, from gas allocation decisions to the country's growing focus on climate-resilient agriculture, is evolving in response. EFERT intends to play an active role in this transition by working alongside regulators, industry peers, and farming communities to strengthen agricultural resilience. Through farmer advisory programmes, demonstration plots, capacity-building initiatives, and the promotion of balanced crop nutrition and resource-efficient farming practices, the Company supports the adoption of climate-resilient agricultural practices that enhance soil health, improve water and nutrient-use efficiency, and strengthen farmers' ability to adapt to changing climatic conditions. These efforts complement EFERT's broader ambition to build a more resilient fertilizer sector while continuing to contribute to Pakistan's food security.

Looking ahead, EFERT will continue to monitor global climate trends, evolving science, and shifts in policy and technology, and will refine its climate strategy as new information and risks emerge. We see this as an ongoing commitment rather than a onetime exercise, one that will keep our business resilient, our communities supported, and our role in Pakistan's food security for years to come.

Energy efficiency and emissions reduction

EFERT is committed to improving energy efficiency and reducing greenhouse gas emissions through continuous operational improvements and long-term decarbonization initiatives. The Company regularly assesses opportunities to optimize fuel usage, improve process efficiency, and reduce energy losses across its manufacturing systems. Key initiatives include improved fuel management practices such as shared vehicle utilization, routine maintenance of fleet vehicles, and periodic replacement of older vehicles to enhance fuel efficiency.

EFERT is developing a structured approach to managing greenhouse gas emissions, including both short-term operational improvements and long-term strategic initiatives. This includes enhancing energy efficiency across production facilities, exploring renewable energy integration, and identifying opportunities for process optimization to reduce emissions intensity over time.

The Company continues to strengthen its internal processes for setting efficiency targets and evaluating performance against defined environmental objectives.

Energy optimization

During 2025, EFERT continued to improve the energy efficiency of its operations through a series of optimization initiatives aimed at reducing energy intensity, improving process efficiency, and minimizing inherent energy losses across its manufacturing facilities. Key projects included optimizing hydrogen recovery through enhancements to the prism unit, utilizing oxygen-enriched waste gas to improve secondary reformer efficiency, and implementing AI-based gas turbine load optimization to maximize power generation efficiency.

Additional energy conservation measures included shifting base gas turbines to uncompressed fuel gas networks, optimizing steam distribution through improved Process Condensate Rerouting (PCT) steam routing, and installing high-efficiency trays in process condensate systems. Collectively, these initiatives strengthened site-wide energy performance, enhanced operational reliability, and supported EFERT's commitment to improving resource efficiency and reducing the environmental footprint of its operations.

Energy audits for emission reduction

The HSE division ensures that all locations undergo regular energy audits to identify inefficiencies that may contribute to increased CO2 emissions. These audits facilitate the development of corrective action plans, which are closely monitored by senior management to ensure continuous improvement.

Field warehouse solarization

As part of its commitment to improving energy efficiency and reducing its environmental footprint, EFERT has expanded the use of renewable energy across its nationwide field warehouse network by installing solar power systems at 92 field warehouse locations (up to 2025). Each warehouse is equipped to provide reliable electricity for essential operations such as lighting, CCTV systems, printers, water pumps, and ventilation, while ensuring business continuity during grid outages.

The initiative significantly reduces dependence on grid electricity, generating approximately 337,000 kWh of clean electricity annually. In addition to strengthening operational resilience, the project delivers savings in annual electricity costs, demonstrating how renewable energy investments create both environmental and business value.

Building on the successful deployment across its warehouse network, EFERT has extended solar installations to newly established Engro Markaz locations as part of its expanding retail footprint. The Company also plans to further increase renewable energy capacity by solarizing additional permanent locations, reinforcing its commitment to decarbonization, operational efficiency, and sustainable infrastructure. Notably, EFERT's field warehouses are the only ISO 14001-certified warehouse network in Pakistan, reflecting the Company's strong environmental management practices.

Supply chain and field operations

The HSE Team and Marketing Division have undertaken indirect operational engagement initiatives focused on promoting efficient and safe field operations. Through targeted training sessions, warehouse teams and drivers were educated on energy-efficient practices, including reducing vehicle idling and ensuring proper maintenance of machinery to enhance fuel efficiency. The Division also advocated minimizing reliance on inefficient generators in warehouse operations. These efforts have strengthened operational discipline and safety compliance while contributing to reduced unnecessary fuel consumption and the adoption of more energy-conscious behaviors across field operations.

Encouraging sustainable farming practices

Recognizing that a significant share of agricultural greenhouse gas emissions arises from fertilizer application, EFERT works closely with farmers to promote sustainable nutrient management and climate resilient farming practices that improve fertilizer use efficiency while reducing environmental impacts. Through its farmer outreach programmes, the Company advocates the principles of 4R Nutrient Stewardship by applying the right fertilizer source, at the right rate, at the right time, and in the right place to optimize nutrient uptake, minimize nutrient losses, and support responsible fertilizer use. EFERT's agronomy team complements these efforts by providing soil testing and scientific advisory services, enabling farmers to make informed nutrient management decisions that improve soil health, enhance crop productivity, and reduce nutrient runoff.

Knowledge sharing and capacity building remain central to EFERT's approach. Through the Shandar Kisan programme, progressive farmers serve as ambassadors for sustainable agriculture by demonstrating balanced crop nutrition and improved farming practices through field demonstrations and farmer learning. In parallel, the Buland programme equips female farmers with technical knowledge on sustainable crop production, irrigation, nutrient management, pest control, and responsible input use, strengthening their capacity to adopt climate resilient agricultural practices while improving farm productivity and household livelihoods. EFERT also collaborates with public sector partners to promote efficient fertilizer use and responsible nutrient stewardship across farming communities.

Beyond technical advisory, EFERT actively raises awareness of broader environmental stewardship through initiatives such as the Engro Muhafiz programme, which engages farming communities on resource conservation, sustainable agricultural practices, and reducing the environmental footprint of farming. By combining scientific advisory, farmer education, product innovation, and community outreach, EFERT supports the adoption of more sustainable farming systems that enhance agricultural resilience, contribute to lower emissions from fertilizer use, and strengthen Pakistan's long term food security.

Climate resilience and livelihood restoration

EFERT's Government Relations & Regulatory Affairs (GRRA) and Agronomy teams continue to prioritize strengthening the resilience of Pakistan's agricultural sector in the face of increasingly frequent and severe climate-related disruptions. In response to the 2025 riverine floods in Punjab, EFERT extended targeted flood relief support to affected farming communities through the distribution of certified wheat seeds and vegetable seed kits. This timely intervention enabled farmers to quickly restore cropping activities, safeguard food production, and rebuild livelihoods impacted by extreme weather events. In parallel, EFERT has advanced adaptive nutrient management practices through the introduction of Triple Super Phosphate (TSP) as a cost-effective and locally suitable alternative to DAP. This initiative supports farmers in maintaining crop productivity while enhancing resilience to global supply chain disruptions and fertilizer price volatility, thereby contributing to more stable and climate-resilient agricultural systems.

Water management

Water management (cubic meters)			
Metric	**2023**	**2024**	**2025**
Water withdrawn	17,494,000	16,987,000	18,375,136
Water consumed	12,523,000	11,616,000	12,667,658
Water discharged	4,971,000	5,371,000	5,707,478

Water Intensity (M3/T)			
Metric	**2023**	**2024**	**2025**
Water intensity (M3/T)	5.2	5.16	5.35

To align with IFRS Sustainability Standards, the unit of measurement for quantitative disclosure on water has been amended from mega liters as disclosed in previous sustainability reports to cubic meters for FY2025 Sustainability Report. Historical data has been adjusted to the new unit of measurement.

Planned plant turnaround activities in 2025 resulted in higher water withdrawn, water consumed and water discharged in the current year of reporting.

Water use in operations

Water plays an essential role in the production of urea and is primarily used for cooling systems and steam generation. Water is withdrawn mainly from canal sources and supplemented by tube wells when required. Prior to use, water undergoes appropriate treatment to meet operational quality requirements. A portion of the water is consumed through evaporation and product formation, while the remainder is discharged in the canal as per SEQs and legal standards.

Given the water-intensive nature of fertilizer manufacturing and the location of the Daharki complex in a water-stressed region, as identified by the World Resources Institute Aqueduct Water Risk Atlas, effective water management remains a strategic priority. Water-related risks and impacts associated with abstraction, consumption, effluent discharge, and operational runoff are managed through process optimization, water efficiency measures, and continuous monitoring to minimize impacts on local water resources and receiving water bodies.

Water risk assessment and governance

EFERT identifies and manages water-related risks through environmental risk assessments, regulatory compliance monitoring, periodic environmental reviews, and water balance analyses. Monitoring programs cover all operational areas where water is withdrawn, consumed, reused, or discharged. In addition, the Company applies the Alliance for Water Stewardship (AWS) Standard to evaluate water risks, shared water challenges, and catchment-level impacts, enabling a more comprehensive understanding of watershed conditions and stakeholder expectations.

EFERT engages with regulators, local communities, suppliers, contractors, and other stakeholders to promote responsible water use and support sustainable watershed management. Water stewardship considerations are also integrated into environmental expectations communicated to relevant business partners.

Commitment to responsible water stewardship

Water is a critical resource for EFERT, underpinning both the reliability of its operations and the well-being of surrounding communities and ecosystems. Recognizing increasing water-related challenges arising from climate change, water scarcity, pollution, and changing hydrological conditions, the Company remains committed to responsible water stewardship and the efficient management of water resources. Through continuous improvement initiatives and the application of internationally recognized frameworks, EFERT seeks to minimize its water footprint while supporting long-term water security.

EFERT continues to strengthen responsible water governance across its operations. The Daharki manufacturing site successfully maintained its AWS Core Certification in 2025 through a surveillance audit, reaffirming effective water governance and risk-based water management.

EFERT's AWS policy

EFERT is committed to achieving market leadership in the fertilizer sector, while implementing national and global standards for health, safety and environment as well as water-related rights. In line with EFERT's vision for a secure and sustainable future, we recognize the importance of effective water stewardship, ensuring the availability of safe water for relevant communities, connected ecosystems and future generations.

EFERT is committed to achieving the following positive outcomes of water stewardship;

- Stewardship of good water governance for sustainable water balance
- Identification of important water resources and efforts for protection
- Enforcing controls ensures good water quality
- Implementation of safe water, sanitation, and hygiene (WASH) programs for workers and relevant stakeholders

Moreover, EFERT pledges to identify and engage relevant stakeholders to develop transparent communication, sharing, and disclosing its efforts for water stewardship and continually taking their feedback.

Sustainable water management

EFERT continues to implement initiatives aimed at optimizing water use and improving resource efficiency. During 2025, the Company successfully completed the geomembrane lining of all evaporation ponds and gravity channels, significantly reducing the potential for seepage and proactively eliminating the risk of soil and groundwater contamination.

Water conservation is further supported through the use of chemically treated cooling water systems that enable water recycling and reuse within operations. These systems reduce incremental freshwater consumption and improve overall water-use efficiency. In addition, treated wastewater is reused for horticultural purposes at plant sites, contributing to more efficient resource utilization and reducing dependence on freshwater sources.

To support long-term improvements, EFERT has developed a five-year water conservation roadmap focused on reducing its overall water footprint and enhancing water-use efficiency. Water-related targets are established based on water balance assessments, operational improvement opportunities, regulatory requirements, site-specific risks, and the principles of AWS.

Well optimization

New wells are being constructed to optimize well rotation and ensure sustainable groundwater abstraction rates.

Steam optimization

Steam optimization initiatives are being introduced to reuse steam and minimize overall water consumption. Additionally, scrubber water is being recycled to further reduce freshwater demand, supporting more efficient and sustainable water management across the plant.

Efficiency initiatives

Multiple initiatives were implemented, including utility media replacement, reverse osmosis membrane upgrades, and micron filter design improvements. These resulted in measurable reductions in water consumption and chemical usage.

Effluent management and regulatory compliance

EFERT maintains robust effluent management systems to ensure that wastewater discharged from its operations meets applicable regulatory requirements. Effluent quality is routinely monitored through internal controls and monthly third-party sampling and analysis in accordance with the requirements of the Sindh Environmental Protection Agency. Monitoring parameters include pH, conductivity, ammonia, urea, chemical oxygen demand, biological oxygen demand, and suspended solids.

All effluent discharges are managed in accordance with the Sindh Environmental Quality Standards and recognized industry practices applicable to the fertilizer and chemical manufacturing sector. The characteristics and sensitivity of the receiving environment are considered to ensure that discharges do not adversely impact surrounding ecosystems. During the reporting year, EFERT recorded no instances of non-compliance with applicable effluent discharge requirements.

Supporting documentation, including disposal certificates and contractor records, is maintained to ensure traceability and regulatory compliance. Internal monitoring and operational controls further support the consistent performance of effluent treatment systems and drive continuous improvement in environmental performance.

Water stewardship

Through a combination of water conservation initiatives, reuse and recycling practices, rigorous effluent management, and stakeholder engagement, EFERT continues to strengthen the resilience of its operations while contributing to the responsible stewardship of shared water resources. These efforts reinforce the Company's commitment to safeguarding water resources and creating long-term value for communities, the environment, and future generations.

Waste management

Total waste (tonnes)			
Metric tonnes	**2023**	**2024**	**2025**
Hazardous waste	257	10	138
Non-hazardous waste	1,694	905	768
Total waste	1,951	915	906

In 2023, scrap from the 2022 LTR was disposed of from the site resulting in higher waste figures.

Waste diverted from disposal (tonnes)	326

Waste diverted from disposal includes non-hazardous waste from carbon steel, wood scrap, woven polypropylene (WPP) bags, electrical cables, plastic cans, steel drums etc.

At present, none of the hazardous waste is recycled.

Commitment to responsible waste management

EFERT is committed to minimizing the environmental impacts associated with waste generation and promoting the efficient use of resources throughout its operations. As a fertilizer manufacturer, the Company recognizes that responsible waste management is essential for protecting the environment, reducing operational risks, and supporting the transition towards a circular economy. EFERT continues to strengthen its waste management practices through systematic improvements, robust governance, and responsible engagement with value chain partners.

Waste generation and associated impacts

Waste generated across EFERT's operations primarily arises from manufacturing, maintenance, and facility management activities. Key inputs used in these activities include raw materials, chemicals, catalysts, lubricants, packaging materials, and construction and maintenance supplies. Routine plant operations, equipment maintenance, inspection and cleaning activities, catalyst replacement, and infrastructure upgrades give rise to both hazardous and non-hazardous waste streams. If not managed appropriately, these waste streams could result in environmental contamination and occupational health risks.In 2023, scrap from the 2022 LTR was disposed of from the site resulting in higher waste figures.

The Company's significant waste-related impacts are primarily associated with its own operational activities and are managed through established handling, storage, transportation, and disposal procedures in accordance with applicable regulations and recognized environmental management practices.

Strengthening waste governance

In 2025, EFERT completed a comprehensive waste segregation and mapping exercise across the Daharki manufacturing complex, establishing a detailed baseline of waste streams and identifying opportunities to improve resource efficiency. Based on the assessment, the Company developed a five-year Waste Reduction Roadmap focused on strengthening waste governance, improving segregation at source, increasing landfill diversion, and embedding circular economy principles into operations.

The baseline assessment included waste stream mapping, evaluation of existing practices, benchmarking against global industry standards, establishment of key waste management KPIs, and employee awareness and training initiatives.

Building on this foundation, EFERT will implement standardized waste management systems, including harmonized waste handling procedures, digital waste tracking, upgraded segregation infrastructure, routine audits, and performance monitoring. The Company will also introduce site-wide training and measurable waste intensity and landfill diversion targets to track progress. These initiatives will enhance operational efficiency, improve resource recovery, reduce landfill waste, and support EFERT's long-term commitment to minimizing its environmental footprint through more sustainable and circular resource management.

Responsible third-party waste management

Where waste treatment or disposal is carried out by external service providers, EFERT works exclusively with authorized waste management contractors that possess the required regulatory approvals and licenses. Waste transfers are conducted through documented processes to ensure traceability and regulatory compliance.

The Company maintains oversight of third-party waste management activities through the review of contractor qualifications, waste manifests, disposal certificates, and supporting documentation. Periodic verification and monitoring are undertaken to confirm that waste handling, transportation, treatment, and disposal activities are performed in accordance with contractual obligations and applicable environmental requirements.

Monitoring and performance management

EFERT maintains site-level systems for recording and monitoring waste generation, storage, transfer, and disposal. Relevant departments track the quantities and types of waste generated, and this information is periodically reviewed to support environmental reporting, performance evaluation, and continuous improvement initiatives.

These monitoring processes provide valuable insights into waste generation trends and support data-driven decision-making aimed at enhancing resource efficiency and reducing waste-related impacts.

Material consumption

As a leading fertilizer manufacturer, EFERT relies on a range of raw materials to produce high quality nitrogen, phosphatic, and specialty fertilizers that support sustainable agricultural productivity and food security. The Company's primary raw material is natural gas, which serves both as a feedstock for ammonia production and as an energy source for manufacturing operations.

EFERT procures a variety of mineral nutrients and specialty ingredients to manufacture and market its diverse fertilizer portfolio. These include phosphate, potash, sulphur, zinc, boron, and other micronutrients used in blended, specialty, and enhanced-efficiency fertilizers. Selected products also incorporate bioactive ingredients and beneficial microorganisms to improve nutrient availability, enhance fertilizer use efficiency, and support crop resilience.

EFERT sources raw materials through a combination of domestic supply and responsible international procurement, depending on product requirements and local availability. The Company works closely with qualified suppliers to ensure that raw materials consistently meet stringent quality, environmental, and regulatory standards while supporting supply chain reliability and business continuity.

Recognizing that raw material production and extraction contribute significantly to the environmental footprint of the fertilizer value chain, EFERT focuses on optimizing material efficiency throughout its operations. Process optimization, efficient resource utilization, responsible sourcing practices, and continuous product innovation help maximize the value derived from raw materials, minimize production losses, and support the development of more resource-efficient fertilizer solutions. Through these measures, EFERT seeks to create value for farmers while reducing the environmental impacts associated with fertilizer production.

