



engro

ENGRO HOLDINGS

**ENHANCING GLOBAL GROWTH THROUGH
SUSTAINABILITY, CSR & ETHICS**

- Student SRN:
- Date:



AGENDA

01

Sustainability through
Triple Bottom Line
(TBL)

02

Shared Value & SDG
Strategies

03

CSR Review &
Improvement Plan

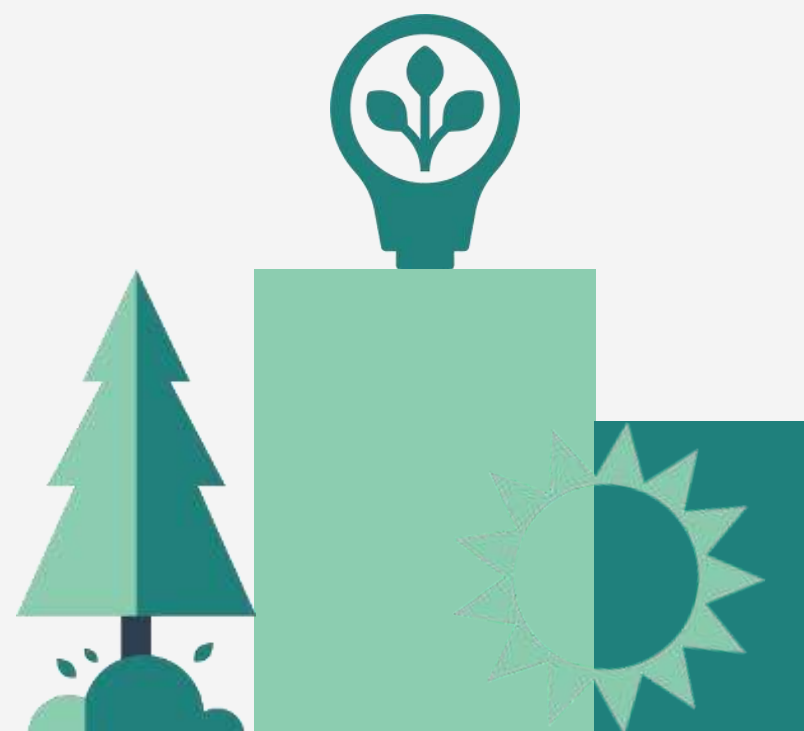
04

Ethical Risks and
Governance

05

Global Market
Recommendations





SUSTAINABILITY — TRIPLE BOTTOM LINE (TBL)



People

- 3,514 employees in 2023 (↑3% female hiring YoY)
- 83% engagement score (vs 67% global avg) (ASUENE, 2024)
- 5,000+ farmers trained in 2023 via community programs

Planet

- 1.8M tonnes of CO₂ emissions (Scope 1+2)
- Investments in Zero Gap membrane tech, saving 1.8MW energy (Carroll, 1991)
- Biodiversity projects like the Thar Million Trees initiative

Profit

- PKR 482B revenue (+35% YoY)
- PKR 36B adjusted PAT (Energy Update, 2022)
- \$835M foreign exchange saved via local production

TBL GAPS IDENTIFIED

Environmental:

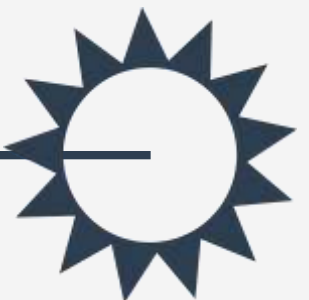
- Heavy emissions from fertilizer and petrochemical operations
- Limited shift to renewable energy; energy mix still fossil-fuel reliant

Social:

- Only 12% of employees are female despite DEI initiatives (Engro , 2018)
- No detailed gender pay gap or inclusive leadership data

Profit:

- High dependency on carbon-intensive products (e.g., urea)
- Exposure to environmental regulation risk in export markets



SHARED VALUE / SDG ALIGNMENT



Creating Shared Value (Porter & Kramer, 2006):

- Improve productivity in the value chain
- Strengthen local clusters and economic ecosystems
- Shift business objectives to include societal goals

Aligned SDGs:

- SDG 8: Decent Work – Through job creation and skilling
- SDG 12: Responsible Consumption – Reducing imports via local value chains (Hwang and Kim, 2024)
- SDG 13: Climate Action – Through Zero Gap tech and reforestation

