

FFC CSR Quarterly Report

THE QUARTERLY GAZZETTE OF THE CSR DEPARTMENT

FAUJI FERTILIZER COMPANY LIMITED

October- December 2013

INTRODUCTION

The Corporate Social Responsibility Department was established at Lahore by Fauji Fertilizer Company Limited back in 2010 with an aim to give back to the society a portion of what the society has given to us. The Department was later expanded in 2013 with Department Plans set up at Head Office Rawalpindi and local CSR setups at Goth Machi and Mirpur Mathelo plant sites. In accordance with the SECP guidelines, namely “**CSR Voluntary Guidelines**”, the company sets aside at least 1% of its profit before tax on yearly basis for general uplift of the society. The CSR Department is entrusted with the responsibility to formulate, adopt and implement the CSR policies as per the company’s strategy and by the grace of God, the department has successfully executed projects approximately worth PKR. 1.17 Billion since its inception. The projects initiated by the CSR Department are not mere expenses rather these are investments in the Pakistani community which promises extraordinary returns. The planning, management, activities and work ethics of the CSR Department have been endorsed by Global Reporting Initiative for the sustainability report 2012. The CSR team is striving to create and maintain the organization’s value among the stakeholders and to improve the company’s overall competitive position in the market.

Fauji Fertilizer Company holds a large portion of Urea market share in Pakistan. The company is not only responsible for providing farmers with high quality urea which is the backbone of “**Pakistani agrarian economy**” but the company is also investing in other fields like **health, education, sports, poverty alleviation, philanthropy, event sponsorship and special projects**

The management has decided to circulate a gazette on quarterly basis with the aim to document the Company’s CSR activities and to bring the company’s CSR performance in to the knowledge of the stake holders. This document inculcates the activities taken up by the CSR Department during the last two quarters i.e. July to September 2013 and September to December 2013.



SM CSR's Message/Endorsement:

I feel honored to state that FFC has continued its progress on sustainability practices with renewed vigor and devotion and has also progressed on the path to responsible business, with compliance to the ten principles of UNGC. FFC is already publishing its annual sustainability report since 2011 but it's important to disseminate the updates on CSR activities being undertaken at plant sites and at National level to all at regular basis. This quarterly progress report is being issued for this purpose.

This is the first quarterly CSR report being disseminated to all stake holders. CSR Department would like to thank all the stake holders at Head Office and Plant Sites for their continued support and assistance in achieving our goals successfully. I invite you for an honest feedback to further improve our performance.

Brig. (Retd.) Munawar Hayat Niazi
SM-CSR

Activities this Quarter:

1. Upgrade of Paediatric Department at Military Hospital Rawalpindi
2. Uplift of Community Park at National Institute of Health Islamabad
3. Al Shifa Eye Trust
4. Donation of Patient Electric Cart to National Institute of Heart Diseases
5. FFC CSR Collaboration with Autism Society of Pakistan
6. Renewable Energy at Sona Public School and Sona Welfare Hospital
7. Provision of State of the Art Medical Facilities at Sheikh Zayed & Hazrat Bilal Trust Hospital
8. Upgrade of Govt Schools at Goth Machhi & Sadiqabad
9. Collaboration with Cadet College Larkana
10. Miscellaneous Sports Activities at FFC Plantsite
11. WARDS OF FARMERS SCHOLARSHIP 2013
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14. Housing Society Chhotu Chachar
15. Fauji Foundation Complex
16. Soldier House
17. Sports Ambassadors
18. Shaukat Khanum

Corporate Social Responsibility

FFC has the honor of being the pioneer of CSR activities in Pakistan. Through its track record stretching well over 3 decades, the company has made exemplary interventions in sectors including Education, Health Care, Poverty Alleviation, Environmental Protection, Sports Promotion, Community Uplift, Disaster Relief/ Rehabilitation and so on. Highlight of FFC CSR activities during July-Dec 2013 are as following.

FF Welfare Complex (Kot Ghulam Muhammad)

FFC has committed to construct a welfare complex at Kot Ghulam Muhammad which will feature FF School, Dispensary, Vocational & Skill Development Center, Mosque, Housing etc

After consultation with ACES Engineering, the project is expected to cost Rs. 355 million which have been

allocated in CSR budget 2013. Tender was issued in leading national newspapers and leading construction firms including HRL, Qavi & Izhar Engineering have showed interest. Utility connections including electric and water also materialized. The managements of both FFC and its parent company have very high hopes for the project as it has a great potential to serve the country and provide skilled and able population.