Social

performance

Social performance

Our people

Workforce overview

Key employee categories			
On headcount basis	**2023**	**2024**	**2025**
Permanent management employees	734	707	716
Non-management permanent employees	480	462	469
Contractual employees	312	281	279
Total	1,526	1,450	1,464

Key employee categories			
On headcount basis	**FY 2023**	**FY 2024**	**FY 2025**
Permanent management employees	48%	49%	49%
Non-management permanent employees	32%	32%	32%
Contractual / temporary employees	20%	19%	19%

EFERT recognizes its people as their greatest asset and a key driver of long-term value creation. By attracting, developing, and engaging top talent, the Company fosters a high-performance culture of learning, leadership, and innovation. Continuous investment in human capital and leadership capabilities ensures EFERT remains resilient, future-ready, and well-positioned to meet evolving business challenges.

Human rights

EFERT respects internationally recognized human rights and is committed to maintaining fair labour practices across its operations. The Company prohibits child labour, forced labour, discrimination, harassment, and any form of unfair treatment, while promoting diversity, inclusion, equal opportunity, and non-discrimination. EFERT complies with applicable labour laws including but not limited to Payment of Wages Act, Minimum Wages Act, Workmen Compensation Act, Employees Old Age Benefits Act, Social Security Ordinance (if applicable) etc and aligns its practices with internationally recognized human rights principles and the core conventions of the International Labour Organization (ILO).

Our standard agreements require vendors and service providers to comply with all applicable labour laws, Company policies, and ethical business standards. In addition, we require our Business Partners to abide by all applicable laws and meet Engro's Code of Conduct standards as a prerequisite for establishing and maintaining a business relationship.

Collective bargaining and freedom of association

EFERT upholds employees' rights to freedom of association and collective bargaining in line with applicable labour laws and international standards. During the reporting period, 100% of direct employees and contractor workers were covered under Collective Bargaining Agreements (CBAs), ensuring all employment terms are governed through formal collective bargaining mechanisms.

The Company recognizes elected trade unions, maintains structured consultation and grievance processes, and engages regularly with employee representatives to promote constructive dialogue, resolve workplace issues, and maintain industrial harmony. EFERT also works closely with labour authorities and monitors contractor compliance to uphold fair labour practices across its operations.

Where significant organizational or operational changes may affect employees, the Company provides advance notice and consults with union representatives in accordance with CBAs and applicable legislation. This transparent and collaborative approach reinforces responsible labour practices, employee participation, and strong industrial relations, with no significant risks related to freedom of association or collective bargaining identified during the reporting period.

Talent acquisition & retention

Hiring by gender	2023	2024	2025
Male	51	61	88
Female	23	30	13
Total	74	91	101

Hiring by gender %	2023	2024	2025
Male	69%	67%	87%
Female	31%	33%	13%

Hiring by age group	2023	2024	2025
30 and under	55	71	65
31–50 years	19	20	36
Over 50 years	0	0	0
Total	74	91	101

Hiring by age group %	2023	2024	2025
Male	74%	78%	64%
Female	26%	22%	36%

During 2025, a total of 101 employees were hired (compared to 91 in 2024), resulting in a hiring rate of 14% (compared to 13% in 2024).

Turnover gender-wise	2023	2024	2025
Male	90	98	61
Female	13	12	17
Total	103	110	78

Turnover gender-wise %	2023	2024	2025
Male	87%	89%	78%
Female	13%	11%	22%

Turnover age-wise	2023	2024	2025
30 and under	31	39	34
31-50 years	65	68	42
Over 50 years	7	3	2
Total	103	110	78

Turnover age-wise %	2023	2024	2025
30 and under	30%	35%	44%
31-50 years	63%	62%	54%
Over 50 years	7%	3%	3%

During 2025, 78 employees (2024: 110) left the organization. This translates into a turnover rate of 11% in 2025 (2024: 16%).

Talent acquisition plays a pivotal role in an organization's success by identifying, acquiring, assessing, and hiring individuals who can contribute to the Company's goals and culture. Its main purpose is to attract and retain high-quality talent that aligns with the organization's mission and objectives. By hiring the right talent with the right skills, we ensure achievement of strategic goals, improved team productivity, and a positive work environment that is conducive to fresh ideas and growth.

Employee retention and talent management

Attracting, developing, and retaining talent remains central to EFERT's long-term success. The Company monitors employee attrition and succession risks to safeguard operational continuity and leadership readiness while strengthening its employee value proposition through career development, retention initiatives, and succession planning for critical roles.

EFERT enhances workforce capabilities through Individual Development Plans (IDPs), which provide structured learning pathways aligned with business needs and employee aspirations. Dedicated retention plans further support key talent and leadership pipelines. High-potential employees benefit from the EDGE (Empowering, Development, Growth, Excellence) Talent Accelerator, which offers mentorship, coaching, and accelerated leadership development through engagement with senior leaders. Together, these initiatives strengthen employee engagement, build technical and leadership capabilities, and develop a resilient, future-ready workforce equipped to meet evolving business challenges.

Employee remuneration, benefits And reward framework

Employee remuneration is benchmarked through market surveys and determined at three key points: hiring, increment, and promotion. Pay is based on three principles: market pay equity, individual performance, and leadership competency rating. EFERT ensures competitive and appropriate compensation and remuneration for its employees based on their roles, experience, and performance. Employee remuneration for management employees is determined by regular market surveys, comparison with the relevant competitive markets and guided by Company policies.

EFERT strives to maintain a well-balanced program of employee benefits. Various programs mentioned below are currently in place for our employees.

- Defined benefit gratuity fund
- Contributory provident fund
- EFERT pension fund
- Service incentive plans

Compensation and benefits

- Rewards policies aligned with the best companies in the market that compete for high-quality talent
- Clear linkage of reward policies with performance and potential. diversity and non-discrimination

Job evaluation

All our positions are job description based. Engro has initiated a group-wide job evaluation exercise utilizing the Korn Ferry Hay Method to measure the relative size of its roles, relying on the world's leading method to determine the fair and objective relative value of each role in the organization.

Retirals and long-term benefits

The Company maintains separate gratuity schemes for its employees. Employees are eligible for these schemes based on completion of the vesting period. Trustees of the Fund are responsible for administering these funds. The annual contributions to gratuity and management staff funds are based on actuarial valuation. The Company contributes to the defined contribution provident fund for its permanent employees.

Monthly contributions are made both by the Company and employees to the fund at the rate of 10% of the basic salary. Additionally, a service incentive plan is also maintained for certain categories of employees to reward them for their service of at least 3 years with the company.

Other benefits to permanent employees include:

- Health Insurance
- Life Insurance
- Part- Time work policy
- Compensation cars
- Travel and transport benefits
- Hajj policy
- Annual incentive bonus and performance bonus
- Paternity / maternity leaves and sabbatical leaves
- Medical and dental benefits
- Long service awards
- Loans and advances
- Club memberships
- Beach Huts and lodges
- Day Care
- Location-specific benefits

Long service benefits

At Engro we use long service awards as a way to recognize and celebrate employees' dedication, loyalty, and sustained contributions over an extended period. These awards acknowledge the value of long-term commitment, fostering a sense of appreciation and belonging, while also reinforcing the organization's culture of recognizing and rewarding consistency and perseverance. They serve as a motivational tool, promoting employee engagement and retention by highlighting the importance of long-term service to the company's success. Employees receive gold coins after 5, 10, 20, 25, and 30 years of service.

Talent development

Developing our people

People development remains central to EFERT's success, supported by a culture of diversity, equity, inclusion, ethical conduct, and employee centricity. The Company fosters continuous learning by empowering leaders to provide coaching, feedback, and development opportunities while embedding learning into performance management and talent processes.

EFERT's Leadership Competency Model, digital HR initiatives, and robust people practices promote collaboration, innovation, and data-driven decision-making with a people-first approach. The Company also identifies skill gaps, delivers targeted learning and development programs, and implements talent attraction and retention initiatives to build a capable, engaged, and future-ready workforce.

Employee engagement

EFERT recognizes its employees as their greatest asset and is committed to building highly-performing, inclusive teams. The Company conducts an annual anonymous third-party employee engagement survey, with results shared transparently with employees and the Board. In 2025, employee engagement increased by 3%, achieving an Employee Engagement Score of 80% with a 90% response rate. Beyond the annual survey, EFERT promotes continuous employee listening through leadership town halls, quarterly pulse surveys, and HR-led focus groups, reinforcing a culture of open dialogue, engagement, and continuous improvement.



Cultural partners

EFERT launched the Cultural Partners Committee in 2025, adopting a multi-faceted approach to strengthen employee engagement and enhance the overall employee experience. The initiative created structured avenues for feedback and dialogue, while also promoting engagement through workplace activities. Selected employees from across the organization were appointed as Cultural Partners, responsible for planning and coordinating activities locally while ensuring a consistent and synchronized culture across EFERT. Under this initiative, we had regular events, which included:

- Partea with the Mums — Mother's Day Celebration
- Dad's Breakfast Club — Father's Day Celebration
- Family Visit to TDF Magnifiscience Centre
- Fl Movie Night
- Padel Connects
- Halloween Trick or Treat





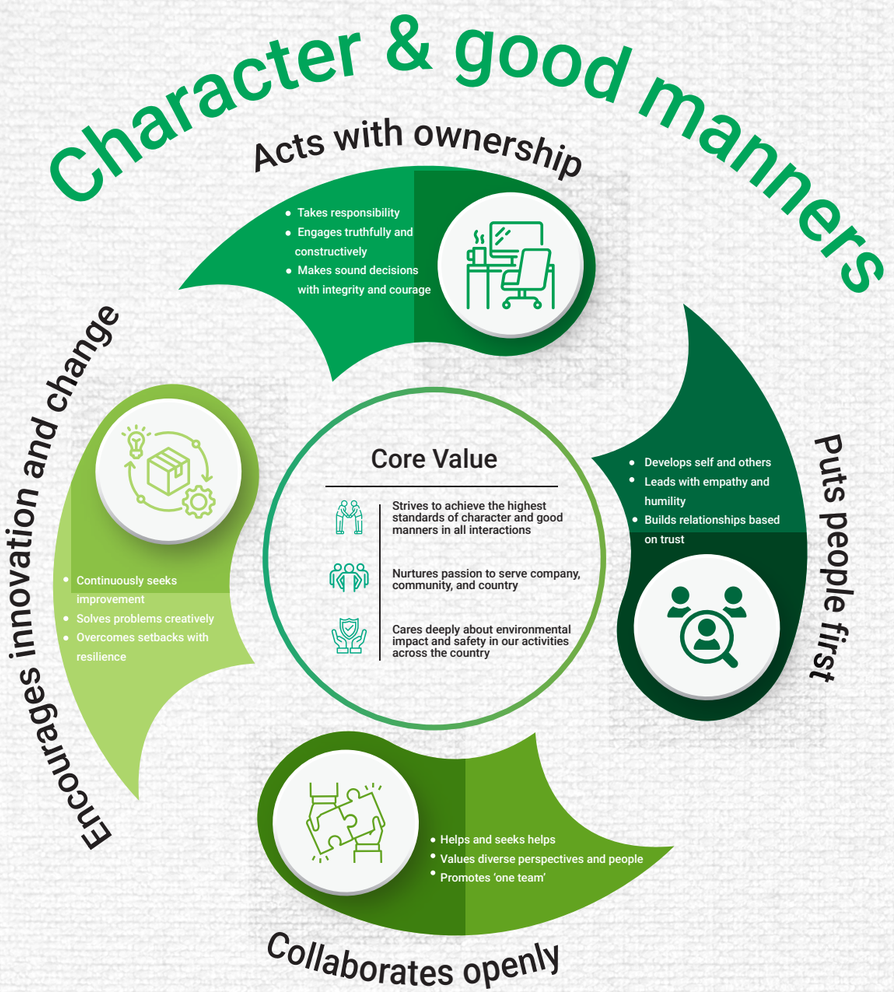
CEO Townhall

EFERT's Q1 2025 Town Hall brought together employees to celebrate the Company's shared achievements and strengthen organizational alignment. The CEO highlighted key business accomplishments, growth priorities, sustainability initiatives and the importance of maintaining a strong health, safety and environment (HSE) culture. He also underscored the role of collaboration, consistency and proactive planning in driving long-term success.





Engro leadership competency model



Character & good manners

A series of Character and Good Manners (CGM) training were conducted by CGM ambassadors for 100% management employees of Engro to inculcate the principles of character-based leadership i.e., TTHIS: Truthfulness, Trustworthiness, Humility, Integrity, & Striving in times of hardship. These sessions emphasized self-reflection and how these values of character-based leadership can help foster credibility, teamwork, and resilience, while creating value for all the stakeholders.

The guiding principles of character & good manners (CGM)



Departmental away days
To strengthen team connections and celebrate key milestones, departmental away days are organized on a regular basis. Recently, the HR, Finance, and Business Development teams also participated in away days at farmhouses and beach huts, creating opportunities to foster collaboration and enhance team bonding.

Ennovate day
Evolving from a series of Business Development (BD) Ideathons, Ennovate Day has become EFERT's flagship annual innovation platform, empowering employees across the organization to propose process improvements and new business opportunities. Following a six-month collaborative journey that generated nearly 500 ideas, 26 high-impact concepts were selected for their potential to deliver scalable business value. With the Board of Directors participating for the first time, Ennovate Day marked a key milestone in embedding grassroots innovation into EFERT's strategy, driving operational excellence and long-term growth.



Mental wellbeing
We prioritize the psychological health of our workforce through dedicated wellness initiatives, providing resources and professional support systems such as Saaya to ensure a resilient and balanced organizational culture.

Learning & development

To meet employee and organizational needs, EFERT provides several opportunities for the development of technical and managerial skills through classroom and on-the-job learning.

Talent Development Program (TDP)
Engro launched the second cohort of Talent Development Program (TDP), which is a documented and structured framework of talent development to identify future leaders amongst the talent in the organization. This program provided an opportunity to develop talent who demonstrated consistent significant performance over a certain period, as per a defined eligibility criterion. In 2025, EFERT demonstrated a strong commitment to people and talent development, with 13 employees selected for this program.

The development of these individuals is actively managed through tailored Individual Development Plans (IDPs), to prepare them for "Key Roles" across the group aligned with future strategy, thereby enhancing the leadership pipeline. Thus, this program serves as a 'leader feeder' of ready talent for succession planning which safeguards engagement of talent within the organization and uninterrupted continuity of business.

E.D.G.E (Empowering Development, Growth and Excellence)
In 2025, EFERT launched the second phase of EDGE, with a specific focus on the development of high potential employees. EDGE is anchored around four key pillars:

- Developing women through targeted leadership programs
- Developing high performing and high potential employees
- Mentoring and coaching for senior leaders
- Enabling senior leaders to support Assistant Manager (AM) and Deputy Manager (DM) level employees in creating structured Individual Development Plans (IDPs)

Future leaders were identified through pre-agreed criteria and paired with experienced senior leaders as coaches. These coaching engagements were designed to support participants in defining clear development priorities and creating multi-year development plans. The resulting IDPs are scheduled for execution in 2026, ensuring continuity and measurable progress.

Succession planning
EFERT maintains a robust succession planning framework to ensure business continuity and build a strong pipeline of future leaders. By focusing on skill enhancement, career development, and competency-based growth, the Company equips employees to meet evolving business needs and navigate change effectively. Structured career pathways, supported by targeted training and development opportunities, enable employees to realize their potential while strengthening the organization's long-term capabilities and resilience.

Learning and Development (Sum of no of hours)		
	2024	**2025**
Female	2,774	3,370
Male	22,050	31,820
Total	24,824	35,690

Learning and Development (Average learning hours)		
	2024	2025
Female	32	48
Male	36	45
Total	35	47

The increase in learning hours from 2024 reflects a deliberate shift towards a more demand-driven functional learning. Learning investments were directed towards targeted, role-relevant interventions, ensuring capability building remained aligned with business priorities while optimizing learning effectiveness.

ACE (Achieve, Champion, Elevate)

Building on its successful launch, EFERT continued the ACE (Achieve, Champion, Elevate) program in 2025, further strengthening its commitment to innovation, talent development, and sustainability. The program continued to bring together industry experts, startup pioneers, and emerging leaders to spark meaningful conversations, encourage fresh thinking, and support professional growth. Through engaging sessions and expert insights, ACE remained a platform for empowering participants to thrive in a rapidly evolving industry.

ACE series part ii:

EFERT expanded its leadership development efforts through internal mentorship and knowledge sharing across the Engro ecosystem. Senior leaders from fellow Engro subsidiaries shared insights on operational excellence, industrial safety, supply chain resilience, and energy transitions, providing emerging leaders with practical perspectives and institutional wisdom. These engagements fostered cross-sector collaboration, strengthened strategic thinking, and reinforced a culture of transparency, psychological safety, and continuous learning, helping cultivate a more cohesive and resilient leadership pipeline for the future.



Leadership launchpad

Building on the success of its inaugural Leadership Launchpad, EFERT expanded its Management Development Programme into a cross-functional initiative aimed at strengthening the leadership capabilities of future business leaders. Developed in partnership with KSBL faculty, the intensive seven-day residency equipped 34 participants from across the organization with skills in financial acumen, strategy formulation, and leadership communication. A key enhancement to the programme was the integration of advanced digital literacy modules, including artificial intelligence fundamentals, supply chain optimization, and immersive simulations. By broadening participation beyond a single function, the programme has democratized access to strategic leadership development and strengthened EFERT's talent pipeline for an increasingly digital and evolving business landscape.

Campus to corporate

This workshop equipped Graduate Trainee Engineers and Management Trainees with essential skills and insights necessary for a successful transition into the corporate environment. From understanding workplace dynamics to honing professional communication, our experienced internal facilitators offered valuable advice and practical strategies to ensure smooth adoption.

Performance management

All permanent employees receive regular performance reviews. EFERT has:

- A transparent and merit-based performance management system in place. The
- A transparent and well-defined career development and succession planning system.
- Clearly defined system for career progression based on merit and potential.

Off-track policy

To support continuous learning and personal growth, employees may opt for a sabbatical of up to one year. This "Off-Track" option facilitates advanced education, skill enhancement, family care, or community service, ensuring our talent returns recharged and further enriched.