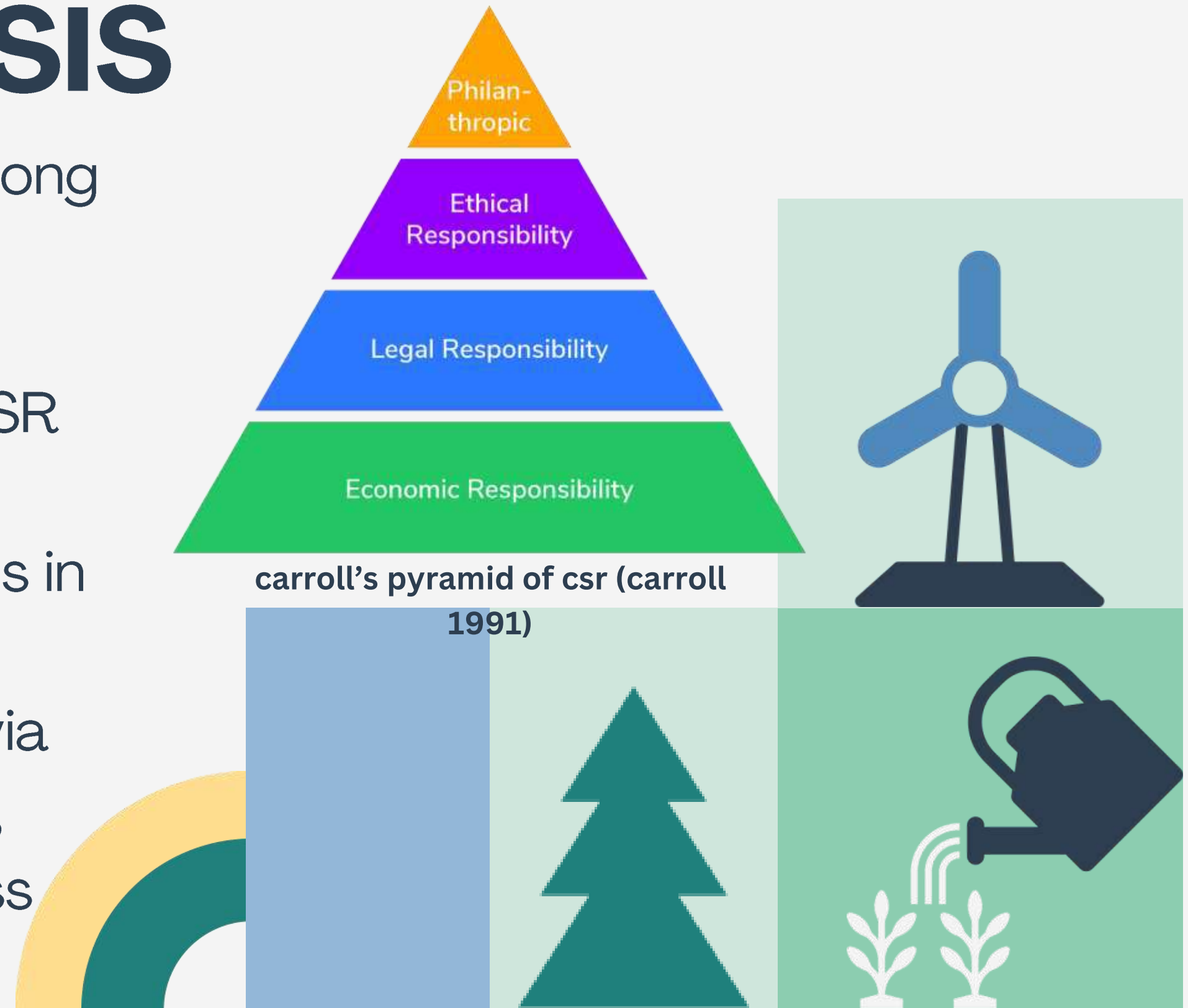
CSV/SDG RECOMMENDATIONS



- Expand renewable energy investments (solar and wind at Thar)
- Extend microfinance and agritech tools to regional farmers in Africa/Asia
- Launch ESG-linked supplier audits and scorecards
- Expand 41-Day Wellness & nutrition programs to new regions
- Integrate SDG metrics in annual reporting and board KPIs (Press Release, 2022)

CSR – CARROLL'S PYRAMID ANALYSIS

- **Economic:** Profit-focused with strong fiscal health
- **Legal:** Complies with Pakistani regulations and stock exchange CSR codes
- **Ethical:** 45+ ethics training sessions in 2023; Anti-bribery policy in place
- **Philanthropic:** PKR 5.2B invested via Engro Foundation; focus on health, education, disaster response (Press Release, 2022)



