















GRI CONTENT

BACKGROUND TO THE GRI SUSTAINABILITY REPORTING STANDARD

This index is organized using the GRI Standard (Comprehensive Option). The United Nations Global Compact (UNGC) principles are also being referenced and Sustainable Development Goals are being mapped with GRI Standard.

Full Coverage	
Partial Coverage	
No Coverage	

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<i>GENERAL STANDARD DISCLOSURES</i>						
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102-1	Name of the organization	18				
102-2	Activities, brands, products, and services	89				
102-3	Location of headquarters	18				
102-4	Location of operations	18		ARL Operates only at Morgah Rawalpindi in Pakistan		
102-5	Ownership and legal form	18				
102-6	Markets served	89				
102-7	Scale of the organization	1, 18, 32, 81, 82				
102-8	Information on employees and other workers	31, 32	8	The third party workers are contract workers employed through contractors performing multiple tasks & services including general, janitorial, gardening, security & maintenance.		
102-9	Supply chain	82-84				



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102-10	Significant changes to the organization	-		No significant changes occurred during the reporting year		
102-11	Precautionary Principle or approach	-		The proactive approach and the precautionary principle are essentially assured by the risk assessment of all areas of refinery by the implementation of international standards, regular internal and external audits and through extensive trainings		
102-12	External initiatives	99-100		ARL is complying with the code of corporate governance of Pakistan Stock Exchange Limited. ARL has voluntarily adopted the ten principles of UNGC on Jan-2008 as a guideline to business management. ARL has also adopted UN Sustainable Development Goals in its business practices.		
102-13	Membership of associations	100				
Strategy						
102-14	Statement from senior decision-maker	5				
102-15	Key impacts, risks, and opportunities	8-12				
Ethics and integrity						



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102-16	Values, principles, standards	7	16			
102-17	Mechanisms for advice and concerns	36, 40, 51	16	Employee Relations Manual (ERM) is the company rule book and guideline for all the matters of the Management staff. Labor Laws (Code of Labor) is the manual and guideline for the non-management staff/Apprentices staff in order to seek advice on matters related to organizational integrity and alike		
Governance						
102-18	Governance structure	16				
102-19	Delegating authority	20-21		For further details refer to the department tab at www.arl.com.pk		
102-20	Executive-level responsibility for economic, environmental, and social topics	20		There are executive level position having responsibilities regarding economic, social and environmental topics and these report to the governance body through HODs and CEO. For further details refer to the department tab at www.arl.com.pk		
102-21	Consulting stakeholders on economic, environmental, and social topics	-	16	We value the concerns/recommendations of our stakeholders. The shareholders' can give their feedback/recommendation in general meetings of the company. CEO has formulated various committees comprising of senior management on operational, environmental & financial matters of the Company, which regularly give their feedbacks on the matters concerning their respective area to the CEO & where		



				appropriate, the CEO update the Board on any specific matters highlighted by the committees		
102-22	Composition of the highest governance body and its committees	16-17	5,16			
102-23	Chair of the highest governance body	5-6	16			
102-24	Nominating and selecting the highest governance body	-	5,16	The shareholders of the Company after every three years elect a Board of Directors amongst them, in accordance with the eligibility criteria given in the Companies Act 2017 and the prevailing Listing Regulations of the Pakistan Stock Exchange Limited. The Directors so elected act on behalf of the shareholders and review the overall management of the Company. Most of the Board members are on the Board for the last decade and have developed expertise in the financial, operational, economic and environmental aspects of the Company. The Board has also formed different Committees, which meet regularly and assist the Board on respective mandate assigned to them. While nominating members of the Board Committees, the relevant expertise of the Board members is considered.		



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102-25	Conflicts of interest	-	16	Directors and employees, irrespective of their function, grade or standing, must avoid conflict of interest situations between their direct or indirect (including members of immediate family) personal interests and the interest of the Company. Also, no employee will perform any kind of work (involving monetary benefit directly or otherwise) for a third party without proper approval of CEO. Employees must notify their direct supervisor of any actual or potential conflict of interest situation and obtain a written ruling as to their individual case. In case of directors, such ruling can only be given by the Board and will be disclosed to the shareholders		
102-26	Role of highest governance body in setting purpose, values, and strategy	17 & 21		The CEO has formulated various committees comprising of senior management, which assists in operational and financial matters of the company. The CEO reviews and approves policies, strategies, and goals in different meetings from time to time. Highest governance body approves the policies and strategies related to economic, social and environmental aspects in quarterly meetings after discussion.		