Training conducted in 2025

Functional trainings	Audience
Work permit refresher training	130
Fire fighting training	117
Safety leadership academy	53
Aiche academy - pressure relief devices (psv/prv) - deep dive	45
Base plant ta-2025 training	38
Maintenance presents: the ins & outs of sap | ttm	38
Management development program	34
Excel made easy	30
Other technical trainings: (count 58)	771

Diversity, equity and inclusion

Diversity by gender for key employee categories

	Female			Male			Total		
Category	2023	2024	2025	2023	2024	2025	2023	2024	2025
Permanent management	69	88	79	665	619	637	734	707	716
Non-management permanent	7	6	7	473	456	462	480	462	469
Contractual	52	67	59	260	214	220	312	281	279
Total	128	161	145	1,398	1,289	1,319	1,526	1,450	1,464

By gender %

	Female			Male		
Category	2023	2024	2025	2023	2024	2025
Permanent management	9%	12%	11%	91%	88%	89%
Non-management permanent employees	1%	1%	2%	99%	99%	98%
Contractual	17%	24%	21%	83%	76%	79%
Total	8%	11%	10%	92%	89%	90%

By Age Group

	30 and under			31-50 years			Over 50 years			Total		
Category	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
Permanent management	172	200	167	473	426	443	89	81	106	734	707	716
Non-management permanent	108	105	101	302	290	278	70	67	90	480	462	469
Contractual	255	229	218	51	46	49	6	6	12	312	281	279
Total	535	534	486	826	762	770	165	154	208	1,526	1,450	1,464

By age group %

	30 and under			31-50 years			Over 50 years		
Category	2023	2024	2025	2023	2024	2025	2023	2024	2025
Permanent management	23%	28%	23%	65%	60%	62%	12%	12%	15%
Non-management permanent	23%	23%	22%	63%	63%	59%	14%	14%	19%
Contractual	82%	81%	78%	16%	16%	18%	2%	3%	4%
Total	35%	37%	33%	54%	52%	53%	11%	11%	14%

Non-discrimination

EFERT has established a comprehensive DEI framework to strengthen gender, disability, and generational diversity while ensuring equal opportunities in recruitment regardless of gender, religion, or background. By embracing diverse perspectives and talent, the Company fosters inclusion and creates long-term value for its stakeholders and aims to:

- Provide an environment free from all forms of discrimination and harassment at the workplace
- Foster gender diversity at all levels within the Company
- Policies aimed at creating flexible and conducive working arrangements

We are committed to fostering an inclusive workplace where differently abled individuals are empowered to thrive. Our offices are thoughtfully designed with dedicated, accessible facilities to ensure comfort. We have also partnered with the Karachi Down Syndrome Program (KDSP) internship program to provide individuals with Down Syndrome meaningful corporate exposure and essential workplace skills.

Equal opportunity

The Company is committed to:

- Provide equal opportunity to all job applicants through clearly defined and consistently applied induction standards
- Create a work environment where every employee has an equal opportunity to develop their skills and talents

Gender pay gap

At Engro, we are committed to fostering an inclusive and equitable workplace where all employees have equal opportunities to grow and succeed. Our compensation philosophy is built on fairness, transparency, and meritocracy, ensuring that pay is determined by an individual's competence, years of experience and performance. We believe in rewarding employees for their contributions and the value they bring to our organization. To uphold our commitment to fairness, we regularly review our compensation structures to ensure alignment with industry standards and internal equity.

For reporting gender parity, we have used the following calculation assumptions to determine the Male-to-Female pay ratio, which stands at 1:1.20 (mean) and 1:1.13 (median).

- Band-wise breakup
- Age-wise brackets based on average

Below is the breakdown by grade level:

Gender Parity Pay Gap for 2025		
Grade	**Mean**	**Median**
M4	0.66	0.68
M3	0.99	0.91
M2	0.96	0.91
M1	1.13	1.04
P4	0.96	0.92
P2	0.84	0.80
AVG	0.99	0.94

We remain dedicated to continuously monitoring and improving pay equity, ensuring that all employees are recognized and rewarded equitably for their contributions.

Gender diversity awards by pakistan business council (pbc) - international finance corporation (IFC)

EFERT secured 1st position overall at the prestigious Employer of Choice - Gender Diversity Awards. These awards are among Pakistan’s most credible benchmarks for workplace inclusion, with companies rigorously evaluated on leadership commitment, diversity practices, pay equity, and organizational culture. This recognition marks a proud milestone in our journey, reinforcing our commitment to celebrating diversity and creating equitable opportunities for all.

Gender sensitization

To further foster decent work and inclusive economic growth, EFERT conducted a sensitization training aimed at building a more inclusive workplace. The session focused on creating a safe and respectful environment where members of the transgender community can contribute and thrive. As part of this commitment, we plan to onboard three to four transgender employees in 2026.

Transportation services for female staff

Engro provides an allowance for safe and hassle-free mobility solutions for female employees. This eases the commute for women at Engro as part of the Company's diversity, equity, and inclusion initiatives. This travel policy complements other initiatives introduced by Engro to create a gender-diverse workforce.

Parental leave
Engro offers 6 months of paid maternity leave and 15 days of paid paternity leave.

Inclusive childcare support
To empower our female colleagues, particularly those at our manufacturing plants, the company provides a Childcare Allowance. This financial support covers daycare and early childhood arrangements, reducing barriers to career progression.

Daycare
To facilitate women employees in the organization, Engro offers special daycare facilities at the Head Office and Daharki. For other locations it offers daycare reimbursements, where applicable. These initiatives are designed to ease the transition back into the workforce, promote workplace inclusion, and enable continued career progression.

Family-centric travel & accommodation
Recognizing the challenges of work-life integration for nursing mothers, we facilitate travel for children (up to 2 years old) and one adult companion. By covering these expenses, we ensure our employees can meet professional demands without compromising family bonds.

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Access to female hygiene products
Engro also provides women with access to female hygiene products free of cost at the workplace.

Senior citizen internship program
Building on the successful launch of the Senior Citizen Internship Program, EFERT continued to leverage the experience of seasoned professionals by engaging senior interns across key business functions. The program reinforced the value of generational diversity, enabling knowledge sharing, fresh perspectives, and meaningful contributions while fostering an inclusive, multigenerational workplace.

Her wellness program
In 2025, EFERT expanded its Her Wellness platform with sessions focused on women's physical, mental, and emotional well-being. Covering topics such as reproductive health, menopause, mental wellness, and preventive care, the initiative continued to create awareness, foster empathy, and promote a supportive workplace culture. Breast cancer screening drives were also conducted across multiple locations, underscoring EFERT's commitment to preventive healthcare and early detection.



Break Ke Baad
EFERT continued to strengthen Break Ke Baad, providing women returning to work after career breaks with structured opportunities to restart their professional journeys. Through a supportive and inclusive framework, the program helped participants rebuild confidence, refresh their skills, and successfully transition back into the workplace, while advancing gender diversity across the organization.

Unstoppable – women in non-traditional roles
Through Unstoppable, EFERT continued to challenge traditional gender norms by increasing women's participation in technical and field-based roles. The program empowered women from diverse backgrounds to pursue careers in non-traditional functions, reinforcing EFERT's commitment to creating equal opportunities and building a more diverse workforce.

Partnership with KDSP
EFERT further strengthened its partnership with the Karachi Down Syndrome Program (KDSP) by continuing to offer internship opportunities for individuals with Down syndrome. The collaboration enabled participants to develop workplace skills, gain practical experience, and build confidence, reflecting EFERT's ongoing commitment to fostering an inclusive workplace where diverse talent can thrive.

Khudi program
The Khudi Program continued to create pathways for persons with disabilities to build meaningful careers across the Engro Group. By providing traineeship opportunities in diverse functions, the program reinforced EFERT's commitment to diversity, equity, inclusion, and belonging, while creating an environment where individuals of all abilities can contribute, grow, and succeed.

Buland program

Aligned with EFERT's commitment to sustainable agriculture and inclusive growth, Buland empowers smallholder female farmers through technical training and capacity building across the crop lifecycle. Since its launch in 2024, the program has addressed barriers to women's participation through localized delivery and female Agri-Resource Persons, leading to improved crop yields and stronger engagement. In 2025, EFERT expanded the initiative through Buland 2.0 and Buland 3.0 in collaboration with the Farmers Development Organization (FDO), combining classroom learning with field-based training and outcome-driven assessments to enhance farmers' productivity and livelihoods.

Over three cycles, Buland has transitioned from a pilot initiative to a large-scale, structured development program with growing participation. A consolidated summary of the program is presented below:

Program phase	Year	Crop/season	Geographic coverage	No. of villages	No. of female farmers	Average yield (%)
Buland 1.0	2024	Wheat	Jhang	20	400	32%
Buland 2.0	2025	Rice	Pakpattan	20	400	13.7%
Buland 3.0	2025	Wheat	Pakpattan	20	550	Results awaited and disclosed in 2026 report

Through Buland, EFERT continued to promote sustainable agricultural practices while enabling female farmers to participate more actively in farm-level decision-making, household income generation, and community development.

Health, safety & environment

Hours worked				
	2024		2025	
	Employees	Contractors	Employees	Contractors
Total	3,299,668	12,764,784	3,274,843	10,834,740

EFERT is deeply committed to protecting the health and safety of our people and minimizing our impact on the environment. This commitment is clearly reflected in our HSE Policy and is a core value that guides how we do business every day. We firmly believe that "Safety is our license to operate," and this belief shapes decisions and actions across all levels of the organization.

Our approach to HSE is built around five closely connected pillars: Health Safety, Personnel Safety, Transport Safety, Process Safety, and Environmental Safety.



These pillars provide a robust framework for managing risk and ensuring safe, responsible, and sustainable operations. By partnering with global experts and adopting international standards and best practices, EFERT continues to strengthen its proactive safety culture. The health and safety of employees, contractors, and surrounding communities remain a top priority, supported by visible leadership, rigorous monitoring, regular audits, and proactive risk management to prevent incidents and ensure operational excellence.

To protect our people and maintain strong operational discipline, Engro has put in place a comprehensive and integrated Operating Discipline Management System aligned with ISO 45001, ISO 14001, and ISO 9001. This system brings together policies, standards, procedures, and best practices covering Health, Safety, Environment, Quality, and Operations, ensuring a consistent and compliant approach across the organization. Safety is also built into our investment decisions, with inherent safety principles considered from the earliest stages of design, reinforcing our commitment to embedding safety throughout the entire lifecycle of our assets and operations.

As a result of this sustained focus, Engro's safety management systems have continued to strengthen over time. Our HSE practices are guided by a clearly defined HSE Policy, which is publicly available on the Company's website. All employees and contractors are expected to understand and fully comply with this policy, ensuring a shared and consistent approach to safety across all manufacturing operations.

Our HSE Policy emphasizes that we are committed to:

- Continuously striving for zero occupational injuries and illnesses, process safety incidents, and environmental events
- Embedding HSE considerations into all business and operational decisions
- Identifying risks that could impact People, Environment, Assets, and Reputation (PEAR), and preventing or reducing their consequences through effective controls and work processes
- Ensuring employees have the right skills and competencies to maintain the integrity of critical barriers and work processes
- Applying inherent safety in design, driving continuous improvement in HSE performance, and complying with all applicable legal and regulatory requirements
- Using energy and materials responsibly to conserve natural resources
- Promoting awareness, consultation, and participation to build a strong sense of HSE ownership and accountability among employees and contractors

Together, these commitments reflect Engro's belief that safety is not just a system or requirement, but a shared responsibility and a fundamental way of working.

Our safety performance for the year 2025 is reflected in the below statistics:

	2025
Safe manhours since last lost work injury (lwi)	86 Million manhours
Total recordable injury rate (trir)	0.04
Number of recordable work-related injuries	Permanent 1 contractual 2 Total 3
Number of fatalities	0
Transport incidents	3

Performance data has been compiled based on internal HSE records, medical reports, and monitoring systems, in alignment with Company procedures. Injury and incident rates have been calculated on the basis of 200,000 hours worked.

HSE governance and responsibility framework

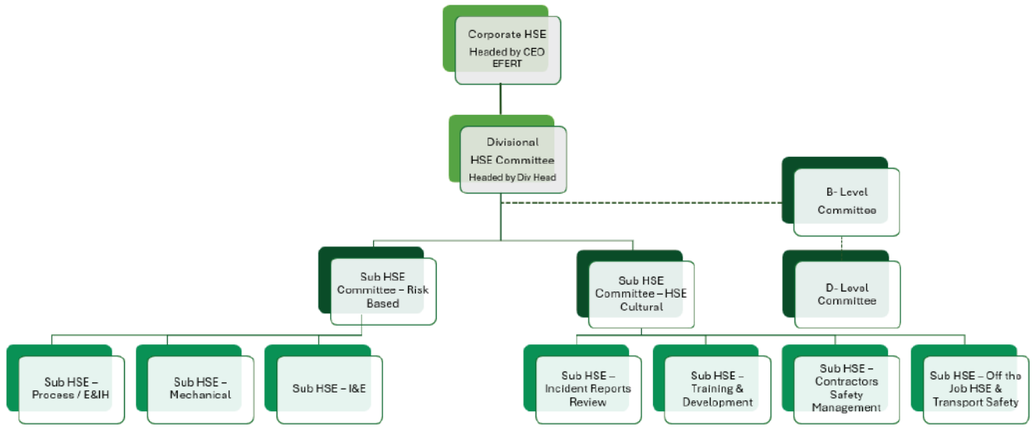
Engro's HSE Governance and Responsibility Framework establishes clear ownership, accountability, and consistent safety standards across the organization. Supported by a risk-based HSE management system, structured committees, incident reporting and investigation, integrated HSE MIS, and regular audits, the framework drives compliance, continuous improvement, and proactive risk management. A group-wide reporting and learning system ensures incidents are thoroughly investigated, corrective actions are implemented, and lessons learned are shared across all businesses to strengthen HSE performance.

- **Corporate HSE Committee:**
  Each group company has a senior HSE Committee led by the CEO and supported by executive leadership. The committee owns the HSE Policy, sets direction for HSE priorities, ensures adequate resources are available, and confirms alignment with overall business objectives.
- **Divisional HSE Committee:**
  All manufacturing sites and marketing, commercial, and service functions have a Divisional HSE Committee chaired by the divisional head, with participation from department heads. The committee reviews HSE performance oversees serious incident investigations, tracks closure of action items, monitors leading indicators, and approves division-level HSE plans and policies.
- **Sub-Divisional HSE Committees:**
  At the operational level, sub-divisional HSE committees are formed based on the specific risks and needs of each area. These committees are led by department heads and supported by subject matter experts. Their role is to address day-to-day HSE matters, with responsibilities clearly defined through documented terms of reference.

This framework helps ensure safety decisions are made at the right level, responsibilities are clear, and continuous improvement remains a routine part of how Engro operates.

EFERT's HSE management system

EFERT's DuPont-accredited HSE management system applies global best practices across all operations to protect employee health and safety. Multi-level HSE committees and regular safety meetings promote strong safety performance, employee participation, policy implementation, and continuous safety awareness across the organization.



B-level committee

B-level committees operate at the departmental level and act as a vital link between Manufacturing HSE and D-level committees. Their primary role is to address safety matters within their respective departments, while escalating issues that cannot be resolved locally or that have broader implications to Manufacturing HSE. The key responsibilities of B-level committees include:

- Keeping employees engaged and motivated through active participation and reinforcing EFERT's safety philosophy that "All Injuries Can Be Prevented."
- Identifying and correcting workplace hazards, while continuously improving work procedures.
- Reviewing and acting on recommendations received from D-level committees.
- Developing and implementing targeted safety improvement programs within the department.

D-level committee

EFERT recognizes that a safe and healthy workplace can only be achieved through the active involvement of management, employees, contractors, and other stakeholders. Training, open communication, and participation in health, safety, and environmental programs are therefore treated as essential parts of how we work.

At each site, a D-Level Committee operates to connect leadership with the workforce and ensure safety information flows effectively down the line. EFERT promotes a strong safety culture through active participation by management, employees, contractors, and other stakeholders. Regular D-Level Committee meetings facilitate open communication on workplace hazards, health and safety practices, PPE, hygiene, first aid, and lessons learned from incidents. Supported by the HSE Management Information System (MIS), meeting outcomes and action plans are tracked, while periodic evaluations ensure continuous improvement and effective workforce engagement.

Integrated HSE management systems for risk control

In line with the DuPont system, strong emphasis is also placed on risk management planning. The system applies to all workers at the site, including contractors and others whose work or workplace is under the Company's control. Clear procedures are in place to manage process safety, occupational health, and environmental risks.

To support effective implementation of the DuPont system, the following management systems are established and maintained at the site:

- Process Safety Management System (PSM)
- Environmental Management System (EMS)
- Occupational Health and Industrial Hygiene Management System (OHIH)

Together, these systems help ensure risks are identified, controlled, and managed consistently, reinforcing EFERT's commitment to protecting people, the environment, and operations.

Process Safety Management System (PSM)

Process Safety Management (PSM) is a cornerstone of EFERT's HSE framework, focused on preventing Major Accident Hazards and the unintended release of hazardous chemicals. Through a risk-based, integrated approach, EFERT identifies, assesses, and manages process safety risks across the entire asset lifecycle, helping prevent fires, explosions, toxic releases, and other high-consequence incidents while protecting people, communities, assets, and the environment.

Risk management activities are supported by internationally recognized tools and methodologies, including:

- Process Hazard Analysis (PHA)
- Hazard and Operability Studies (HAZOP)
- Layers of Protection Analysis (LOPA)
- Bowtie Analysis
- Safety Integrity Level (SIL) studies
- Job Safety Analysis (JSA)
- Pre-Startup Safety Reviews (PSSR)
- Incident Action Plans (IAPs)
- Structured reviews through HSE committees

These tools are embedded into routine operations, management of change, and project execution to ensure risks are addressed proactively rather than after incidents occur.
EFERT routinely identifies process and work-related hazards, evaluates associated risks, and applies the hierarchy of controls to eliminate or reduce exposure. A robust incident reporting and investigation process ensures that incidents near misses, and unsafe conditions are properly investigated, corrective actions are implemented, and lessons learned are shared to prevent recurrence.

Strengthening PSM maturity and MAH prevention

EFERT continues to strengthen its process safety capabilities through a risk-based approach developed in collaboration with DuPont Sustainable Solutions (DSS) and aligned with ISO 17776. Supported by targeted training, expert-led workshops, formal risk assessments, safety audits, JSAs, and MSDS-based hazard communication, the Company equips its workforce to effectively identify, manage, and mitigate process safety risks.