CSR WEAKNESSES

- CSR is primarily domestic, with no structured framework for international operations
- Lack of third-party ESG assurance or GRI alignment (Press Release, 2022)
- CSR reporting is inconsistent across business units
- Community engagement outside Pakistan is minimal or undocumented



CSR IMPROVEMENT STRATEGY

Johnson's CSR Stances:

- Current: Defensive/reactive; compliance-focused
- Proposed Shift: Proactive stance – align CSR with core global strategy

Steps to Implement:

- Set up global CSR committee and regional taskforces
- Adopt unified CSR metrics across subsidiaries
- Collaborate with local NGOs and UNDP for regional initiatives
- Launch regional CSR reports tied to SDGs (Roszkowska-Menkes, 2023)



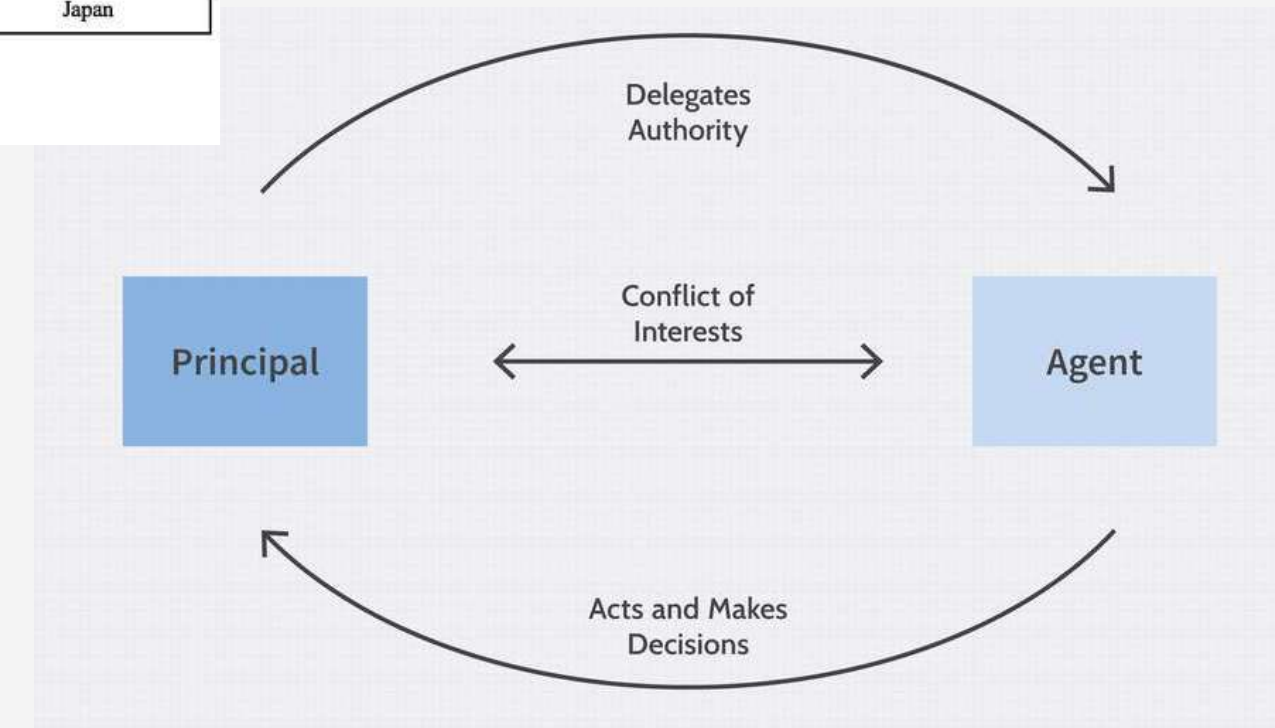
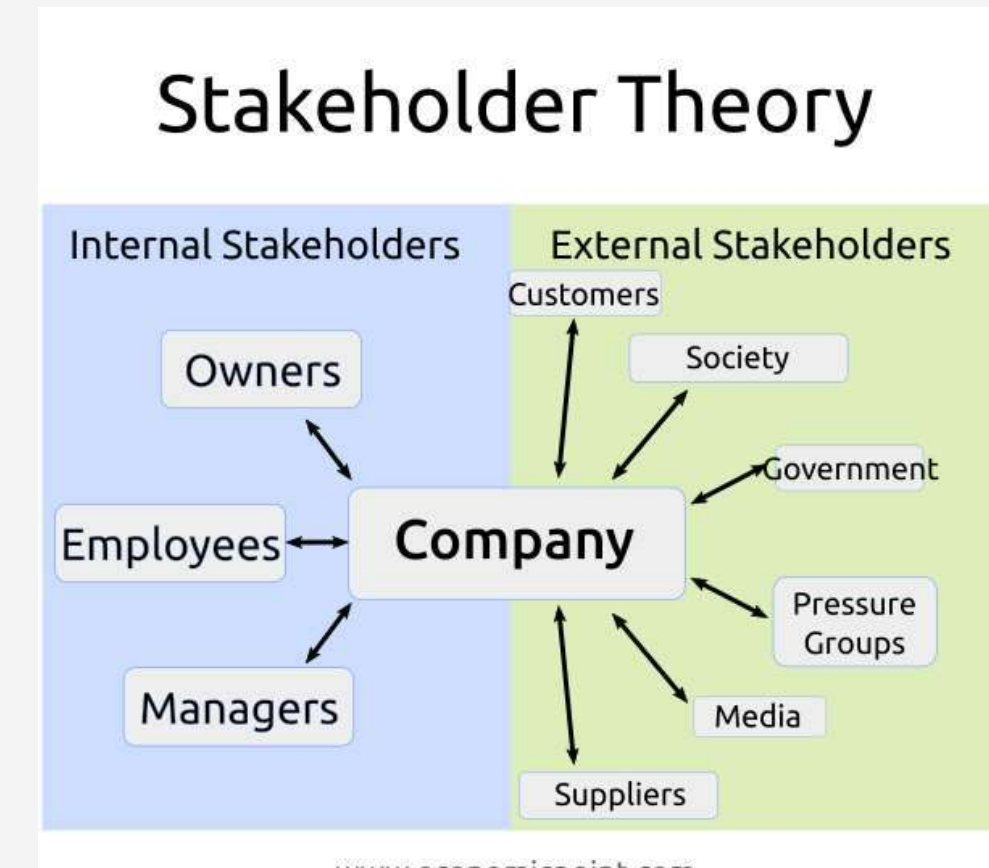
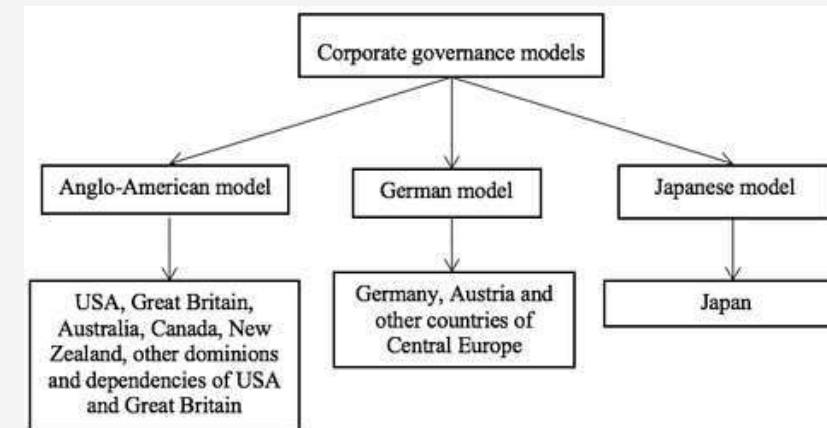
ETHICAL CHALLENGES