Newly Constructed 207 Houses Allotted to Flood Affected Families of Ghotki and Rahim Yar Khan

FFC has lived up to its pledge for the relief, rehabilitation and assistance to flood affected masses from across Pakistan. FFC was one of the 1st corporate entities to rise to the expectations of the nation by contributing Rs 280 million till date on relief and rehabilitation of activities.

In the proximity of FFC Fertilizer Plants at Goth Machhi and Mirpur Mathelo, hundreds of villages were affected by the floods including sweeping away houses, crops and livestock. In coordination with district administration of the respective areas, FFC initiated the reconstruction of 3 villages including Mohib Shah, Muaza

Chacharan (Rahim Yar Khan) and Chuttoo Chachar (Ghotki). The projects include construction of 207 model houses, customary designed as per the requirement of the native families and all associated facilities for the affected population of the respective villages. FFC was joined by Pakistan Red Crescent Society for this project worth Rs 102 million, with 50% contribution from FFC. The multifaceted rehabilitation program also involved community participation to a large extent so that the families become part of the entire project and benefit from the expertise of skilled workforce, serving as a learning program for the unskilled labour force from the targeted villages and the surrounding areas.

Through collective efforts and initiative, FFC has handed over 207 newly constructed houses to the effected families of Mohib Shah, Muaza Chacharana and Chuttoo Chachar. Marking the return of life to the previously heart-rending streets of the said villages, ceremonies were held at Rahim Yar Khan and Ghotki respectively on 30th May and 8th of July 2013. At the handover of 57 houses at Rahim Yar Khan the attendees were honoured by the presence of Mr Zaheer Anwar General Manager (Maintenance & Operation) from FFC and Maj Gen (R) Ch Muhammad Nawaz Khan Chairman PRCS. Speaking on the occasion, Mr Zaheer Anwar highlighted FFC's commitment to nation building through its CSR program, which remained centric to the company's operations for the past 3 decades.

The inhabitants were full of zeal upon receiving the ownership of the model houses, which they saw helplessly being swept away by the devastating floods of 2010-11. The residents highly appreciated the commitment and deliverance pledged by FFC and PRCS.

The remaining 150 model houses at Chuttoo Chachar (Ghotki) were handed over to the affected families on 8th July 2013 with representation from FFC, PRCS, District Administration and local community taking part in the ceremony. FFC was represented by Senior Manager Production Naveed Ahmed Khan and Resident Manager Mirpur Mathelo Brig (Retd) Waheed Akhter who reaffirmed FFC's commitment to the residents of Ghotki through interventions in Education, Health Care, Poverty Alleviation, Sports Promotion, Disaster Relief etc. The natives were highly appreciative of the standard of construction and timeline which were met by FFC and PRCS for this massive project.

Provision of State of the Art Medical Facilities at Sheikh Zayed & Hazrat Bilal Trust Hospital

FFC through its CSR program is engaged in the uplift and provision of quality health care facilities across Pakistan. In 2013 FFC CSR donated Rs 25 million to Sheikh Zayed Medical College (RYK) for the establishment of Cardiac Center and Operation Theater. SZMC (RYK) is a quality health care facility providing medical care to hundreds of patients on daily basis.



Hazrat Bilal Trust Hospital, established at Goth Machhi in 1986 by FFC is serving the underprivileged surrounding communities with free of cost medical services. Owing to the need of the facility, FFC has donated X-Ray machine unit to the facility at a cost of Rs 8million in 2013.



“Let There Be Light” Campaign by FFC- Al Shifa

5 eye camps were ear-marked for the calendar year 2013 in collaboration with Al-Shifa eye hospital with the aim to provide ophthalmological assistance to underprivileged Pakistanis belonging to remote and far flung areas. Out of these five, four eye camps have been successfully executed by the CSR department treating over 3000 patients with ocular medicine, visual aids (glasses) and IOL surgery free of cost.



The campaign targeted remote areas including Chak Beli Khan, Kahuta, Kotli Sattyan and Khayaban-e-Sir Syed localities which house a large underprivileged population with limited or no access to such facilities. These areas have been overlooked by the authorities in the past despite the fact that people belonging to these areas were in desperate need of such healthcare facilities.

