



MERIT PACKAGING LIMITED

MERIT PACKAGING LIMITED



SUSTAINABILITY Report 2013-2014



MERIT PACKAGING LIMITED
A Lakson Group Company

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A Lakson Group Company

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ABOUT MERIT PACKAGING LIMITED

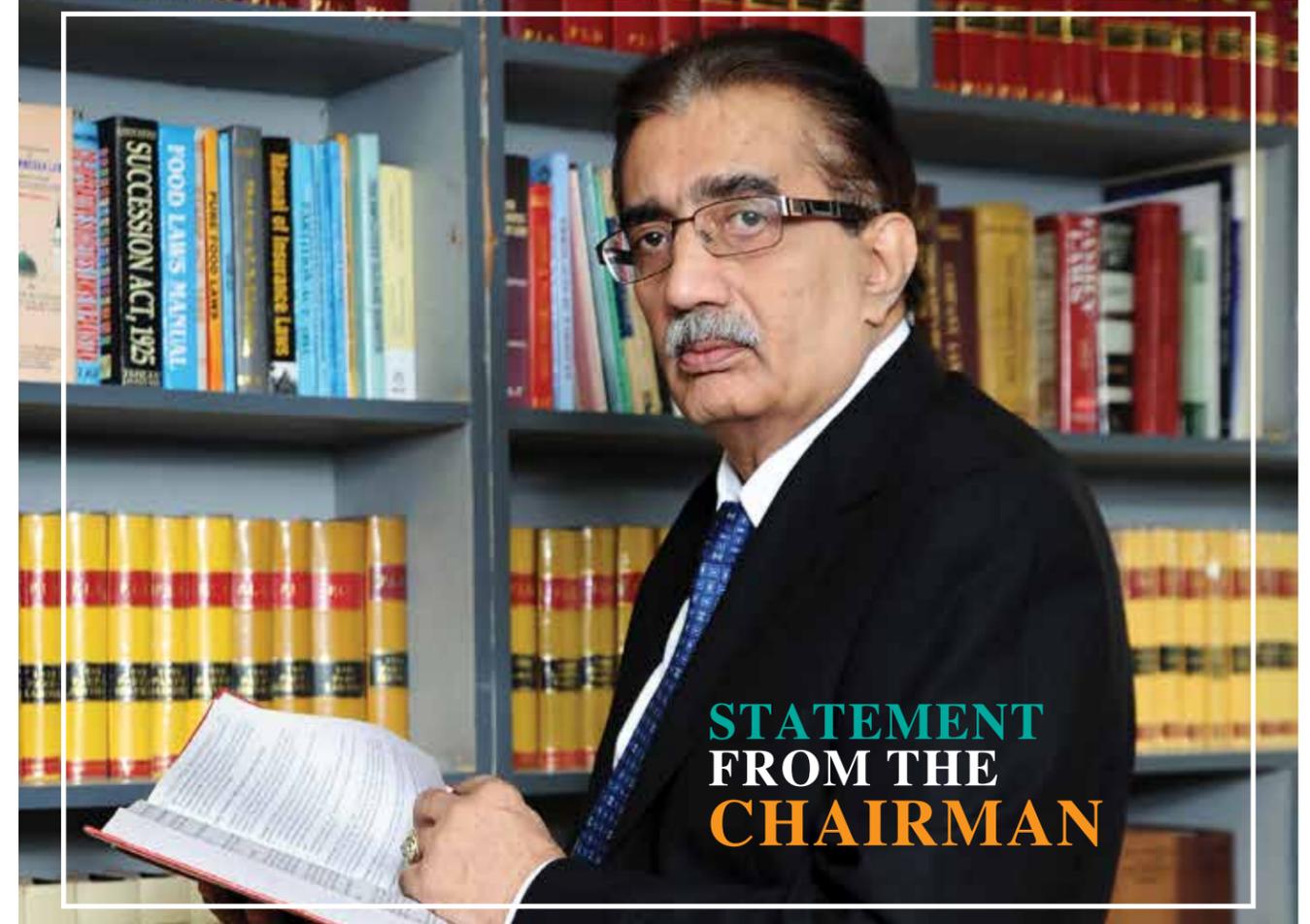
We Merit Packaging Limited are a leading printing and packaging company in Pakistan, committed to responsibly supplying quality products to our customers. Established in 1980, Merit Packaging has become a well-known name in Pakistan over the last three decades. We work closely with renowned national and multinational companies to deliver exceptional solutions that meet their unique offset/flexible packaging requirements including Point of Sale materials.