Key process safety advancements in 2025

During 2025, EFERT made significant progress in strengthening its PSM framework and operational resilience:

- **Debottlenecking of EnVen plant HSE studies**
  As part of the EnVen Plant debottlenecking scope, critical process safety studies including Quantitative Risk Assessment (QRA), Fire and Explosion Risk Analysis (FERA), vent dispersion modelling, and noise studies were successfully completed in 2025, strengthening risk identification, mitigation planning, and safe design assurance for the project.

- **Baseline and transient mode PHA of the urea plant**
  EFERT completed a Baseline & Transient Mode PHA for one of its Urea units. This study focused on normal operation, start-ups and shutdowns, identifying critical risks and leading to targeted improvements in Standard Operating Procedures (SOPs) & Design

- **Safety Integrity Level (SIL) study**
  A SIL study for the same unit was also carried out to confirm that safety instrumented systems provide the required level of risk reduction. The study helped verify system reliability and ensured protection layers meet defined performance targets.

- **Performance standards for SECEs**
  Performance Standards were implemented for Safety and Environmentally Critical Elements (SECEs) in line with Recognized and Generally Accepted Good Engineering Practices (RAGAGEP). These standards define clear requirements for functionality, availability, integrity, inspection, testing, and maintenance of critical barriers.

- **Incident Action Plans (IAPs)**
  Detailed Incident Action Plans were developed for all identified MAH scenarios, including fire events. These plans have been integrated into the Emergency Response Manual, providing clear guidance to emergency response teams during critical situations.

In addition, EFERT introduced the Critical Activity Catalogue (CAC) to systematically identify and control high-risk activities. Level-1 HSE Standards were also cascaded into detailed Level-2, Level-3, and Level-4 site standards to strengthen operational discipline at all levels.

Barrier management and continuous improvement

Barrier Management is a key component of EFERT's PSM approach, ensuring preventive and mitigative controls remain effective through regular inspections, testing, audits, and performance monitoring. Process safety performance is continuously strengthened through leading and lagging indicators, management reviews, and incident learnings, enabling proactive risk management and prevention of major accidents.

EFERT Environment Management System (EMS)

Environmental stewardship is integral to EFERT's HSE approach, supporting responsible manufacturing, regulatory compliance, and sustainable resource use. Aligned with ISO 14001, the Environmental Management System (EMS) provides a structured framework to identify risks, manage impacts, and drive continuous improvement. Through a lifecycle-based approach, environmental considerations are embedded across projects and operations to address significant risks and promote long-term sustainability.

Key elements of the EMS include:

- Identification and assessment of environmental aspects and impacts
- Compliance with environmental laws, regulations, and permit conditions
- Clear operating controls and procedures
- Routine monitoring, measurement, and performance tracking
- Reporting and investigation of environmental incidents and near misses
- Management reviews and continuous improvement actions

Environmental risks are assessed through formal aspect–impact assessments and supported by inspections, monitoring programs, audits, and investigations. This ensures potential issues are identified early and addressed through timely preventive and corrective actions.

Environmental stewardship & compliance

EFERT continued to strengthen its environmental performance through robust compliance, assurance practices, and sustainability initiatives. In 2025, the Company recorded zero major environmental violations, maintained ISO 14001 certification, and successfully completed external audits, reinforcing the effectiveness of its Environmental Management System (EMS).

Water stewardship

EFERT maintained its commitment to responsible water management by retaining AWS Core Certification at the Daharki site. Through structured water governance, risk assessments, and conservation initiatives, including geomembrane lining of all 16 ponds and gravity channels, the Company continues to reduce environmental risks and promote sustainable water use.

Waste management

EFERT enhanced waste management practices through a comprehensive waste segregation and mapping exercise, leading to the development of a five-year Waste Reduction Roadmap focused on improved segregation, governance, landfill diversion, and alignment with circular economy principles.

Energy efficiency & resource optimization

The Company continued implementing energy efficiency and resource optimization initiatives to reduce environmental impact, improve resource utilization, and enhance operational reliability through fuel optimization, energy recovery, and process improvements.

IFC audit

In 2025, the International Finance Corporation (IFC) conducted a comprehensive audit of EFERT's Daharki site, reviewing environmental and social practices through site assessments and operational reviews. The exercise reinforced EFERT's commitment to sustainability and responsible business practices.

Occupational Health and Industrial Hygiene Management System (OHIH)

EFERT prioritizes the health and well-being of employees, contractors, and communities through its Occupational Health and Industrial Hygiene (OHIH) Management System, built on structured programs and global best practices. At the Daharki site, the Engro Clinic and HSE team drive occupational health initiatives through risk assessments, workplace monitoring, preventive controls, and health promotion programs. Operating 24/7, the clinic provides primary healthcare, emergency support, and confidential medical services to ensure a safe and healthy workplace.

Occupational Health & Industrial Hygiene Initiatives – 2025

During 2025, EFERT continued to strengthen its preventive healthcare approach through a range of structured initiatives aimed at early detection, risk reduction, and active employee engagement. Key initiatives included:

- "Better Health, Better Tomorrow" campaign focused on reducing new chronic disease diagnoses
- Mandatory Periodic Health Assessments (PHA) for all employees
- Pre-placement medical examinations to confirm fitness for duty
- Health awareness sessions on hepatitis, liver disorders, diabetes, and hypertension, including specialist-led sessions
- Breast cancer awareness sessions for female employees
- Mental health awareness and stress management initiatives, including surveys and interactive sessions
- Risk profiling and individualized counselling for high-risk and chronic disease cases
- Regular clinic newsletters to reinforce health awareness messages
- Participation of clinic staff in Level 1 and Level 2 emergency response drills
- Catering hygiene audits to ensure food safety standards
- First-aid training for employees and contractors
- Orientation of graduate trainees on clinic services and health protocols
- Health and Wellness Week activities within operational departments
- Community health awareness sessions in CAER villages
- Promotion of healthy lifestyles through step challenges, cycling activities, diet guidance, and wellness webinars

Health Risk Assessment and Surveillance

Health Risk Assessments (HRA) are conducted at defined intervals to identify and evaluate potential health risks associated with workplace exposures. These assessments consider chemical, physical, biological, ergonomic, and psychosocial hazards, along with existing control measures. HRAs are led by qualified professionals to ensure technical accuracy and effectiveness.

Recommendations from HRAs are recorded in the HSE Management Information System (MIS) and tracked to closure. Controls are implemented in line with the hierarchy of controls to eliminate or reduce risks wherever reasonably practicable.

Periodic Health Assessments (PHA)

Periodic Health Assessments are conducted throughout an employee's tenure to assess fitness for work and support early identification of health conditions that could affect safety or performance. Depending on resources and requirements, assessments are carried out either in-house or through approved external medical facilities.

The PHA program focuses on:

- Verifying fitness for work
- Monitoring key health parameters
- Enabling early medical intervention
- Promoting long-term wellness through counselling and lifestyle guidance

Participation in PHA is mandatory for all employees, and all medical information is handled with strict confidentiality.

Work-related Ill health performance – 2025

During the reporting period:

- Fatalities due to work-related ill health: Zero
- Recordable cases of work-related ill health: Zero
- High-consequence incidents linked to work-related illness: None

All occupational illnesses and health-related incidents are investigated to identify root causes and contributing factors. Corrective and preventive actions are developed and tracked through the HSE MIS to prevent recurrence. Where additional evaluation is required, designated medical advisors work closely with Industrial Hygiene, Safety, and Line Management to assess occupational linkage based on exposure history, HRAs, job profiles, and medical data.

Preventing and managing occupational health risks

EFERT's approach to managing occupational health risks includes:

- Conducting regular Health Risk Assessments
- Performing occupational health and hygiene audits
- Delivering targeted training on health, hygiene, and safe work practices
- Conducting first-, second- and third-party audits to verify compliance and drive improvement

Transport safety

EFERT prioritizes transport safety to protect employees, contractors, and third parties through structured governance, risk management, and continuous improvement initiatives. In 2025, the Company strengthened its transport safety framework by introducing Transport Safety KPIs, enabling better monitoring of performance trends and targeted actions to improve compliance and safe driving practices.

Journey Management Plans (JMPs) were implemented to enhance travel risk assessment, route planning, and journey controls, while the Safe Operating Speed (SOS) Framework reinforced speed management and driver accountability.

To further enhance driver capability, EFERT established a dedicated HSE Training Room equipped for effective learning and safety awareness. The program includes comprehensive plant and road safety training, with over 75,000 training sessions conducted in 2025. These initiatives demonstrate EFERT's continued commitment to safe mobility and proactive transport risk management.

Behavioural safety

In 2025, EFERT launched the Compliance to Commitment Program to advance its safety culture by shifting from rule-based compliance to personal ownership and shared responsibility. The program strengthens behavioural safety by embedding accountability, capability, and leadership ownership into daily operations, complementing existing HSE systems and addressing human factors in high-risk environments.

Program philosophy and objectives

The Compliance to Commitment Program is designed to influence how people think about safety and how they act at work. It focuses on creating a stronger connection between leadership and the frontline workforce, while encouraging individuals to take personal responsibility for their own safety and the safety of others. The program aims to:

- Shift mindsets from simply following procedures to taking personal ownership of safety
- Increase meaningful leadership presence and engagement at the workplace
- Strengthen discipline and consistency in applying HSE requirements
- Encourage safe behaviors through recognition, feedback, and clear accountability

Core pillars of the program

The program is built around four key pillars that together support stronger and more consistent safety behaviors:

- **Visible and felt leadership**
  Leaders regularly engage in the field to reinforce safety expectations, listen to concerns, and demonstrate commitment through their actions, not just words.

- **Capability enhancement**
  Focused training and learning initiatives are delivered to strengthen both technical skills and safe behaviors, with particular attention to employees and contractors involved in high-risk activities.

- **Reinforcement of safety discipline**
  Existing HSE systems and procedures are consistently applied and monitored. Deviations are addressed promptly, and gaps are closed to ensure standards are followed every day, without exception.

- **Progressive motivation and accountability**
  Positive behaviours are encouraged through recognition and constructive feedback, while clear accountability mechanisms ensure safety standards are maintained over time.

Key initiatives taken under the umbrella of compliance to commitment program during the year 2025:

- **HSE red flags area management:**
  Vulnerable Areas highlighted through pulse audits & historical analysis with a dedicated Leadership team assigned to support first line in addressing chronic issues

- **Safety leadership academy:**
  Leadership-led sessions being conducted focussing on experiential learnings & communication of expectations, reinforcing management commitment

- **Safety discipline:**
  Continued efforts to simply HSE processes, eliminate duplication and elevate work practices effectiveness.

- **Safety Star Award:**
  An institutionalized program to recognize individuals for bringing improvements in HSE culture

Digital enablement of HSE

Digital innovation continues to strengthen EFERT's HSE transformation by enhancing governance, frontline decision-making, data reliability, and consistent work practices. In 2025, the Company expanded digital tools to support a risk-based HSE approach, improve visibility and assurance, and enable scalable, integrated solutions across complex operating environments.
Key digital initiatives implemented or enhanced during 2025 include:

- **HSE chatbot**
  An in-house developed AI assistant that provides quick and easy access to HSE policies, procedures, standards, and guidance. The chatbot supports frontline teams in making informed decisions and helps retain critical organizational knowledge.

- **Safety inspection application**
  A standardized digital platform used for safety inspections, audits, and field observations. The application enables real-time data capture, photo documentation, automated dashboards, and structured reporting, resulting in better-quality inspections and more effective tracking and closure of action items for Safety equipment at site

- **HSE KPI automated dashboard**
  Automation of HSE performance indicators has improved data accuracy, timeliness, and transparency. By minimizing manual data handling, the system enables faster reporting and allows leadership to monitor trends and performance in near real time.

- **Turnaround safety application**
  A dedicated digital solution used during major maintenance and turnaround activities to manage safety reporting, toolbox talks, inspections, and workforce engagement. The application improves coordination, enhances visibility of risks, and strengthens safety oversight during high-risk operational periods.

- **Supporting behavioural safety and governance**
  Digital tools also play an important role in supporting EFERT's Compliance to Commitment Program. By enabling consistent tracking of behavioural safety indicators and strengthening accountability, digital dashboards and analytics provide clear, actionable insights. These insights help teams focus on areas that require attention and support continuous improvement in safety behaviours across the organization.

Certifications & awards

Integrated Management System (IMS)

EFERT Manufacturing successfully maintained its ISO 9001, ISO 14001, and ISO 45001 certifications in 2025, demonstrating effective integration of quality, environmental, and occupational health and safety management systems.

Alliance for Water Stewardship (AWS)

The Daharki manufacturing site maintained its AWS Core Certification in 2025, reflecting robust water governance and responsible water stewardship practices.

IFA Protect & Sustain

EFERT Manufacturing successfully completed the IFA Protect & Sustain recertification in 2025, reaffirming alignment with global fertilizer industry standards for health, safety, and environmental performance.

HACCP Certification

EFERT achieved HACCP certification in 2025, strengthening food safety and hygiene controls across site catering and potable water systems.

British Safety Council – International Safety Award

In 2025, EFERT Manufacturing Division received a Distinction in the International Safety Award from the British Safety Council for its commitment to protecting workforce and community safety.

British Safety Council – CEO Award (2025 Finalist)

EFERT was shortlisted among global leaders (10 in total) for championing best-in-class safety practices across business footprint.

HSE trainings

EFERT takes pride in its comprehensive HSE training program at Daharki site, designed to strengthen employee competence, reinforce operational discipline, and foster a safe and sustainable working environment. In 2025, a wide range of targeted training were conducted to address both routine and high-risk activities across manufacturing operations.

Key training programs conducted during the year included:

- **Work permit refresher training**
  Reinforced the principles, roles, and controls of the work permit system to ensure safe planning and execution of hazardous tasks.

- **Scaffolding erection training**
  Provided hands-on instruction on safe scaffolding design, erection, inspection, and dismantling practices to prevent falls and structural failures.

- **Firefighting training**
  Equipped employees with practical skills to respond effectively to fire emergencies, including the use of firefighting equipment and initial emergency response actions.

- **Defensive driving training**
  Conducted in collaboration with a third-party subject matter expert, this training enhanced driver awareness, hazard anticipation, and safe driving behaviors to reduce road traffic risks.

- **LOTO (Lockout/Tagout) refresher training**
  Reinforced safe energy isolation practices to prevent inadvertent energization of equipment during maintenance and repair activities.

- **QRA practitioner training**
  Developed in-house capability to conduct Quantitative Risk Assessments (QRA) by strengthening participants' understanding of consequence modeling, frequency analysis, risk estimation, and decision-making based on quantified risk outputs.

- **PHA / HAZOP leadership certification**
  Focused on enhancing leadership effectiveness in PHA and HAZOP studies by building competency in scenario identification, challenge quality, decision-making, and stewardship of recommendations.

- **ISO 14001 / ISO 45001 lead auditor certification**
  Strengthened internal audit capability by developing certified lead auditors with advanced understanding of environmental and occupational health & safety management systems, enabling effective compliance verification and continual improvement.

- **LOPA workshop by TÜV Rheinland**
  An in-person workshop delivered by TÜV Rheinland focused on advanced application of Layers of Protection Analysis (LOPA), enhancing risk assessment rigor and validation of protection layers.

- **LOPA practitioner training**
  Built practitioner-level capability to independently conduct LOPA studies, including identification of initiating events, independent protection layers, risk reduction factors, and alignment with safety integrity requirements.

- **PHA pro and safety dispersion modeling training**
  Enhanced technical competence in advanced hazard analysis tools, including dispersion modeling for toxic releases, enabling improved understanding of offsite and onsite impact scenarios and strengthening emergency preparedness planning.

- **Functional safety training**
  Enhanced understanding of safety instrumented systems to ensure robust risk mitigation strategies and compliance with industry safety standards.

- **First aid training**
  Prepared employees to respond promptly and effectively to injuries or medical emergencies by imparting essential first-aid and life-saving techniques.

In addition to the above trainings, EFERT representatives attended the Process Safety and Big Data Conference held in Frankfurt, Germany, where valuable insights were gained on the application of advanced analytics, digitalization, and big data in process safety management. The conference provided exposure to global best practices in predictive risk analysis, real-time monitoring, and data-driven decision-making, supporting EFERT's ongoing transition towards a more proactive and risk-based approach to process safety.

Safety campaigns

EFERT demonstrated a proactive commitment to safety through a series of focused and impactful safety campaigns during 2025. These initiatives were designed to strengthen hazard awareness, reinforce safe behaviours, and sustain workforce engagement.
Key campaigns launched during the year included

- 70 Days Safety Challenge
- Management Safety Audit (MSA) of the Month
- Safety Star Recognition Program
- Hand Safety Campaign
- Radiation Safety Week (NEPRA Directive)
- Electrical Safety Week

These campaigns encouraged workforce participation, promoted safe decision-making, and reinforced accountability at all levels. By integrating awareness with recognition and leadership engagement, EFERT continues to strengthen a culture where safety is a shared responsibility and a core value.

Base plant turnaround 2025

In 2025, EFERT successfully completed the Base Plant Turnaround with zero recordable injuries, demonstrating effective HSE management despite a compressed schedule and complex scope. Strong focus on leading indicators, digital reporting tools, audits, safety training, emergency drills, and rigorous controls for high-risk activities ensured safe and successful execution.

Operational resilience during supply chain disruption
In April 2025, during the National Highway strike, EFERT swiftly initiated on-site urea stacking to sustain uninterrupted operations. Despite challenges associated with manual handling, increased vehicle movement near operating areas, and high ambient temperatures, safe execution was ensured through rigorous risk assessments, enhanced traffic management controls, fatigue management measures, and heightened HSE oversight. This proactive response demonstrated EFERT's operational resilience and strong commitment to safety under challenging conditions.

Engro Muhafiz program

Engro Muhafiz is EFERT's flagship stakeholder engagement programme dedicated to promoting health, safety, environmental stewardship, and responsible farming practices among farmers, dealers, contractors, and local communities. The programme aligns with the Company's Health, Safety and Environment (HSE) Policy and extends EFERT's commitment to responsible business practices beyond its own operations.

Throughout 2025, Engro Muhafiz delivered a wide range of awareness and capacity building initiatives focused on road safety, farm safety, first aid, firefighting, heat stress management, environmental conservation, and public health. The programme also supported community wellbeing through medical camps, flood relief activities, tree plantation drives, and environmental awareness campaigns, reinforcing the importance of safe working practices, climate resilience, and responsible natural resource management within farming communities.