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102-27	Collective knowledge of highest governance body	-	4	The complete portfolio of highest governance body has been disclosed at http://www.arl.com.pk . The Company's management encourages its senior management to participate in international and local workshops, seminars etc. to enhance their knowledge of economic, environmental and social topics. Further the Company organize Human Resource and HSE Conferences on regular basis for the professional development of its management. The management also encourages its senior management to write articles in International Magazine/ Journals.		
102-28	Evaluating the highest governance body's performance	-		The Board strives to continuously improve its and Board Committees' effectiveness. Board of Directors has developed a mechanism as required under the Code of Corporate Governance to undertake annual evaluation to assess Board's and its Committees' performance. The Board also reviews developments in corporate governance to ensure that the Company always remains aligned with best practices for economic, environmental, and social topics.		



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102-29	Identifying and managing economic, environmental, and social impacts	17 & 21	16	The Board has formed different Committees which are identifying and managing the economic, environmental, and social impacts. Meetings are held regularly to assist the Board in identifying and managing economic, environmental, and social topics. The CEO has also formulated various Sub-Committees comprising of senior management, which assist him in looking after economic, environmental & social risks and opportunities.		
102-30	Effectiveness of risk management processes	-		A Risk Management and Strategic Plan Committee has been formulated by the CEO, which reviews and decides all matters relating to risk management, strategic plan and its effectiveness. On annual basis a Risk Management Report of the said Committee is forwarded to the Board of Directors for their review of the effectiveness and further recommendations		
102-31	Review of economic, environmental, and social topics	-		The meeting of Board of Directors are held on quarterly basis to approve the financial statements and to review and consider any other matter relating to economic, environmental and social impacts, risks, and opportunities. Special board meeting are also held to review and consider any urgent business.		
102-32	Highest governance body's role in sustainability reporting	14				



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102-33	Communicating critical concerns	-		Any critical concern regarding any potential risks and opportunities relating to operations, health, safety & environmental impacts on local community are communicated to the CEO by the senior management in the fortnightly Management Committee meetings & if required earlier. After considering the sensitivity of the information as the case, may be it is communicate to the Board.		
102-34	Nature and total number of critical concerns	5-6, 8-12, 15 & 21		As per policy, all critical matters relating to operation and environment are communicated to the Board. The Board gives guideline to the management for amicable resolution of the problem. As part of its future upgradation, The Board has planned to install a Continuous Catalyst Regeneration (CCR) Unit for further improvement of PMG pool octane and The Licensor Front End Engineering Design (FEED)/Basic Engineering Design Package (BEDP) for the Continuous Catalyst Regeneration (CCR) Reformer Unit have been completed by M/s Honeywell UOP, USA.		



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102-35	Remuneration policies	-		The Board of Directors have formulated a Directors' Remuneration Policy. Its main features include that every director including alternate directors are entitled to meeting fee as remuneration for attending meetings of the Board of Directors. No remuneration shall be paid for attending General Meeting(s) or meetings of the Committee(s) of the Board and/or any other business meetings of the Company		
102-36	Process for determining remuneration	40				
102-37	Stakeholders' involvement in remuneration	-	16	Stakeholders' views are sought and taken into account regarding remuneration through independent organizational surveys, HR resources, & remuneration committee of BOD		
102-38	Annual total compensation ratio	-		Not mentioned because of confidentiality		
102-39	Percentage increase in annual total compensation ratio	-		Not mentioned because of confidentiality		
Stakeholder engagement						
102-40	List of stakeholder groups	23-30				
102-41	Collective bargaining agreements	37				
102-42	Identifying and selecting stakeholders	23	8			



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102-43	Approach to stakeholder engagement	23-30, 95-97				
102-44	Key topics and concerns raised	23-30				
Reporting practice						
102-45	Entities included in the consolidated financial statements	-		All the information presented in this report relates only to ARL's operation at Morgah, Rawalpindi		
102-46	Defining report content and topic Boundaries	13				
102-47	List of material topics	15				
102-48	Restatements of information	13				
102-49	Changes in reporting	13				
102-50	Reporting period	13-14				
102-51	Date of most recent report	13-14		Annual Report Published on August 26, 2020 & Sustainability Report on March 15, 2020		
102-52	Reporting cycle	13-14				
102-53	Contact point for questions regarding the report	14				
102-54	Claims of reporting in accordance with the GRI Standards	13-14, 102				
102-55	GRI content index	102				
102-56	External assurance	-		The external assurance for the GRI Standard Compliance has not been done this year while all other aspects of the report are audited and assured under different certification bodies and compliance obligations		