Keeping alive to its responsibility to help Pakistanis however possible, FFC will be investing Rs. 2 million in the campaign.

FLOOD RELIEF ACTIVITIES AT GHOTKI

The devastating floods of July 2013 that hit a lot of Pakistan's agrarian areas greatly affected life in these places and rendered the locals helpless. The economy of Pakistan came under great threat as not only most of the produce of Pakistan would be affected but also the miscellaneous economic activities came to a halt. FFC, with its commitment to serve Pakistan in every way possible directed its focus to restore life back to normal in these areas.

Rs. 2 Million were extended for the rescue of the flood hit areas and CSR (Projects) successfully concluded the program by distributing ration to 300 families and providing dumpers & sandbags for reinforcement of Qadirpur Loop Bund and Shank Bund etc. The outcome of these activities

was that a great number of precious lives, hundreds of acres of land and livestock were saved from destruction.



BASTIKHAI LINK ROAD PROJECT

Fauji Fertilizer Company initiated the project concerning construction of link road at BastiKhai, a village in close proximity to the FFC Ghot Machi plant. A need for a good quality link road was identified by the Marketing and the CSR (Plant site) departments in order to ensure a timely and efficient transportation system in the area. The identification of the problem area identified by the respective department backed by the request of the natives for a road that offers better connectivity and relatively easier access to the adjacent areas led the higher management of the company to decide and direct the start of work on the 3.5 ft. wide 1.86 KM long link road.

SUSTAINIBILITY REPORT 2013

In order to get itself recognized as a CS- Responsible organization, soft and hard copies of sustainability report were published by the concerned CSR department in accordance with Global Reporting Initiative (GRI). The report was verified as Level A by GRI (Holland) and it won 2nd prize by ICAP/ICMAP for “**Best Sustainability Award Category**”. The report itself was a huge project so PKR 2 Million were allocated for it in 2012 budget.

WARDS OF FARMERS SCHOLARSHIP 2013

The wards of farmers Scholarship program for the talented and deserving children of farmers on merit basis was started by FFC back in 2005. Up till August, FFC was supporting 193 students in persueing their higher education and in September 73 more students were added to the portfolio. The management has allocated Rs. 5.818 for the recurring and new expenses under the WOF scholarship program.

GIRLS HIGH SCHOOL

Fauji Fertilizer as a company is fully alive to its responsibility and the importance of educated women in any given community. Keeping in view its patriotic commitment to serve Pakistan, FFC allocated Rs. 10 Million to assist the local government for the construction of Government Girls High School Sadiqabad. The project involved construction of 12 new classrooms and renovation of 6 already existing classrooms. The project is paying off in a positive manner as around 1500 students have been enrolled in the institute and are getting quality education.



FFC Sponsorship to Wah Engineering College

FFC, committed to the provision of quality education to the talented and deserving students across Pakistan, has collaborated with Wah Engineering College for the provision of scholarship to the talented and deserving students through FFC sponsorship to student loan program. In light of this commitment, Rs. 4.5 million have been allocated for the sponsorship of 3x students at WEC till date for their complete Engineering Degrees.

Young Leadership Conference 2013

YLC is arranged annually by School of Leadership to impart advance skills, team work and management to the participants through week long interactive activities and session. All these skills are the “just required” set for the youth of Pakistan. Keeping this in view, FFC, through its CSR Department, is set to sponsor 20x participants at 2013 YLC (Karachi) for which Rs. 1.56 million have been allocated for the sponsorship and travel of the participants.



In another project, the MC Girls School Ghot Machhi that was constructed by FFC back in 2012-2013 was upgraded by provision of furniture and fixtures.

Up grade of Pediatric Department at Military Hospital Rawalpindi

Pediatric Department at Military Hospital (Rwp) is the only center performing gastrointestinal endoscopies and colonoscopies in district Rawalpindi. The facility required major upgrades including replacement of medical equipment. In view of the lifesaving service provided by the department to hundreds of patients on daily basis, FFC donated Rs 12 million for the procurement of state of the art medical equipment including fully operational Endoscopy Operational Theater. This upgrade will enhance the efficiency and capacity of the Pediatric Department with service to underprivileged patients from across the district.