Metric	2025
Total Activities Conducted	585+
Total Participants (Punjab & Sindh)	15,500+
Health Awareness Sessions	90+
Road & General Safety Awareness Sessions	335+
Environmental Sessions & Tree Plantation Drives	30+

The Engro Muhafiz Programme extends EFERT's HSE commitment to communities by promoting health, safety, preparedness, and environmental responsibility. In 2025, the programme delivered medical camps, emergency response training, road and farm safety awareness, environmental campaigns, and tree plantation initiatives, engaging farmers, students, workers, contractors, and vulnerable communities.

Farmer outreach

Farmer outreach is central to EFERT's purpose of improving agricultural productivity while promoting sustainable and climate resilient farming systems. We recognize that achieving long term food security requires more than supplying high quality fertilizers; it requires empowering farmers with the knowledge, skills, and tools needed to make informed decisions that improve productivity, protect natural resources, and strengthen resilience to climate change. Through a combination of scientific advisory, capacity building, digital innovation, and community engagement, EFERT works closely with farmers across Pakistan to encourage responsible nutrient management, efficient resource use, and the adoption of modern agronomic practices that contribute to sustainable agriculture.

Shandar Kisan

The Shandar Kisan programme recognizes progressive farmers as champions of sustainable agriculture within their local communities. These lead farmers serve as demonstration partners, showcasing balanced crop nutrition, improved fertilizer management, and innovative farming techniques through demonstration plots and field days. By sharing their practical experiences and the results achieved on their own farms, Shandar Kisan ambassadors promote peer to peer learning and encourage neighboring farmers to adopt improved agronomic practices. This collaborative approach accelerates the uptake of sustainable farming methods, improves crop productivity, and strengthens knowledge sharing across EFERT's operational footprint.

Buland programme

Building on its commitment to inclusive agricultural development, EFERT continues to invest in strengthening the technical and economic capacity of female farmers through the Buland programme. Recognizing the important yet often underrepresented role of women in agriculture, the programme provides structured training throughout the crop cycle, covering land preparation, sowing, irrigation, balanced nutrient management, integrated pest management, responsible input use, harvesting, market access, and value addition.

Training is delivered through a blended learning approach that combines classroom sessions with practical field demonstrations, enabling participants to apply best practices directly on their farms. Following the success of its initial phase, the programme continued to expand during 2025, further strengthening its reach and impact. Through Buland, EFERT not only promotes climate resilient and sustainable agricultural practices but also supports greater participation of women in farm level decision-making, household income generation, and community development.

Engro Markaz

EFERT continues to transform farmer engagement through Engro Markaz, an integrated business to consumer platform that combines company owned retail outlets with digital services to improve farmers' access to authentic agricultural inputs, technical advisory, and value-added services. By connecting directly with farmers, Engro Markaz enhances product availability, pricing transparency, and customer experience while reducing dependence on traditional distribution channels.

The platform is being further strengthened through the development of the Engro Markaz Mobile Application, which will provide farmers with a single digital platform for purchasing products, accessing agronomic guidance, receiving advisory services, and benefiting from financing solutions and other support services. This integrated ecosystem reflects EFERT's commitment to leveraging innovation and digital technologies to improve farmer accessibility, productivity, and long-term agricultural sustainability.

Rahbar Hotline

To ensure continuous engagement with farmers, EFERT operates the Rahbar Hotline, providing a direct communication channel for agronomic guidance, product information, complaint registration, and customer feedback. The hotline number is printed on every fertilizer bag, enabling farmers to easily access technical support and timely assistance throughout the cropping season. This direct feedback mechanism allows EFERT to better understand farmers' evolving needs while strengthening customer trust and continuously improving its products and advisory services.

Through these integrated outreach programmes, EFERT continues to strengthen farmer capabilities, promote sustainable and climate resilient agriculture, encourage responsible nutrient management, and improve resource use efficiency. By combining scientific expertise, practical field demonstrations, digital innovation, and community engagement, the Company is helping farmers enhance productivity, build resilience to climate change, and contribute to Pakistan's long term food security.

Engro Learning Centre

To strengthen farmer knowledge and build agricultural capacity, EFERT established the Engro Learning Center at the University of Agriculture, Faisalabad (UAF)—one of Pakistan's leading agricultural institutions. The Center serves as a platform for knowledge exchange, bridging scientific research and practical farming through training programmes, technical demonstrations, crop-specific agronomic education, national dialogues, and 4R Nutrient Stewardship roadshows.

Bringing together academia, industry experts, extension professionals, students, and farmers, the Center promotes evidence-based nutrient management and sustainable agricultural practices. Through technical trainings, stakeholder dialogues, and outreach initiatives, the Center fosters collaboration and continuous learning while supporting the development of future agricultural professionals. These initiatives equip farmers with the knowledge and skills to improve productivity, enhance nutrient-use efficiency, optimize resource use, and strengthen resilience to climate-related challenges.

Soil testing services

EFERT operates a network of four soil testing laboratories, including two mobile laboratories, and analyzes approximately 48,000 soil samples in 2025. The laboratories provide farmers with science-based assessments of soil fertility, enabling crop- and site-specific nutrient management recommendations.

The mobile laboratories extend soil testing and advisory services to farming communities, improving access for growers across different regions. Through its soil testing programme, EFERT promotes balanced fertilizer use, enhances nutrient use efficiency, improves crop productivity, and supports sustainable agricultural practices by helping farmers make informed fertilizer decisions based on the nutrient status of their soils.

Engro Markaz application

Engro Markaz was established to strengthen direct engagement with farmers by providing access to products, and reliable services through our physical Markaz network. With the introduction of the Engro Markaz Mobile Application, we are now integrating our physical and digital channels to further enhance farmer reach, accessibility, and convenience.

The application will be rolled out across 10 Markaz locations nationwide enabling farmers to connect with Engro digitally, explore products, place orders, and access services seamlessly — extending the reach of the Engro Markaz ecosystem beyond physical touchpoints.

Community investments

EFERT creates shared value through strategic community investments that strengthen social resilience, economic opportunity, and sustainable development. In partnership with Engro Foundation and key stakeholders, the Company supports inclusive initiatives addressing community needs while the Environment Sustainability & Stakeholders Engagement Steering Committee ensures effective oversight and alignment with HSE standards.

In 2025, EFERT contributed PKR 403 million towards community development initiatives spanning education, healthcare, skills development, livelihoods, environmental stewardship, community infrastructure and emergency response. These investments are designed to create lasting positive outcomes and strengthen the resilience and prosperity of the communities in which we operate across the following key areas:

- Education
- Healthcare Services and HSE
- Skills Development
- Livelihood
- Community Physical Infrastructure (CPI) Support
- Environment
- Other Community Initiatives
- Emergency Response (2025 Floods)

Education

EFERT views education as a key driver of sustainable development and social inclusion. Through its CSR initiatives, the Company supports 24 schools in Ghotki and Daharki, providing quality learning opportunities for underprivileged children including 14 schools in the Katcha area of Ghotki and 10 schools in Daharki town including one campus of Sahara High School. These institutions provide safe, inclusive, and supportive learning environments for underprivileged children. During 2025, enrollment at Sahara Community School reached 596 students (including 49% girls).

By the end of 2025, 2,145 students (including 40% girls) were enrolled in EFERT-adopted government schools, while 1,667 students (including 30% girls) continued their education through the Katcha school network. Continuous efforts are made to improve educational quality through structured teacher training and professional development programs, recognizing educators as key enablers of student success.

EFERT views education as a pathway to economic mobility and social inclusion. By expanding access to quality education, the Company supports individuals in improving employment prospects, enhancing living standards, and contributing productively to their communities.

Partnership with Sindh Education Foundation (SEF)

The Sindh Education Foundation (SEF), established under the Sindh Education Foundation Act, 1992, is a semi-autonomous organization mandated to promote education across Sindh through diverse interventions. Engro Foundation has partnered with SEF on the following initiatives:

1. Foundation Assisted School (FAS): One SEF-supported school is currently operational in the Katcha area, with 146 students enrolled, comprising 48% girls and 52% boys. This collaboration strengthens the long-term sustainability of education services in the Katcha region through SEF's expanded institutional presence.
2. Adolescent and Adult Learning and Training Program (AALTP): Three non-formal education centers have been established to support adolescents and adults who previously missed formal education opportunities. The program provides accelerated primary education, basic literacy, and access to skills development and vocational learning. Currently, 210 students are enrolled across the three centers, including 41% girls and 59% boys.

Healthcare services

EFERT places strong emphasis on improving access to quality healthcare services within its operational areas. Recognizing healthcare as a key enabler of community resilience and development, the Company adopts a comprehensive approach to address a wide range of medical needs.

The Sahara Clinic remains a cornerstone of EFERT's healthcare initiatives, providing free healthcare services to the community. In 2025, the primary healthcare clinic treated 8,460 patients while the eye specialist OPD running at the Sahara Clinic treated 360 patients. Furthermore, to date 5,975 patients have been treated at the snakebite treatment facility to address critical regional health risk.

To support individuals affected by mobility impairments, a free-of-cost prosthetic limbs facility was established in 2022. In 2025 alone, 381 patients benefited from this service. In addition, a dedicated dog-bite treatment facility treated 5,194 patients in 2025, addressing canine-borne diseases.

Skills development

EFERT supports youth employability through its Technical Training College in Daharki, offering three-year Diploma of Associate Engineering programs in Chemical, Electrical, and Mechanical disciplines. The institute develops industry-relevant skills, with 412 students currently enrolled and 145 graduates in 2025, including female participation.

Livelihood

To continue the promotion of economic inclusion and self-reliance, EFERT supported one new livelihood initiative of a grocery shop in 2025 in addition to existing 12 microgrants from last year. Financial assistance enabled the beneficiary to establish a sustainable small enterprise, contributing to improved household income and long-term socioeconomic stability.

Community Physical Infrastructure (CPI) support

EFERT continued enhancing community infrastructure in 2025 through 11 solar-powered RO plants, providing over 15 million liters of clean drinking water. The Company also upgraded drainage systems, installed 40 solar streetlights, and added 40 public benches to improve living conditions across surrounding communities.

Environment and biodiversity

Tree plantation: EFERT strengthened environmental sustainability through tree plantation campaigns across District Ghotki in collaboration with SEPA and the Government Education Department. Over 10,000 fruit-bearing and all-season plants were planted at schools and colleges, enhancing green cover, biodiversity, and community awareness.

Indus River Dolphin conservation program: EFERT's five-year partnership with WWF, initiated in 2022, continued to support conservation of the endangered Indus River Dolphin through research, community engagement, and habitat protection. Key 2025 initiatives included:

- A consultative workshop in Islamabad to develop the next Indus River Dolphin Conservation Action Plan, involving government departments and conservation partners.
- Celebration of 25 years of Indus River Dolphin Conservation by WWF-Pakistan.
- 326 SMART-based patrols covering the Indus Dolphin Reserve and adjoining waterways, resulting in 1,928 dolphin sightings.
- Support for river guards, wildlife watchers, and Sindh Wildlife Department teams for monitoring and data collection.
- Successful rescue and release of six Indus Dolphins (five female and one male).
- Completion of pinger trials at Guddu and Taunsa Barrages, with further trials initiated in 2025.
- Continued River Health Assessment activities through citizen science initiatives and biodiversity monitoring.

Community engagement and livelihood support: WWF-Pakistan trained 266 students from nine eco-club schools, including three EFERT-adopted Katcha schools, as "River Guards." An exposure visit to the Indus Dolphin Reserve was also organized for 35 students.

Women-led aquaculture: Two fisherwomen groups were established and supported through technical training, fish seeds, feed, and farming inputs to promote sustainable livelihoods.

Kitchen gardening: The initiative expanded to 16 households, providing seeds, equipment, and training. Five feedback sessions engaged 115 community members, with increased participation from women to support household food security.

- **Eco-tourism and awareness:** Two fishing boats were converted into dolphin-watching eco-tour boats, while the Taunsa Information Center was upgraded with biodiversity displays. Community awareness sessions, including mobile outreach through rescue services, promoted dolphin conservation. High-level visits, including from international representatives, further highlighted conservation efforts.

- **Community support:** EFERT supported vulnerable community members through mobility assistance, including an artificial limb provided through the LIMBS Facility and four wheelchairs for fishermen in collaboration with Suraj Development Organization. A dolphin-watching safari was also organized for a UN delegation to showcase conservation efforts.

- **Other community initiatives**
  - **Subsidized / Bachat Bazar:** In collaboration with local authorities, EFERT supported the Ramadhan Bachat Bazar in Daharki, providing essential food items and household goods at subsidized rates for underprivileged families

  - **Support to district administration:** EFERT supported district-wide initiatives through rental vehicles for anti-polio vaccination campaigns, anti-mosquito drives in CAER villages, and annual livestock vaccination in the Katcha area.

  - **Sports – Cricket tournament:** EFERT organized a district-level cricket tournament in Ghotki, with participation from 56 clubs. Teams were provided cricket kits to encourage youth engagement, sportsmanship, and skill development.

  - **Debate competition for girls:** A district-level girls' debate competition was organized with participation from 22 government and private schools, engaging over 600 students and promoting women empowerment.

  - **Science exhibition:** A science exhibition featured 200+ student-developed models from 75 schools, encouraging creativity, innovation, and scientific learning among students.

  - **Local festival:** The fourth edition of Jung Mela brought the Daharki community together, attracting over 10,000 visitors through cultural activities, stalls, performances, children's activities, and musical entertainment.

Flood response 2025

In 2025, severe riverine floods in Punjab affected millions of people, displaced communities, and damaged significant agricultural land and livelihoods. In response to the Government of Punjab's request, EFERT supported flood-affected smallholder farmers by providing certified agricultural inputs to help restore farming activities.

In coordination with district administrations and the Agriculture Extension Department, EFERT distributed 2,737 certified wheat seed bags to farmers in Bahawalpur Tehsil and 52,000 vegetable seed kits across flood-affected districts, including Multan, Muzaffargarh, Khanewal, Jhang, and Chiniot.

- This timely intervention enabled farmers to resume cultivation, supported household food security, strengthened the regional wheat supply chain, and reinforced EFERT's commitment as a responsible partner to farming communities and government institutions.

- **Some major CSR and HSE Initiatives under Muhafiz Program**
  - **Medical and health camp:** The Central Zone Field Warehousing Team organized a health camp for flood-affected families, providing medical assistance and preventive healthcare awareness, particularly for women and children. Approximately 300 community members benefited from the initiative.

  - **Firefighting and first aid training:** In collaboration with Vocational Training Institute Minchinabad and Rescue 1122, the Supply Chain North Team conducted an emergency preparedness session for students and staff, equipping around 200 participants with firefighting and first-aid skills.

  - **Tree plantation drive:** The Distribution Sahiwal Region promoted environmental stewardship through a tree plantation campaign, engaging students and staff in planting 100 trees and raising awareness among 200 participants.

  - **SMOG Awareness session:** The SFB North Zone Sales Team, in partnership with the University of Agriculture Faisalabad and Agriculture Department, conducted a session in Samundri to educate 180 participants on smog-related health risks and preventive measures.

  - **Farm safety training:** The SFB North Sales Team trained 150 farmers on hazard identification, safe equipment handling, and practices to reduce farm-related injuries.

  - **Road safety awareness:** The Central Zone Sales Team conducted an awareness session for 110 school students, promoting safe road-use practices and responsible behavior.

  - **Environmental awareness:** The North Zone Sales Team engaged 100 farmers in a session focused on sustainable agriculture, resource conservation, and reducing environmental impacts of farming practices.

Prosperity

Economic value

Economic overview

Domestic urea demand reached approximately 6,730 KT in 2025, up from 6,574 KT in 2024, reflecting a 2.4% increase. This growth was driven based on support prices, improved farmer economic and sustained water availability, which strengthened farmers' expectations of favorable agricultural conditions for FY2026. In the year 2025, opening inventory was recorded at 366 KT while the year closed at 311 KT owing to the accelerated sales for the month of December. Under the phosphates segment, domestic DAP demand declined to 1,317 KTin year 2025 from 1,636 KT in 2024, reflecting the plunge in market sentiment and as a result of higher global prices.

The agricultural sector posted a subdued performance in FY2025, with growth decelerating sharply to 0.56% from 6.25% in the previous year. As a result, the sector's share in GDP edged down to 23.54% from 24.03% in FY2024. Wheat production declined to 28.98 million tons in 2025 compared to 31.4 million tons in 2024, and from a cultivation area of 22.4 million acres in comparison with 23.8 million acres respectively, adversely impacting growth of the sector. Rice production decreased slightly to 9.72 million tons, down by 1.4% YoY. Certain challenges for the year 2026 include climate risk, change in structural reforms linked to Government's ability to maintain supply of main food crops as well as facilitating farmers in terms of purchase power and availability of infrastructure for storage, that require research, development along with sufficient fund allocation.

International urea prices remained volatile during 2025, moving with a broad range of approximately USD 370 per ton to a peak of around USD 531 per ton. Price movements were primarily influenced by seasonal demand dynamics, export restrictions by key producing countries, elevated gas-linked production costs, and mid-year supply-side pressures arising from geopolitical developments, including higher freight and insurance costs. Prices eased towards the close of the year as supply conditions improved, although underlying tightness in global fertilizer markets persisted. International DAP prices in January 2025 opened at USD 634 per ton and remained broadly stable through February before strengthening from March onward. Prices rose steadily through April-May and accelerated in June-July, reaching a peak of USD 812 per ton in July as market conditions tightened.

The Company recognizes that its operations and activities have an economic impact, at both the local and national level, and is committed to sustainable growth and value creation for all stakeholders. The overall responsibility of governing the organization and driving its economic performance lies with the Board of Directors.

- The Company is committed to serving all shareholders and potential investors with consistent, open, and prompt disclosure of relevant information.
- The Company protects its shareholders' interests by timely communicating all new material information to the regulators and publishing it on the website, regardless of whether the news is positive or negative.
- We welcome the initiatives to strengthen the governance by emphasizing the importance of an open dialogue about the generation and allocation of wealth from the country's natural resources.
- We are committed to transparency and accountability and adhere to international agreements and local legislation where we operate.
- Our risk management processes ensure governance within performance management, including business planning, internal performance reviews or stewardships and extensive reviews of strategic and investment projects.
- There exists an independent Internal Audit and Compliance department that reviews the operational and financial performance, including the risk management processes of
- the Company and reports its findings independently to the Board Audit & Risk Committee during quarterly meetings.