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Management Approach						
103-1	Explanation of the material topic and its Boundary	15				
103-2	The management approach and its components	15, 36, 37, 41, 93-94	1,5,8, 13,14, 16			
103-4	Evaluation of the management approach	15				
Economic Performance						
201-1	Direct economic value generated and distributed	48	2,5,7, 8,9			
201-2	Financial implications and other risks and opportunities due to climate changes	8-12	13		7	
201-3	Defined benefit plan obligations and other retirement plans	39				
201-4	Financial assistance received from government	-		Government of Pakistan has no shareholding in the company. ARL has not received any financial assistance from Government of Pakistan.		
Market Presence						
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	38	1,5,6			
202-2	Proportion of senior management hired from the local community	31-32	8			
Indirect Economic Impacts						
203-1	Infrastructure investments and services supported	47-50	2,5,7, 9,11			



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203-2	Significant indirect economic impacts	47-50	1,2,3,8,10,17			
Procurement Practices						
204-1	Proportion of spending on local suppliers	92	12			
Anti-corruption						
205-1	Operations assessed for risks related to corruption	51	16			
205-2	Communication and training about anti-corruption policies and procedures	51	16			
205-3	Confirmed incidents of corruption and actions taken	51	16			
Anti-competitive behavior						
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	51	16			
Materials						
301-1	Materials used by weight or volume	56	12,8	Only crude oil was purchased externally while all other resources are sourced internally	8	
301-2	Recycled input materials used	56	12,8		8,9	
301-3	Reclaimed products and their packaging materials	-	8,12	Packaging materials are not in use since fuels are transported via pipelines and bowsers. ARL products sold are not reclaimable hence not applicable		



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Energy						
302-1	Energy consumption within the organization	57-58	7,8, 12,13	The calculations are based on the MMBtu of energy consumed per barrel of crude processed while the conversion factors are taken from Pakistan Annual Energy book	8	
302-2	Energy consumption outside of the organization	57-58	7,8, 12,13	Our significant energy consumption lies within refinery due to refinery operations. Hence we don't calculate energy consumption outside the organization	8	
302-3	Energy intensity	57-58	7,8, 12,13		8,9	
302-4	Reduction of energy consumption	57-58	7,8, 12,13		8,9	
302-5	Reductions in energy requirements of products and services	57-58	7,8, 12,13	ARL's products are not of long life while no services are provided by ARL. Hence we have not included products and services		
Water and Effluents						
303-1	Interactions with water as a shared resource	12, 59	6	All the mentioned data related to water is directly Measured		
303-2	Management of water discharge-related impacts	12, 59	6			
303-3	Water withdrawal	59	6,8,12		8	
303-4	Water discharge	59				
303-5	Water consumption	59, 83, 85				



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Biodiversity						
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	60-61	6,14,15	ARL does not fall in or adjacent to any protected area hence not applicable		
304-2	Significant impacts of activities, products, and services on biodiversity	60-61	6,14,15		8	
304-3	Habitats protected or restored	60-61	6,14,15			
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	60-61	6,14,15	There is no IUCN red listed species and national conservation listed species with habitats in ARL vicinity		
Emissions						
305-1	Direct (Scope 1) GHG emissions	62-63	3,12,13,14,15		8	
305-2	Energy indirect (Scope 2) GHG emissions	-		ARL has its own captive power plant to meet its energy demand, so we have no indirect GHG emissions from purchased electricity		
305-3	Other indirect (Scope 3) GHG emissions	-		ARL doesn't calculate scope-3 emissions		
305-4	GHG emissions intensity	62-63	12,13,14,15			
305-5	Reduction of GHG emissions	62-63	12,13,14,15		7, 8, 9	
305-6	Emissions of ozone-depleting substances	62-63	3,12,13,14,15	There are no emissions of ozone depleting substances at ARL. Purchase of all		



				equipment using ozone depleting substances is discontinued on September 3, 2004 as a matter of policy		
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	62-63, 66	3,12,13,14,15			
Effluents and Waste						
306-1	Water discharge by quality and destination	56, 59, 66	3,6,12,13,14,15		8	
306-2	Waste by type and disposal method	63, 64	3,6,12,13,14,15			
306-3	Significant spills	67	3,6,12,13,14,15			
306-4	Transport of hazardous waste	64	3,12,13,15	ARL doesn't import or export hazardous waste		
306-5	Water bodies affected by water discharges and/or runoff	-	6,12,13,14,15	ARL remained 100% compliant to all the applicable Environmental Regulations and no concerns expressed by any of the stakeholders, it is concluded that ARL's effluent water moving out of the refinery is harmless to the downstream biodiversity of water related habitats.		
Environmental Compliance						
307-1	Non-compliance with environmental laws and regulations	66	12,13,14,15,16			
Supplier Environmental Assessment						
308-1	New suppliers that were screened using environmental criteria	92		A total of 35 new Suppliers are added and assessed on the basis of Environmental Criteria		