Uplift of Community Park at National Institute of Health Islamabad

CSR Department has donated Rs 1 million for the uplift of ladies park and playground situated at National Institute of Health. NIH is the apex public health organization which is engaged in providing diagnostic services for the time control of epidemics. NIH receives over 400 patients on daily basis from across Pakistan.

Donation of Patient Electric Cart to National Institute of Heart Diseases

National Institute of Heart Diseases (NIHD), situated in Rawalpindi is a quality coronary health facility, which is providing lifesaving treatment to hundreds of patients on daily basis. Heart patients undergoing treatment at the facility in routine require transportation between different health facilities situated within the premises of the facility.

For this, CSR Department has extended donation for an electric cart vehicle for the transportation of patients within NIHD. Being electric, the cart is also

environmental friendly as improvement and safeguards of environment is one of the primary segment of FFC CSR program.

FFC CSR Collaboration with Autism Society of Pakistan

Autism Society of Pakistan is a nonprofit organization pioneering the awareness and assistance to autism affected families. ASP has established its first Autism Resource Center (ARC) at Rawalpindi and plans to carry the same concept to different cities as well. For this, FFC CSR has extended a donation of Rs 0.5 million to Autism Society Pakistan for the expansion of Autism Resource Center.

Renewable Energy at Sona Public School and Sona Welfare Hospital

Environmental protection and conservation is an important aspect of FFC CSR program. In 2013 CSR department has initiated the installation of 9 Kilo Watt Solar Energy System to power the energy needs of Sona Public School and Sona Welfare Hospital. The project also includes conversion of conventional lights to LED for energy conservation.

This is in continuation of the first phase carried out by CSR department at Sona Public School with the installation of 6.5 KVA solar energy solution. Also, in line with FFC CSR vision of providing uplift and relief of underprivileged communities, a solar tube well has been installed at a remote village of Sangarpur along with uplift of BHU/ Dispensary present at the village.

Collaboration with Cadet College Larkana

Cadet College Larkana is providing quality educational and boarding facility to hundreds of talented students from across the country. In 2013 FFC donated 5 LED TV's to Cadet College Larkana to further improve the recreational facilities provided to the students of the institution.

Miscellaneous Sports Activities at FFC Plantsite

FFC is playing patron to various sports activities across the country. In 2013 notable sports initiatives are as following;

- I. Sona Cup Kabaddi Tournament
- II. Sona Cup Hockey Tournament
- III. Sona Cup Volleyball Tournament
- IV. Sona Cup Football Tournament

- V. Sona Golf Tournament
- VI. Sona Lawn Tennis Tournament
- VII. Tour-de-Pakistan Cycle Race
- VIII. Sona Cup Dangal

In addition to this, FFC CSR also extended its sponsorship to district level tournaments including Table Tennis, Girls Volleyball, Badminton, Handball and Basketball.





Other Activities-Sports

13th Invitational Sona Cup Golf

3rd Interdepartmental Cricket Cup (HO)

Punjab Golf Cup (Gujranwala)

Collaboration with Rescue 1122



Rescue 1122, the lifesaving service that helps millions through emergency helpline and response was donated 100ft (2 ½ Ft Diameter) hose pipe for firefighting in multistory buildings by FFC. Furthermore, GM Plant site donated 1000 safety books for general awareness.

Miscellaneous Sponsorships

The miscellaneous sponsorships that FFC has offered to the brightest and most inspiring talent of Pakistan are as follows:

- **Shahzaib Ali** (Student of FFC School MM) for his participation at International Mathematical Olympiad at Santa Marta USA (Rs 0.232 million)
- Higher Education Sponsorship to **Hassan Zahid** on Humanitarian Grounds for BBA (SZABIST) (Rs 0.196 million)
- Higher Education Sponsorship to **Rayyan Jamil** on Humanitarian Grounds for BCS (SZABIST) (Rs 0.065 million)
- Conference by **Pakistan Skill and Technical Development** on HSE and Sustainable Business Practices at Karachi (Rs 0.35 million)
- **Alina & Mahin Aftab** (Top Pakistani Junior Women Tennis Players) for Professional Training in Spain and Belgium (Rs 0.767 million)



The CSR team with FFC ambassadors for Tennis - Alina & Mahin Qureshi



SM-CSR with Pakistan Poverty Alleviation Fund Delegation



SM-CSR with Head of Muslim Aid International



Shaukat Khanum Social Responsibility Award