Creating value for stakeholders

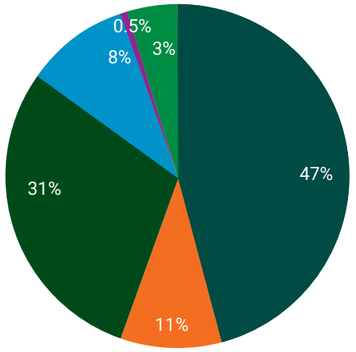
	2023	2024	2025
Total wealth generated (PKR Mn)	76,942	83,748	81,652

Statement of value addition and distribution

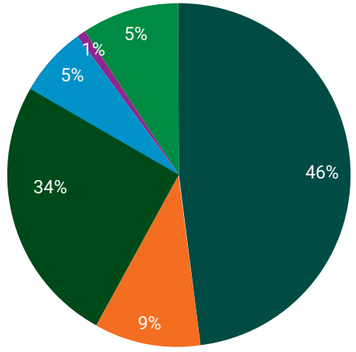
(Amounts in millions)

	2025	2024
Wealth generated		
Total revenue inclusive of sales-tax and other income	255,206	276,542
Bought-in-materials and services	(173,554)	(192,794)
	81,652	83,748
Wealth distributed		
Taxes, duties and development surcharge to Govt. of Pakistan	38,585	38,446
Salaries wages and benefits	8,610	7,964
Dividend to Shareholders	25,371	28,709
Mark-up / interest expense on borrowed money	6,171	4,156
Donation	403	464
Retained for reinvestment & future growth, depreciation, amortisation and retained profit	2,512	4,010
	81,652	83,748

Wealth distributed 2025



Wealth distributed 2024



- Taxes, duties and development surcharge to Govt. of Pakistan
- Salaries wages and benefits
- Dividend to Shareholders
- Mark-up / interest expense on borrowed money
- Donation
- Retained for reinvestment & future growth, depreciation, amortisation and retained profit

	2023	2024	2025
Net Profit after tax (PKR Mn)	26,191	28,260	22,628

Economic Value Added
(Amounts in Million)

Economic value added (EVA) is a measure of a company's financial performance based on the residual wealth calculated by deducting its cost of capital from its operating profit, adjusted for taxes.

	2023	2024	2025
ROE	56.35%	59.27%	49.08%

	2023	2024	2025
Dividend per share	Rs 20.5	Rs. 21.5	Rs. 19

Particulars	PKR Mn
Economic value generated	81,652
Economic value distributed	79,140
Economic value retained	2,512

	2023	2024	2025
Total cost related to research and business development (pkr mn)	29.1	29.89	36

Defined benefit plan obligations and other retirement plans

The employees of the Company participate in Retirement Funds maintained by Engro Corporation (the Parent Company). The Company contributes to plans that provide post-employment and retirement benefits for its employees. These include Defined Contribution provident fund, Defined Contribution gratuity plan and Defined Benefit gratuity plans. The value of net assets of Provident Fund (as at June 30, 2025) and Gratuity and Pension Funds (as at December 31, 2024) based on their respective audited account are:

Provident fund	EFERT share: PKR 2,267 million
Defined contribution pension fund	EFERT share: PKR 39 million
Defined benefit pension fund	PKR 41 million (all EFERT)
Defined contribution gratuity fund	EFERT's share: PKR 1,798 million
Defined benefit nmpt gratuity fund	PKR 324 million (All EFERT)
Defined benefit mpt gratuity fund	EFERT share: PKR 24 million

Financial investment contribution

Capital expenditure

EFERT invests in businesses to create long-term value whilst generating economic growth and prosperity by expanding its operations. In 2025, EFERT made capital expenditure of Rs. 14.4 billion.

Long-term financing and agricultural value chain resilience

In December 2025, EFERT secured long-term PKR-denominated financing of up to PKR 33.6 billion, supported by a partial credit guarantee from the International Finance Corporation (IFC) and financing from Standard Chartered Bank Pakistan. The financing will support the maintenance and turnaround of EFERT's manufacturing facilities, helping strengthen the reliability of fertilizer supply. It will also support farmer-focused programmes and contribute to strengthening Pakistan's agricultural value chain.

Steps taken with a focus of creating shareholder value in 2025

Dividend paid

	2023	2024	2025
Total dividend paid (pkr mn)	23,368	28,675	25,307

The total dividend declared for the year is PKR 19.00 per share.

Total taxes paid (pkr mn)			
	2023	2024	2025
Corporate tax	24,772	26,627	19,630
Sales tax/FED	9,801	16,941	15,500
Other taxes	2,917	4,597	1,102
Total	37,490	48,165	36,232

We are committed to complying with applicable tax laws and regulations in all jurisdictions where we operate. our approach to tax is guided by integrity, transparency, and accountability, ensuring that tax positions are aligned with business activities and economic substance.

Tax governance is integrated into our oveall risk management framework. We maintain internal controls and processes to ensure compliance with tax obligations, monitor regulatory developments, and manage tax risks in a timely and effective manner.

We maintain open and constructive engagaement with tax authorities and relevant stakeholders. Tax-realtes matters and concerns are addressed through established governance and compliance processes, supporting transparency and responsible tax practices.

Refer to the section on Stakeholder Engagement (Pg 35) and Governance in Relation to Sustainable Value Creation of the EFERT Annual Report 2025 for details on tax management and governance (Pg 86).

Credit ratings

During 2025, credit rating agencies reaffirmed the credit strength of EFERT.

Company	Rating agency	Long-term rating	
Engro Fertilizers Limited	Pakistan Credit Rating Agency (PACRA)	AA	A1+

United Nations Sustainable Development Goals (UNSDGS)

At EFERT, sustainability is integral to how we create and preserve long-term value. As a leading contributor to Pakistan's food security and agricultural productivity, we recognize that addressing environmental, social and economic challenges is essential to building resilient businesses, communities and ecosystems. Accordingly, we seek to align our strategy and operations with the United Nations Sustainable Development Goals (SDGs), focusing on areas where we can create the greatest positive impact.

Our approach to sustainability is embedded within our business strategy and informed by internationally recognized frameworks and best practices. As a participant of the UN Global Compact, we uphold its Ten Principles and remain committed to responsible business conduct, ethical governance, environmental stewardship and inclusive growth.

Through our products, operations and social investments, we contribute to advancing sustainable agriculture, strengthening food security, improving resource efficiency, supporting climate resilience and fostering shared prosperity. By aligning our priorities with the SDGs, we aim to create enduring value for our stakeholders while supporting Pakistan's transition towards a more sustainable and resilient future.

Zero hunger

As a leading contributor to Pakistan's food security, EFERT supports sustainable agricultural productivity through the provision of high-quality crop nutrients, agronomic advisory services and farmer capacity-building programs. During the year, our Farmer Outreach Program reached approximately 64 thousand farmers in collaboration with the Punjab Agriculture Extension Department, promoting the 4R Nutrient Stewardship framework and sustainable farming practices. Through partnerships with public institutions and applied research initiatives, we continue to advance climate-resilient agricultural solutions and improve crop productivity across Pakistan.



Good healthand well-being

We are committed to protecting the health, safety and wellbeing of our employees, contractors and communities. Our comprehensive health and safety programs encompass emergency preparedness, process safety management, road safety awareness and community health initiatives. During the year, we collaborated with Rescue 1122 to strengthen emergency response capabilities, Traffic Police to promote road safety awareness, and local health departments to support vaccination and public health campaigns. These efforts reinforce our commitment to fostering safer workplaces and healthier communities.



Quality education

Investing in knowledge and capability development remains central to our long-term value creation strategy. Through the Engro Learning Center, internship programs and specialized training initiatives, we provide learning opportunities to students, employees and industry stakeholders. In addition, we support the training of government officials and agricultural extension personnel to strengthen the implementation of agricultural programs and facilitate the transfer of technical knowledge to farming communities.



Gender equality

EFERT is committed to fostering an inclusive workplace where employees are provided equal opportunities to develop and thrive. Through initiatives focused on diversity, employee wellbeing and inclusive talent management, we seek to strengthen workforce participation and cultivate a culture that enables individuals to contribute and succeed.



Clean water and sanitation

Recognizing water as a critical resource, we continue to pursue initiatives that improve water-use efficiency and strengthen responsible water management practices across our operations. By optimizing resource consumption and enhancing operational efficiencies, we seek to preserve water resources and contribute to the long-term resilience of our manufacturing facilities and surrounding communities.



Affordable and clean energy

Through operational excellence and continuous improvement initiatives, EFERT seeks to optimize energy consumption and enhance resource efficiency across its manufacturing operations. These efforts support reliable fertilizer production while improving the efficient use of energy resources and contributing to lower environmental impacts.



Decent work and economic growth

EFERT contributes to sustainable economic growth by creating employment opportunities, investing in employee development and maintaining safe and inclusive workplaces. Through our people development programs, leadership initiatives and employee engagement efforts, we seek to build a capable workforce that supports long-term business resilience and shared prosperity.



Industry, innovation and infrastructure

Continuous investment in innovation and operational excellence enables us to strengthen manufacturing efficiency and enhance the resilience of Pakistan's agricultural value chain. Through collaborations with research institutions and public sector organizations, we support the development of improved farming solutions and sustainable technologies. Our expanding presence through zonal and regional offices also enables closer engagement with stakeholders and strengthens service delivery across key agricultural regions.



Responsible consumption and production

We promote responsible production by enhancing resource efficiency and encouraging the sustainable use of fertilizers across the agricultural value chain. Through the implementation of the 4R Nutrient Stewardship concept, farmer education initiatives and product stewardship programs, we support the efficient application of nutrients, helping farmers improve productivity while minimizing environmental impacts.



Climate action

Recognizing the increasing impacts of climate change on agricultural systems and food security, we continue to pursue initiatives that improve energy efficiency, enhance resource optimization and strengthen climate resilience. Our efforts to promote sustainable agriculture, support climate-resilient crops and facilitate knowledge sharing with farmers contribute to building more resilient agricultural ecosystems and managing climate-related risks across our value chain.



Partnerships for the goals

Collaboration is fundamental to our approach to sustainable development. During the year, we strengthened partnerships with institutions including the Punjab Agriculture Extension Department, Centre of Excellence in Responsible Business (CERB), United Nations Global Compact (UNGC), Pakistan Society for Training and Development (PSTD), and NOWPDP. We also collaborated with government agencies, industry partners and academia to strengthen policy frameworks, build institutional capacity and support national agricultural priorities. Our support for initiatives such as the National Olive Gala and engagement in the formulation of the Punjab Fertilizer Control Act demonstrate our commitment to advancing sustainable development through multi-stakeholder collaboration and collective action.



Digitalization & information security

Section extrapolated from AR 2025 and synthesized

Digitizing agri solutions

Engro Fertilizers engages directly with farmers to advance the company's long-term ambition of building a more connected, empowered, and digitally enabled farming community.

Engro markaz farmer application

Building on the launch of UgAi, Pakistan's first agri e-commerce platform by a fertilizer manufacturer, EFERT continued its pilot in 2025 to strengthen direct farmer access, digital engagement, and data-driven agricultural solutions. The pilot enabled fertilizer purchases at official prices with direct delivery, while generating insights on farmer behavior and digital adoption.

Key learnings highlighted the need for simplified user journeys, reliable operations, sustained farmer support, and consistent data collection to enable scalable agri-tech solutions. Based on these insights, UgAi was integrated into the Engro Markaz Farmer Application, creating a unified digital and physical farmer ecosystem. The enhanced platform focuses on easier onboarding, improved engagement, stronger data quality, and scalable agronomic intelligence to support farmer productivity, sustainable agriculture, and Pakistan's food security goals.

Mobile soil testing labs

Empowering farmers with advanced agricultural practices, EFERT has two stationed and two mobile soil testing laboratories that provide free-of-cost soil sampling and diagnostics. This service offers farmers precise and data-backed fertilizer recommendations tailored to their specific soil conditions, enabling them to improve overall soil health and achieve optimal crop yields. In 2025, our mobile soil testing labs reached ~3,800 farmers, with 48,000 samples collected across all growing regions of Pakistan

Strengthening market reach through digital B2C engagement

As EFERT advances its transition from a traditional B2B operating model towards a more integrated B2B2C approach, 2025 marked a significant year of progress in strengthening direct engagement with farmers and enhancing last-mile delivery across the agricultural value chain.

EFERT scaled Markaz, its network of digitally enabled retail centers strategically located in Sind and Punjab provinces. These centers gained strong traction in 2025 by facilitating direct product purchases, offering agronomic guidance, and enabling transparent, efficient transactions for farmers.

Digitally enabled & ai-powered commercial & supply chain operations humsafar

Engro upgraded its Humsafar platform with a modular, future-ready architecture to enhance agility, scalability, security, and reliability. The modernization enabled seamless SAP integration, improved transaction visibility, auditability, and issue resolution, while accelerating digital adoption across the dealer ecosystem and supporting operational excellence.

Smart FFM: advancing efert's digital field operations

In 2025, EFERT launched the Smart Field Force Management (Smart FFM) Solution to modernize field operations and replace its legacy system. The platform enables intelligent journey planning, geo-tagged visits, farmland mapping, and enhanced analytics, improving productivity, market insights, and data-driven engagement with dealers and farmers.

AI-powered safety management

To strengthen safety and enable quick access to critical HSE information, Engro developed an in-house AI-powered solution. This innovation empowers employees to ask HSE-related questions and receive instant responses from the company's safety documentation, eliminating manual searches, saving significant man-hours, and fostering a stronger safety culture while boosting overall productivity.

Future Proof Foundation information security at Engro

As EFERT advances its digitization journey, it continues to strengthen its Information Security governance through well-defined policies, leadership oversight, and structured frameworks covering enterprise governance, strategy implementation, and security processes. The Information Security Division has formalized policies across 13 domains, supported by a user-level Acceptable Use Policy (AUP), along with dedicated Operational Technology (OT) cybersecurity policies covering 19 domains to address industrial cyber risks. These policies are aligned with leading industry standards, approved by leadership, and reviewed periodically to ensure ongoing relevance and effectiveness.

EFERT's cybersecurity posture is reinforced through a Security Operations Center (SOC) that acts as a central monitoring and early warning system for detecting, analyzing, and responding to cyber threats across the organization's digital landscape, while also enabling timely escalation of key incidents to senior leadership and the Board. Complementing this, a Digital Risk & Brand Protection service continuously monitors and mitigates risks such as brand impersonation, fraudulent applications, social media scams, and data breaches.

To further strengthen resilience, the Information Security function conducts regular penetration testing and vulnerability assessments across applications, servers, and network infrastructure, alongside Operational Technology cybersecurity assessments across subsidiaries to ensure compliance with international and local standards. These technical safeguards are supported by a comprehensive cybersecurity awareness programme, including regular digital training, monthly simulated phishing campaigns, an annual Information Security Awareness Month, and interactive sessions for employees and leadership, delivered in both English and Urdu to promote organization-wide awareness and secure behaviour.

Content indices

IFRS S1 Content Index

This report has been prepared aligned with the principles and disclosure requirements of IFRS S1.

IFRS S1 Indicator	Description	Section & page reference	
Materiality			
17	An entity shall disclose material information about the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	Pg. 61,62	
Governance			
27 (a)	Information about the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:		
27 (a) (i)	How responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s).	Pg. 39, 40	
27 (a) (ii)	How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities.	Pg. 41, 43	
27 (a) (iii)	How and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities.	Pg. 41	

27 (a) (iv)	How the body(s) or individual(s) takes into account sustainability– related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.	Pg. 41	
27 (a) (v)	How the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets (see paragraph 51), including whether and how related performance metrics are included in remuneration policies.	Pg. 42	
27 (b)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about:		
27 (b) (i)	Whether the role is delegated to a specific management level position or management-level committee and how oversight is exercised over that position or committee.	Pg. 42	
27 (b) (ii)	Whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Pg. 42	

Strategy			
Sustainability-related risks and opportunities			
30	An entity shall disclose information that enables users of general-purpose financial reports to understand the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:		
30 (a)	Describe the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	Pg. 64	
30 (b)	Specify time horizons – short, medium or long term – over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur.	Pg. 64	
30 (c)	Explain how the entity defines 'short term', medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	Pg. 64	
Business model and value chain			
32	An entity shall disclose information that enables users of general-purpose financial reports to understand the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:		

32 (a)	A description of the current and anticipated effects of sustainability– related risks and opportunities on the entity's business model and value chain.	Pg. 64	
Strategy and decision-making			
33	An entity shall disclose information that enables users of general-purpose financial reports to understand the effects of sustainability-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose information about:		
33 (a)	How the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making.	Pg. 77	
33 (b)	The progress against plans the entity has disclosed in previous reporting periods, including quantitative and qualitative information.	Pg. 80	
33 (c)	Trade-offs between sustainability-related risks and opportunities that the entity considered.	Pg. 61	
Financial position, financial performance and cash flows			
34	An entity shall disclose information that enables users of general-purpose financial reports to understand		
34 (a)	The effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects).	Pg. 64	
34 (b)	The anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are incluTded in the entity's financial planning (anticipated financial effects).	Pg. 64	
35	Specifically, an entity shall disclose quantitative and qualitative information about:		
35 (a)	How sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period.	Pg. 65	
35 (b)	The sustainability-related risks and opportunities identified in paragraph 35 (a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	N/A	

35 (c) (i)	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to.	Pg. 65, 93	
35 (c) (ii)	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration its planned sources of funding to implement its strategy.	Pg. 65	
35 (d)	How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities.	Pg. 65	
40	If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity, the entity shall:		
40 (a)	Explain why it has not provided quantitative information;	Pg. 65	
40 (b)	Provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that sustainability-related risk or opportunity.	Pg. 65	
Resilience			
41	An entity shall disclose information that enables users of general-purpose financial reports to understand its capacity to adjust to the uncertainties arising from sustainability-related risks. An entity shall disclose a qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon. When providing quantitative information, an entity may disclose a single amount or a range.	Pg. 65	