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308-2	Negative environmental impacts in the supply chain and actions taken	92		100% of our suppliers have been assessed on the basis of negative environmental impacts inside refinery including the new 35 suppliers.		
Employment						
401-1	New employee hires and employee turnover	31-32	8,5			
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	37-38	8			
401-3	Parental leave	37-38	8,5			
Labor/Management Relations						
402-1	Minimum notice periods regarding operational changes	37	8	The minimum period is decided with prior mutual discussion on case to case basis.	1,3	
Occupational Health and Safety						
403-1	Occupational health and safety management system	70-75	8			
403-2	Hazard identification, risk assessment, and incident investigation	70-75	3,8	HSEQ policy and Permit to Work System endorses workers to stop work and report immediately if the conditions are not safe		
403-3	Occupational health services	70-75	3,8			
403-4	Worker participation, consultation and communication on occupational health and safety	70-75	8			



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403-5	Worker training on occupational health and safety	70-75				
403-6	Promotion of worker health	70-75				
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	10, 15, 70-75				
403-8	Workers covered by an occupational health and safety management system	10, 15, 31-32, 70-75		100% Employee are covered by ARL's Occupational Health and safety management system		
403-9	Work-related injuries	70-75		There has been no fatality reported during the year		
403-10	Work-related ill health	70-75				
Training and Education						
404-1	Average hours of training per year per employee	33-34	4,5,8			
404-2	Programs for upgrading employee skills and transition assistance programs	33-34	8			
404-3	Percentage of employees receiving regular performance and career development reviews	33-34	8,5	100 % coverage of management and non-management employees by gender and category		
Diversity and Equal Opportunity						
405-1	Diversity of governance bodies and employees	38	5,8	Female employees are a part in the sub management committees on the basis of their experience and technical expertise. However, at present, there no female is included in governance body		



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405-2	Ratio of basic salary and remuneration of women to men	37-38	5,8,10			
Non-discrimination						
406-1	Incidents of discrimination and corrective actions taken	36	5,8,16			
Freedom of Association and Collective Bargaining						
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	36-37	8			
Child Labor						
408-1	Operations and suppliers at significant risk for incidents of child labor	36-37	8,16			
Forced or Compulsory Labor						
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	36-37	8	At ARL, no operation & suppliers is identified having a significant risk for incidents of child and forced labor. We have commitment on the restriction of employment below the age of 18 years and consider it a serious violation to Labor Laws		
Security Practices						
410-1	Security personnel trained in human rights policies or procedures	36	16	All the security staff either directly hired or through third party has been trained on human right policies		
Rights of Indigenous Peoples						
411-1	Incidents of violations involving rights of indigenous peoples	-	2	ARL respects the right of indigenous people and no incident is reported regarding its violation		



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Human Rights Assessment						
412-1	Operations that have been subject to human rights reviews or impact assessments	-		ARL is a member of UNGC and strictly adheres to the Human Rights charter & applicable laws. All the operations at ARL subjected to human rights impacts are assessed. 100% human rights reviews or impact assessments has been made to all operations		
412-2	Employee training on human rights policies or procedures	36-37				
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	36-37		In the reporting year no significant investment agreements were made		
Local Communities						
413-1	Operations with local community engagement, impact assessments, and development programs	26, 43-46				
413-2	Operations with significant actual and potential negative impacts on local communities	26, 43-46	1,2			
Supplier Social Assessment						
414-1	New suppliers that were screened using social criteria	-	5,8,16	ARL assessed 35 new suppliers and ensured 100% assessment of suppliers on social basis including 35 new ones		
414-2	Negative social impacts in the supply chain and actions taken	-	5,8,16	ARL ensures to mitigate any significant actual and potential negative impacts within its boundary and control. Impacts of Suppliers are assessed 100 % and no supplier has been found with potential negative social impacts		



Public Policy						
415-1	Political contributions	-	16	No financial and in-kind political contribution made by the company		
Customer Health and Safety						
416-1	Assessment of the health and safety impacts of product and service categories	93-94				
416-2	Incidents of noncompliance concerning the health and safety impacts of products and services	93-94	16			
Marketing and Labeling						
417-1	Requirements for product and service information and labeling	93-94	12,16			
417-2	Incidents of non-compliance concerning product and service information and labeling	93-94	16			
417-3	Incidents of noncompliance concerning marketing communications	93-94				
Customer Privacy						
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	94	16	No incident reported		



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Socioeconomic Compliance						
419-1	Non-compliance with laws and regulations in the social and economic area	94	16	ARL complies with all country applicable laws, regulations and neither fined nor faced any non-monetary sanctions. No Non-compliance with laws and regulations in the social and economic area was observed during the reporting year		