- **Bribery & corruption risks:** 4 confirmed violations in 2023 (SSRN, 2020)
- **Underused whistleblower system:** low case reporting
- **Supply chain due diligence gaps:** minimal third-party audits
- **Environmental justice:** Expansion risks impacting vulnerable communities



ETHICAL GOVERNANCE FRAMEWORKS

- **Stakeholder Theory (Freeman):**
- Engage workers, communities, regulators early in expansion
- **Principal-Agent Theory:**
- Implement ethics-linked KPIs for top managers
- **Corporate Governance Models:**
- Expand board diversity; include independent ESG auditors (United Nations, 2025)
- Increase Speak Out platform visibility and feedback loops



GLOBAL ETHICS & RISKS

Europe:

- Must comply with CSRD, ESG disclosures, GDPR

Middle East:

- Adapt policies to Islamic finance, cultural norms, and censorship laws (World Economic Forum, 2020)

Africa:

- Corruption index varies by country; high need for compliance frameworks

Asia:

- Key risks include cybercrime, data privacy, and inconsistent labour protections



STRATEGIC RECOMMENDATIONS

- Reduce carbon emissions via green energy adoption
- Launch global CSR taskforces and unified reporting standards (ASUENE, 2024)
- Establish regional stakeholder engagement units
- Invest in ESG education and data transparency
- Adopt GRI, SDG alignment, and carbon disclosure protocols



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