Risk management			
44	To achieve this objective, an entity shall disclose information about:		
44 (a) (i)	The processes and related policies the entity uses to identify, assess, prioritize and monitor sustainability related risks, including information about the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes)	Pg. 64	
44 (a) (ii)	The processes and related policies the entity uses to identify, assess, prioritize and monitor sustainability-related risks, including information about whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks.	Pg. 64	
44 (a) (iii)	The processes and related policies the entity uses to identify, Assess, prioritize and monitor sustainability-related risks, including information about how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria).	Pg. 64	
44 (a) (iv)	The processes and related policies the entity uses to identify, assess, prioritize and monitor sustainability-related risks, including information about whether and how the entity prioritizes sustainability-related risks relative to other types of risk.	Pg. 64	
44 (a) (v)	The processes and related policies the entity uses to identify, assess, prioritize and monitor sustainability-related risks, including information about how the entity monitors sustainability-related risks	Pg. 64	
44 (a) (vi)	The processes and related policies the entity uses to identify, assess, prioritize and monitor sustainability related risks, including information about whether and how the entity has changed the processes it uses compared with the previous reporting period.	Pg. 64	
44 (b)	The processes the entity uses to identify, assess, prioritize and monitor sustainability-related opportunities.	Pg. 64	
44 (c)	The extent to which, and how, the processes for identifying, assessing and prioritizing and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Pg. 61	

Metrics and targets			
46	An entity shall disclose, for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity's prospects:		
46 (a)	Metrics required by an applicable IFRS Sustainability Disclosure Standard	Pg. 87, 88, 95, 98	
46 (b) (i)	Metrics the entity uses to measure and monitor that sustainability-related risk or opportunity.	Pg. 87, 88, 95, 98	
46 (b) (ii)	Metrics the entity uses to measure and monitor its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	Pg. 87, 88, 95, 98	
50	If a metric has been developed by an entity, the entity shall disclose information about:		
50 (a)	How the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source.	Pg. 87, 88, 95, 98	
50 (b)	Whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure (such as red, amber, green – or RAG – status).	Pg. 87, 88, 95, 98	
50 (c)	Whether the metric is validated by a third party and, if so, which party.	Pg. 87, 88, 95, 98	
50 (d)	The method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made.	Pg. 87, 88, 95, 98	
51	An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose:		
51 (a)	The metric used to set the target and to monitor progress towards reaching the target.	Pg. 87, 88, 95, 98	
51 (b)	The specific quantitative or qualitative target the entity has set or is required to meet.	Pg. 87, 88, 95, 98	
51 (c)	The period over which the target applies.	Pg. 87, 88, 95, 98	
51 (d)	The base period from which progress is measured.	Pg. 87, 88, 95, 98	
51 (f)	Performance against each target and an analysis of trends or changes in the entity's performance and any revisions to the target and an explanation for those revisions.	Pg. 87, 88, 95, 98	
51 (g)	Any revisions to the target and an explaination for those revisions.	Pg. 87, 88, 95, 98	

IFRS S2 Content Index

This report has been prepared aligned with the principles and disclosure requirements of IFRS S2.

IFRS S2: Climate Related Disclosures

IFRS S2 INDICATOR	Description	Section & Page Reference	
Governance			
6 (a)	To achieve this objective, an entity shall disclose information about the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about		
6 (a) (i)	How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s).	Pg. 39, 40	
6 (a) (ii)	How the body(s) or individual(s) determined whether appropriate skills and competencies will be developed to oversee strategies designed to respond to climate-related risks and opportunities.	Pg. 41, 43	
6 (a) (iii)	How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities.	Pg. 41	
6 (a) (iv)	How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.	Pg. 41	
6 (a) (v)	How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets.	Pg. 42	
6 (b)	To achieve this objective, an entity shall disclose information about management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:		
6 (b) (i)	Whether the role is delegated to a specific management level position or management-level committee and how oversight is exercised over that position or committee.	Pg. 42	
6 (b) (ii)	Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Pg. 42	

Strategy			
9 (a)	The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	Pg. 74, 90	
9 (b)	The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain.	Pg. 74, 90	
9 (c)	The effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan.	Pg. 74, 90	
9 (d)	The effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning.	Pg. 74, 90	
9 (e)	The climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	Pg. 74, 90	

Climate-Related Risks and Opportunities			
10	An entity shall disclose information that enables users of general-purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:		
10 (a)	Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	Pg. 74, 90	
10 (b)	Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk.	Pg. 74, 90	
10 (c)	Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term — the effects of each climate-related risk and opportunity could reasonably be expected to occur.	Pg. 74, 90	
10 (d)	Explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making	Pg. 64, 71	

Business Model and Value Chain			
13	An entity shall disclose information that enables users of general-purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:		
13 (a)	A description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain.	Pg. 90	
13 (b)	A description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Pg. 90	
Strategy and Decision-Making			
14	An entity shall disclose information that enables users of general-purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:		
14 (a) (i)	Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities.		
14 (a) (ii)	Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications).	Pg. 90, 91, 92	
14 (a) (iii)	Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains).	Pg. 90, 91, 92	

14 (a) (iv)	Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies.	Pg. 91, 92	
14 (a) (v)	Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33 – 36.	Pg. 91	

14 (b)	Information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14 (a)	Pg. 91	
14 (c)	Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14 (a)	Not applicable since this is the first reporting period aligned with IFRS S1 and S2	
Financial Position, Financial performance, and Cash Flows			
15	An entity shall disclose information that enables users of general-purpose financial reports to understand:		
15 (a)	The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects).	Pg. 74, 91	
15 (b)	The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	Pg. 74, 91	
16	Specifically, an entity shall disclose quantitative and qualitative information about:		

16 (a)	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	Pg. 74, 91	
16 (b)	The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	Pg. 74, 91	
16 (c) (i)	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to;	Pg. 91	
16 (c) (ii)	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration its planned sources of funding to implement its strategy; and	Pg. 91	

16 (d)	How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower- carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation)	Pg. 91	
22	If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity applying the criteria set out in paragraph 19 - 20, the entity shall:		
22 (a)	The entity's assessment of its climate resilience as at the reporting date, which shall enable users of general-purpose financial reports to understand:		
22 (a) (i)	The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis.	Pg. 71, 90	
22 (a) (ii)	The significant areas of uncertainty considered in the entity's assessment of its climate resilience.	Pg. 74, 90	
22 (b) (i)	How and when the climate-related scenario analysis was carried out, including information about the inputs the entity used, including:		
22 (b) (i) (1)	Which climate-related scenarios the entity used for the analysis and the sources of those scenarios;	Pg. 71, 90	

22 (b) (i) (2)	Whether the analysis included a diverse range of climate-related scenarios;	Pg. 71, 90	
22 (b) (i) (3)	Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	Pg. 71, 90	
22 (b) (i) (4)	Whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;	Pg. 71, 88, 90	
22 (b) (i) (5)	Why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;	Pg. 71, 90	
22 (b) (i) (6)	The time horizons the entity used in the analysis; and	Pg. 71, 90	
22 (b) (i) (7)	What scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis).	Pg. 90	
22 (b) (ii)	How and when the climate-related scenario analysis was carried out, including the key assumptions the entity made in the analysis, including assumptions about:		
22 (b) (ii) (1)	Climate-related policies in the jurisdictions in which the entity operates	Pg. 90	
22 (b) (ii) (2)	Macroeconomic trends;	Pg. 27, 29, 31, 81	
22 (b) (ii) (3)	National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources);	Pg. 27, 29, 31, 81, 82, 90	
22 (b) (ii) (4)	Energy usage and mix;	Pg. 87, 88	
22 (b) (ii) (5)	Developments in technology	Pg. 27, 29, 31, 81, 82, 90	
22 (b) (iii)	The reporting period in which the climate-related scenario analysis was carried out	Pg. 90	
RISK MANAGEMENT			
25	To achieve this objective, an entity shall disclose information about:		
25 (a) (i)	The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	Pg. 71	
25 (a) (ii)	Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	Pg. 71	
25 (a) (iii)	How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	Pg. 71	

25 (a) (iv)	Whether and how the entity prioritizes climate-related risks relative to other types of risk;	Pg. 71	
25 (a) (v)	How the entity monitors climate-related risks;	Pg. 71	
25 (a) (vi)	Whether and how the entity has changed the processes it uses compared with the previous reporting period.	Not applicable since this is the first reporting period aligned with IFRS S1 and S2	
25 (b)	An entity shall disclose information about the processes the entity uses to identify, assess, prioritize and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities.	Pg. 71	
25 (c)	An entity shall disclose information about the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Pg. 71	
METRICS AND TARGETS			
Climate-related metrics			

29 (a)	An entity shall disclose information relevant to the cross-industry metric categories of greenhouse gas – the entity shall;		
29 (a) (i)	Absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent, classified as: Scope 1 greenhouse gas emissions. • Scope 2 greenhouse gas emissions. • Scope 3 greenhouse gas emissions.	Pg. 88	
29 (a) (ii)	Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions.	Pg. 88	
29 (a) (iii)	The approach used to measure greenhouse gas emissions including: • The measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions. • The reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions. • Any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes.	Pg. 88	

29 (a) (iv)	For Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)(2), disaggregate emissions between: • The consolidated accounting group. • Other investors excluded from paragraph 29(a)(iv)(1) (for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries).	Not applicable since EFERT has 100% ownership of its subsidiary EFERT Agritrade	
29 (a) (v)	Location-based Scope 2 greenhouse gas emissions, and the information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions.	Pg. 88	
29 (a) (vi)	For Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57: • The categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011). • Additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance.	Not applicable in the first year of reporting	

29 (b)	Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Pg. 71, 74	
29 (c)	Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Pg. 71, 74	
29 (d)	Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities	Pg. 71, 74	
29 (e)	Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Pg. 71, 74	
29 (f)	An entity shall disclose information relevant to the cross-industry metric categories of internal carbon prices – the entity shall		
29 (f) (i)	An explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis).	N/A	
29 (f) (ii)	The price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions.	N/A	
29 (g)	An entity shall disclose information relevant to the cross-industry metric categories of remuneration prices – the entity shall		

29 (g) (i)	A description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)).	Pg. 42	
29 (g) (ii)	The percentage of executive management remuneration recognized in the current period that is linked to climate-related considerations.	N/A	
Climate-related metrics			
33	An entity shall disclose the qualitative and quantitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:		
33 (a)	The metric used to set the target	Pg. 80	
33 (b)	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives).	Pg. 80	
33 (c)	The part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region).	Pg. 80	

33 (d)	The period over which the target applies.	Pg. 80	
33 (e)	The base period from which progress is measured.	Pg. 80	
33 (f)	Any milestones and interim targets	Pg. 80	
33 (g)	If the target is quantitative, whether it is an absolute target or an intensity target.	Pg. 80	
33 (h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Pg. 71	
34	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:		
34 (a)	Whether the target and the methodology for setting the target has been validated by a third party.	Third-party assurance is not mandated in the first year of reporting	
34 (b)	The entity's processes for reviewing the target.	Pg. 42	
34 (c)	The metrics used to monitor progress towards reaching the target.	Pg. 80	
34 (d)	Any revisions to the target and an explanation for those revisions.	Not applicable in the first year of reporting	

35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	Not applicable in the first year of reporting	
36	For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:		
36 (a)	Which greenhouse gases are covered by the target.	N/A	
36 (b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	N/A	
36 (c)	Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target.	N/A	
36 (d)	Whether the target was derived using a sectoral decarbonization approach.	N/A	
36 (e)	The entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the entity shall disclose information including		
36 (e) (i)	The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits.	N/A	
36 (e) (ii)	The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits.	N/A	
36 (e) (iii)	The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal.	N/A	
36 (e) (iv)	Any other factors necessary for users of general-purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	N/A	

SASB Content Index (Chemicals)

Topic	Code	Metric	Reporting Requirement	Page/ Location Reference
Greenhouse Gas Emissions & Energy Resource Planning	RT-CH-110a.1	(1) Gross global Scope 1 emissions, percentage covered under	The entity shall disclose its (1) gross global Scope 1 greenhouse gas (GHG) emissions to the atmosphere of the seven GHGs covered under the Kyoto Protocol—carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF6), and nitrogen trifluoride (NF3).	Pg. 88

		(2) emissions-limiting regulations and	The entity shall disclose (2) the percentage of its gross global Scope 1 GHG emissions covered under an emissions-limiting regulation or programme intended to limit or reduce emissions directly, such as cap-and-trade schemes, carbon tax/fee systems, and other emissions control (for example, command-and-control approach) and permit-based mechanisms.	Not applicable as EFERT only operates in Pakistan and is not subject to an emissions-limiting regulation or programme intended to limit or reduce emissions directly, such as cap-and-trade schemes, carbon tax/fee systems, and other emissions control
		(3) emissions-reporting regulations	The entity shall disclose (3) the percentage of its gross global Scope 1 GHG emissions that are covered under emissions reporting-based regulations.	Not applicable as EFERT only operates in Pakistan and is not subject to an emissions-limiting regulation or programme intended to limit or reduce emissions directly, such as cap-and-trade schemes, carbon tax/fee systems, and other emissions control
	RT-CH-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	The entity shall discuss its long- and short-term strategy or plan to manage its Scope 1 greenhouse gas (GHG) emissions.	Pg. 91, 92
Air Quality	RT-CH-120a.1.	Air emissions of the following pollutants:	1.The entity shall disclose its emissions of air pollutants, in metric tonnes per pollutant, released into the atmosphere.	Pg. 89
		(1) NOX (excluding N2O),	2. The entity shall disclose its emissions of (1) oxides of nitrogen (NOX), reported as NOx	Pg. 89
		(2) SOX,	3. The entity shall disclose its emissions of (2) oxides of sulphur (SOX), reported as SOX.	Pg. 89
		(3) volatile organic compounds (VOCs)	4. The entity shall disclose its emissions of (3) non-methane volatile organic compounds (VOCs).	Pg. 89
		(4) hazardous air pollutants (HAPs)	5. The entity shall disclose its emissions of (4) hazardous air pollutants (HAPs).	Pg. 89

			6. The entity may discuss the calculation method for its emissions disclosure, such as whether data is from continuous emissions monitoring systems (CEMS), engineering calculations or mass balance calculations.	Pg. 89
Energy Management	RT-CH-130a.1.	(1) Total energy consumed,	1. The entity shall disclose the total amount of energy it consumed as an aggregate figure, in gigajoules (GJ).	Pg. 87
		(3) percentage renewable and	3. The entity shall disclose the percentage of energy it consumed that was renewable energy.	Pg. 87
		(4) total self-generated energy	4. "The entity shall disclose the amount of energy self-generated by the entity as an aggregate figure, in gigajoules (GJ)."	Pg. 87
Water Management	RT-CH-140a.1	(1) Total water withdrawn,	1. The entity shall disclose the amount of water, in thousands of cubic metres, withdrawn from all sources. 2. The entity may disclose portions of its supply by source if, for example, significant portions of withdrawals are from non-freshwater sources.	Pg. 95
		(2) total water consumed;	3. The entity shall disclose the amount of water, in thousands of cubic metres, consumed in its operations.	Pg. 95
		percentage of each in regions with High or Extremely High Baseline Water Stress	4. The entity shall analyze all its operations for water risks and identify activities that withdraw and consume water in locations with High (40–80%) or Extremely High (>80%) Baseline Water Stress as classified by the World Resources Institute's (WRI) Water Risk Atlas tool, Aqueduct. 5. The entity shall disclose water withdrawn in locations with High or Extremely High Baseline Water Stress as a percentage of the total water withdrawn. 6. The entity shall disclose water consumed in locations with High or Extremely High Baseline Water Stress as a percentage of the total water consumed.	Pg. 95

	RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	1. The entity shall disclose the total number of incidents of non-compliance, including violations of a technology-based standard and exceedances of quantity or quality-based standards. 2. The scope of disclosure includes incidents governed by applicable jurisdictional statutory permits and regulations, which include the discharge of a hazardous substance, violation of pre-treatment requirements or total maximum daily load (TMDL) exceedances. 3. The scope of disclosure shall only include incidents of non-compliance that resulted in a formal enforcement action(s). 4. Violations shall be disclosed, regardless of their measurement methodology or frequency.	Pg. 97
	RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	1. The entity shall describe its water management risks associated with water withdrawals, water consumption and discharge of water or wastewater. 2. The entity may describe water management risks 3. The entity may discuss the potential effects that water management risks may have on its operations and the timeline over which such risks are expected to manifest. 4. The entity shall discuss its short- and long-term strategies or plans to mitigate water management risks 5. 6. The entity shall discuss whether its water management practices result in any additional lifecycle impacts or trade-offs in its Organisation,	Pg. 96
Hazardous Waste Management	RT-CH-150a.1	(1) Amount of hazardous waste generated,	The entity shall calculate and disclose the total weight of hazardous waste generated, in metric tonnes.	Pg. 98
		(2) percentage recycled	The entity shall calculate and disclose the percentage of hazardous waste recycled as the weight of hazardous waste generated that was recycled, divided by the total weight in metric tonnes of hazardous waste generated.	Pg. 98

	RT-CH-130a.1.	Frameworks	The entity shall disclose the frameworks used to define hazardous waste and recycled hazardous waste, and the quantities and percentages defined in accordance with each applicable framework.	Pg. 98
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	1. The entity shall discuss its processes, procedures and practices to manage risks and opportunities associated with community interests in areas where it operates 2. The entity may describe its efforts to mitigate community-related risks and address community concern 3. The entity may report the share of its operations that have undergone environmental or social impact assessments. 4. The entity may describe its efforts to address environmental justice concerns in communities in areas where the entity operates as well as potential operating impacts from regulatory or community action to address environmental justice.	Pg. 142
Workforce Health and Safety	RT-CH-320a.1.	1) Total recordable incident rate (TRIR),	1. The entity shall disclose its total recordable incident rate (TRIR) for work-related injuries and illnesses.	Pg. 125
		(2) fatality rate,	2. The entity shall disclose its fatality rate for work-related fatalities.	Pg. 125, 132
	RT-CH-320a. 2.	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	1. The entity shall discuss how it assesses, monitors and reduces workforce exposure to long-term (chronic) human health risks.	Pg. 131
Product design for Use-phase efficiency	RT-CH- 410a.1	Revenue from products designed for use-phase resource efficiency	The entity shall disclose its total revenue from products designed to increase resource efficiency during their use-phase.	Pg. 15

Safety & Environmental Stewardship of Chemicals	RT-CH- 410b. 1	(1) Percentage of products that contain Globally Harmonized System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances	1. The entity shall disclose (1) the percentage of its products, by revenue, that contain Globally Harmonized System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous substances 2. The entity shall calculate and disclose the percentage as the revenue from products that contain substances meeting the criteria of GHS Category 1 and 2 Health and Environmental Hazardous Substances divided by the total revenue from all products.	Pg. 128
		(2) percentage of such products that have undergone a hazard assessment	3. The entity shall disclose the percentage of its products containing Globally Harmonized System of Classification and Labelling of Chemicals Category 1 and 2 Hazardous Substances that have undergone a hazard assessment.	Pg. 128
	RT-CH-410b.2.	Discussion of strategy to (1) manage chemicals of concern and	The entity shall discuss its strategy and approach to managing the production of materials, chemicals and substances that may be hazardous to human health or the environment, presenting concerns for consumers, customers, regulators or others.	Pg. 128
		(2) develop alternatives with reduced human or environmental impact	The entity shall discuss its strategy and approach to developing alternative processes and chemicals that reduce or avoid the use of substances that may be hazardous to human health or the environment, presenting concerns to consumers, customers, regulators or others.	N/A
Management of the Legal & Regulatory Environment	RT-CH-5301.1	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	The entity shall identify risks and opportunities related to legislation, regulation or rule-making (hereafter referenced collectively as the 'legal and regulatory environment's) associated with environmental and social factors that may have significant financial consequences.	Pg. 50

Operational Safety, Emergency Preparedness & Response	RT-CH-540a. 1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	1. The entity shall disclose its process and safety performance using these indicators: 1.1 Process Safety Incidents Count (PSIC), which is defined as the total (annual) count of all incidents that meet the definition of a Tier 1 Process Safety Event (PSE) in accordance with ANSI/API RP 754. 1.2 Process Safety Total Incident Rate (PSTIR), which is defined as the cumulative (annual) count of Tier 1 incidents normalized by man-hours, is calculated as the PSIC multiplied by 200,000 and divided by the total annual hours worked by employees, contractors and subcontractors. 1.3 Process Safety Incident Severity Rate (PSISR), which is defined as the cumulative (annual) severity- weighted rate of process safety incidents, is calculated as the Total Severity Score for all Tier 1 PSEs multiplied by 200,000 and divided by the total annual hours worked by employees, contractors and subcontractors.	Pg. 125
	RT-CH-540a.2	Number of transport incidents	The entity shall disclose the total number of transport incidents, where transport incidents are defined consistent with applicable jurisdictional laws or regulations.	Pg. 125
Genetically Modified Organisms	RT-CH-410C.1.	Percentage of products by revenue that contain genetically modified organisms	The entity shall disclose the percentage of its products, by revenue, that contain genetically modified organisms (GMOs).	N/A

GRI content index

The following table enables the reader to locate the content within this document and specifies each of the GRI Standards used, and lists all disclosures included in the report. Each disclosure is followed by referencing the appropriate pages in the report

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	Disclosure 2-3 Reporting period, frequency and contact point	Pg. 2, 5
	Disclosure 2-6 Activities, value chain and other business relationships	Pg. 6
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GRI 3: Material Topics 2021	Disclosure 3-1 Process to determine material topics	Pg. 61
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GRI 3: Material Topics 2021	Disclosure 301-1 Materials used by weight or volume	Pg. 100

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	Disclosure 203-2 Significant indirect economic impacts	Pg. 142, 143, 144, 145, 146
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GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	Pg. 50
GRI 205: Anti-Corruption 2017	Disclosure 205-1 Operations assessed for risks related to corruption	N/A
	Disclosure 205-2 Communication and training about anti-corruption policies and procedures	Pg. 54
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GRI 206: Anti-competitive Behaviour 2016	Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	N/A
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	Disclosure 207-3 Stakeholder engagement and	Pg. 154
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Water and Effluents		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	Pg. 96, 97, 98
GRI 303: Water and Effluents 2019	Disclosure 303-1 Interactions with water as a shared resource	Pg. 80, 95
	Disclosure 303-2 Management of water discharge related impacts	Pg. 95
	Disclosure 303-3 Water withdrawal	Pg. 95
	Disclosure 303-4 Water discharge	Pg. 95
	Disclosure 303-5 Water consumption	Pg. 95

Emissions		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	Pg. 89, 92, 93
GRI 305: Emissions 2017	Disclosure 305-1 Direct (Scope 1) GHG emissions	Pg. 88
	Disclosure 305-2 Energy indirect (Scope 2) GHG	Pg. 88
	Disclosure 305-3 Other indirect (Scope 3) GHG	N/A
	Disclosure 305-4 GHG emissions intensity	Pg. 88
	Disclosure 305-5 Reduction of GHG emissions	Pg. 91
	Disclosure 305-6 Emissions of ozone-depleting	N/A
	Disclosure 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Pg. 89
Labor Management/Relations		
GRI 402: Labor/Management Relations 2017	Disclosure 402-1 Minimum notice periods regarding operational changes	Pg. 104

Waste		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	Pg. 99, 100
GRI 306: Waste 2020	Disclosure 306-1 Waste generation and significant waste-related impacts	Pg. 98
	Disclosure 306-2 Management of significant waste-related impacts	Pg. 98
	Disclosure 306-3 Waste generated	Pg. 98
	Disclosure 306-4 Waste diverted from disposal	Pg. 98
	Disclosure 306-5 Waste directed to disposal	Pg. 98
Employment		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	Pg. 105, 106
GRI 401: Employment 2017	Disclosure 401-1 New employee hires and employee turnover	Pg. 105, 106
	Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	Pg. 107, 110
	Disclosure 401-3 Parental leave	Pg. 121, 108
Occupational Health and Safety		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	Pg. 128
GRI 403: Occupational Health and Safety 2019	Disclosure 403-1 Occupational health and safety management system	Pg. 124, 125, 126
	Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	Pg. 127, 128
	Disclosure 403-3 Occupational health services	Pg. 131, 132
	Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	Pg. 127, 138
	Disclosure 403-5 Worker training on occupational health and safety	Pg. 137
	Disclosure 403-6 Promotion of worker health	Pg. 131

	Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pg. 132
Training and Education		
GRI 404: Training and Education 2017	Disclosure 404-1 Average hours of training per year per employee	Pg. 114
	Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	Pg. 108, 114
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	Pg. 119, 120, 121, 122, 123
GRI 405: Diversity and Equal Opportunity 2017	Disclosure 405-1 Diversity of governance bodies and employees	Pg. 36, 117
	Disclosure 405-2 Ratio of basic salary and remuneration of women to men	Pg. 107, 119

Non-discrimination		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	Pg. 119
GRI 406: Non-discrimination 2017	Disclosure 406-1 Incidents of discrimination and corrective actions taken	Pg. 119
Local Communities		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	Pg. 142, 143, 144, 145, 146
GRI 413: Local Communities	Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs/corrective actions taken	Pg. 142
Freedom of Association and Collective Bargaining		
GRI 407: Freedom of Association and Collective Bargaining 2016	Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pg. 104

Customer Privacy		
GRI 418: Customer Privacy 2016	Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pg. 159

World Economic Forum Stakeholder Capitalism Metrics

Pillar	Themes	Core Metrics	Reporting Requirements	Page Reference
Governance	Governing Purpose	Setting Purpose	The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental, and social issues. Corporate purpose should create value for all stakeholders, including shareholders	Pg. 19

	Quality of Governing Body	Governance Body composition	Composition of the highest governance body and its committees by: competencies relating to economic, environmental, and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation	Pg. 35
	Stakeholder Engagement	Material issues impacting stakeholders	A list of the topics that are material to key stakeholders and the company, how the topics were identified, and how the stakeholders were engaged	Pg. 61, 62, 63

	Ethical Behaviour	Anti-corruption	a. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region	Pg. 48, 52, 54
		Protected ethics advise and reporting mechanisms	A description of internal and external mechanisms for a. Seeking advice about ethical and lawful behavior and organizational integrity;	Pg. 51
			b. Reporting concerns about unethical or lawful behavior and organizational integrity	Pg. 50
	Risk and Opportunity Oversight	Integrating risk and opportunity into business process	Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and	Pg. 61

			opportunities have moved over time, and the response to those changes. These opportunities and risks should integrate material economic, environmental, and social issues, including climate change and data stewardship	
Planet	Climate Change	Greenhouse Gas (GHG) Emissions	For all relevant greenhouse 82-83 gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO2e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate. b. Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation.	Pg. 88

			Disclose whether you have set, or have committed to set GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050	
	Nature Loss	Land use and ecological sensitivity	Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).	N/A
	Freshwater Availability	Water consumption and withdrawal in water-stressed areas	a. Report for operations where 84 material, mega liters of water withdrawn, mega liters of water consumed and the percentage of each in regions with high or extremely high baseline water stress according to WRI Aqueduct water risk	Pg. 95

	Freshwater Availability	Water consumption and withdrawal in water-stressed areas	atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate	
People	Dignity and Equality	Diversity and Inclusion	Percentage of employees per employee category, per age group, gender and other indicators of diversity (e.g. ethnicity)	Pg. 103
		Pay Equality	Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men; minor to major ethnic groups; and other relevant equality areas	Pg. 107
		Wage Level	a. Ratios of standard entry level wage by gender compared to local minimum wage	Pg. 107

		Risk for incidents child, forced or compulsory labor	An explanation of the operations and suppliers considered to have significant risk for incidents of child labor, forced or compulsory labour. Such risks could emerge in relation to type of operation (such as manufacturing plant) and type of supplier; or countries or geographic areas with operations and suppliers considered at risk	Pg. 52, 104
	Health and Well-being	Health and Safety	a. The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries, main types of work-related injury; and the number of hours worked	Pg. 124
	Dignity and Equality	Diversity and Inclusion	b. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services and the scope of access provided for employees and workers	Pg. 107

	Skills for the Future	Training Provided	a. Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of trainings provided to employees divided by the number of employees)	Pg. 114
			b. Average training and development expenditure per full-time employee	Not Available
Prosperity	Employment and Wealth Generation	Absolute number and rate of employment	a. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity, and region	Pg. 105
			b. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region	Pg. 106

		Economic Contribution	a. Direct economic value 94 generated and distributed (EVG&D) – on an accrual basis, covering the basic components for the organization's global operations, ideally split out by: EVG&D can provide a valuable snapshot of the direct monetary value added to local economies through the generation of products and services, servicing of capital, payment of wages, taxes, and community investment, while the significant financial assistance received from government when compared with separate disclosures on taxes, can be useful for developing a more balanced and transparent snapshot of the balance of transactions between the company and government. • Revenue • Operating costs • Employee wages and benefits • Payments to providers of capital • Payments to government • Community investment	Pg. 150, 151, 152, 153, 154

		Financial investment contribution	Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy.	Pg. 153
			Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.	
	Innovation of better products and services	Total R&D expenses	Total costs related to research and development.	Pg. 152
	Community and social vitality	Total tax paid	The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	Pg. 154
	Financial investment contribution	Total tax paid	Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.	Pg. 154
	Innovation of better products and services	Total R&D expenses	Total costs related to research and development.	Pg. 152
	Community and social vitality	Total tax paid	The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	Pg. 154

SECP Index

Pillar	Metric	Measurement Annual, unless specified	Page/Comments
ENVIRONMENT	**GHG Emissions**	Total amount of Carbon and Green House Gas emissions in metric tons	Pg. 88
		Total amount, CO2 equivalent for Scope 1 (if applicable)	Pg. 88
		Total amount, CO2 equivalent for Scope 2 (if applicable)	Pg. 88
		Total amount, CO2 equivalent for Scope 3 (if applicable)	N/A
	Emissions intensity	Total GHG emissions per unit produced (e.g. revenue, sales, units produced)	Pg. 88
		Total non-GHG emissions per unit produced	-
	Energy usage	Total amount of energy directly consumed	Pg. 87
		Total amount of energy indirectly consumed	-
	Energy intensity	Total direct energy usage per unit produced (e.g. revenue, sales, units produced)	Pg. 88
	Energy Mix	Percentage: Energy usage by generation type	Pg. 88
		Disclose the energy consumption from renewable sources as a percentage of total energy consumption	Pg. 88
	Water usage	Total amount of water consumed	Pg. 95
		Total amount of water reclaimed	N/A
	Environmental operations	Does your company follow a formal Environmental Policy?	Pg. 85
		Does your company follow specific waste, water, energy, and/or recycling policies?	Yes
		Does your company use a recognized energy management system?	Pg. 91
		Specify the quantity of waste recycled or re-used as a percentage of total waste for the current and comparative period.	Pg. 98
		Does your company use a recognized energy management system?	-
	Environmental Oversight	Does your Board/Management Team oversee and/or manage climate-related risks?	Yes
	Environmental Oversight	Does your Board/Management Team oversee and/or manage other sustainability issues?	Pg. 39, 40
	Sustainable Sourcing	Does your company have a policy in place for sustainable sourcing?	Pg. 52
	Climate risk mitigation adaptation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development?	Pg. 90, 91, 92
SOCIAL	**CEO Pay Ratio**	CEO total compensation to median Full-time Equivalent (FTE) total compensation	Confidential
		Does your company report this metric in regulatory filings?	No
	Gender Pay Ratio	Ratio: Median male compensation to median female compensation	Pg. 107, 119
	Employee Turnover	Percentage: Year-over-year change for full-time employees	Pg. 103
		Percentage: Year-over-year change for part-time employees	N/A
		Percentage: Year-over-year change for contractors and/or consultants	Pg. 103
	Gender Diversity	Percentage: Total enterprise headcount held by men and women	Pg. 117
		Percentage: Entry- and mid-level positions held by men and women	Pg. 117
		Percentage: Senior- and executive-level positions held by men and women	Pg. 117

	Temporary Worker Ratio	Percentage: Total enterprise headcount held by part-time employees	Pg. 103
		Percentage: Total enterprise headcount held by contractors and/or consultants	Pg. 117
	Non-Discrimination	Does your company have a sexual harassment and/or nondiscrimination policy?	Pg. 52, 53
		Is there a confidential grievance, resolution, reporting and nonretaliation mechanism and procedure to address and respond to incidence of harassment and violence?	Pg. 119
	Global Health & Safety	Does your company follow an occupational health and/or global health & safety policy?	Pg. 125
	Child & Forced Labour	Does your company follow a child and/or forced labor policy?	Pg. 52, 104
		If yes, does your child and/or forced labor policy also cover suppliers and vendors?	Pg. 52, 104
	Corporate Social Responsibility	Please share a list of CSR activities undertaken along with total time spent on these and amounts (PKR) allocated to these	Pg. 142
	Employee Training and Succession Planning	Number of training sessions held, and number of employees/workers trained on skill upgradation	Pg. 54, 114, 117
		Number of training sessions held, and number of employees/workers trained on soft skills	Pg. 114
		Number of training sessions held, and number of employees/workers trained on health and safety measures	Pg. 117
		Percentage: Men and women promoted during the year	Not available
	Human Rights	Does your company follow a human rights policy?	Pg. 52, 104
		If yes, does your human rights policy also cover suppliers and vendors?	Yes
	Working Conditions	Number of complaints made by employees regarding working conditions during the reporting period	N/A
		Number of complaints regarding working conditions resolved	N/A
	Injury Rate	Percentage: Frequency of injury events relative to total workforce time	Pg. 125
		Number of safety-related incidents during the reporting year and Number of lost production hours as a result	Pg. 125
		Disclose the number of employees/workers covered with Health and Safety Insurance	Pg. 108
	Marketing	Do you have responsible gender sensitive marketing communication policy or a commitment embedded in larger corporate policy?	Yes
GOVERNANCE	**Board Diversity**	Percentage: Total board seats occupied by men and women.	Pg. 36
		Percentage: Committee chairs occupied by men and women	Pg. 36
	Board Independence	Does the company prohibit the CEO from serving as board chair?	Pg. 36
		Percentage: Total board seats occupied by independents.	Pg. 36
	Board Competence	Percentage of ESG-certified board members	Pg. 41
	Incentivized Pay	Are executives formally incentivized to perform on sustainability?	Yes
	Collective Bargaining	Percentage: Total enterprise headcount covered by collective bargaining agreement(s)	Pg. 104
	Supplier Code of Conduct	Are your vendors or suppliers required to follow a Code of Conduct?	Pg. 49, 52
		If yes, what percentage of your suppliers have formally certified their compliance with the code?	Our vendor pre-qualification process requires vendors to submit an undertaking to comply with our vendor Code of Conduct.

	Ethics & Anticorruption	Does your company follow an Ethics and/or Anti-Corruption policy?	Pg. 52
		If yes, what percentage of your workforce has formally certified its compliance with the policy?	Pg. 54
	Data Privacy	Does your company follow a Data Privacy policy?	Pg. 159
		Does your company take steps to comply with general data protection rules/framework?	Yes
	Sustainability Reporting	Does your company publish a sustainability report?	Yes
		Is sustainability data included in your regulatory filings?	Yes
	Disclosure Practices	Does your company provide sustainability data in line with any sustainability reporting frameworks?	Pg. 5
		Does your company focus on specific UN Sustainable Development Goals (SDGs)?	Pg. 155 - 157
		Does your company set targets and report progress on the UN SDGs?	Yes
	External Assurance	Are your sustainability disclosures assured or validated by a third party?	N/A

SDGs

SDGs	Pg. No.
SDG 1 No Poverty	Pg. 143
SDG 2 Zero Hunger	Pg. 155
SDG 3 Good Health and Well-Being	Pg. 143, 155
SDG 4 Quality Education	Pg. 142, 143, 156
SDG 5 Gender Equality	Pg. 156
SDG 6 Clean Water and Sanitation	Pg. 156
SDG 7 Affordable and Clean Energy	Pg. 156
SDG 8 Decent Jobs and Economic Growth	Pg. 156
SDG 9 Industry, Innovation and Infrastructure	Pg. 157
SDG 10 Reduced Inequalities	N/A
SDG 11 Sustainable Cities and Communities	N/A
SDG 12 Responsible Consumption and Production	Pg. 123, 157
SDG 13 Climate Action	Pg. 157, 91, 92, 93, 94, 143, 146
SDG 14 Life Below Water	Pg. 144,
SDG 15 Life on Land	Pg. 146, 158
SDG 16 Peace, Justice and Strong Institutions	N/A
SDG 17 Partnership for the Goals	Pg. 143, 157