Our Customer

Our customer base is within Pakistan and represents a wide range of sectors including consumer goods, food and beverage, surgical instruments and textiles. Our clients includes well-known brands such as Nestle Pakistan, Colgate, Unilever and National Foods. We provide our customers with a variety of printed products such as folding cartons, wrappers and labels for different brands of tea, soaps, spices and detergent. Our in-house art department enables us to design these products onsite, using state-of-the-art printing and packaging equipment.

Our Company

Merit Packaging Limited, associated with the Lakson Group of Companies, was incorporated on in 1982 in Pakistan as a Public Limited Company. It operates a single factory in Karachi with an additional facility in Lahore. Its headquarters are located at Lakson Square, Building #2, Sarwar Shaheed Road (Opp. Karachi Press Club), Karachi, Pakistan. There were no significant changes in size, structure or ownership of Merit Packaging Limited in 2013 and 2014.



IQBAL ALI LAKHANI Chairman Merit Packaging Limited

“Businesses should embrace sustainability not as a marketing tool but as an opportunity to redefine the operational boundaries and providing competitive advantage.”

Our world, in which we live, is confronted today with many challenges of severe nature such as; poverty, ageing and ever increasing population, rising global temperatures and many more, but resources are increasingly getting limited. Therefore, sustainable developments offer the best chance to adjust our course and to live within our means under these trying circumstances. It is key to our survival and is an essential part of our corporate culture and an integral part of our strategic plans. As such we will continue to focus on a comprehensive agenda to find ways to support sustainable growth that benefits economies, environment, society and helps in building a successful business through good governance. Sustainability reporting will provide an opportunity to reflect on the journey of growth and on how we integrate sustainable working across our business to align steps with global endeavors on sustainability.

I am particularly pleased with the initiatives taken by Merit Packaging Limited to integrate values of sustainability embedded in all their activities to create value for all stake holders: that include financial value for their shareholders and investors as well as broader value for the society in which they operate.



MESSAGE FROM THE CEO

**Shahid Ahmed Khan
CEO Merit Packaging Limited**

The passion and commitment of our people remains a key driving force to our success...

Sustainability shapes the way we conduct our business and interact with all our stakeholders – customers, colleagues, shareholders, suppliers and the communities around us.

Our vision, strategic objectives and core values underpinned by our Mission and Guiding Principles are closely integrated in all of our policies, procedures, decision-making processes and operations while our “can-do” attitude and continuous improvement methods make us the company that we are today.

We have a broad customer base and we are continuously endeavoring to build it further. With clearly defined objective and targets we try to appropriately address the sustainability risks and opportunities facing our business and our stakeholders. This report provides details of our social and economic performance in addition to environmental results.

Our profitable operations give us the ability to further invest in operations and enhance printing and packaging services for our customers. Profitability and sustainability must go hand in hand as we cannot succeed without aligning our business needs with the needs of our customers, consumers, employees and the society in at large.

Merit Packaging employees possess a determination and “can-do” attitude that push us to reach ever higher standards and goals each year.



IGT PICK VELOCITY TESTER

TMI CREASY TESTER

MARBACH CREASE AND STIFFNESS

FAG CREASY TESTER

IGT PRINT-ABILITY TESTER

BLOCKING TESTER

CORPORATE GOVERNANCE AND ECONOMIC PERFORMANCE

Our Company is run by a Board of eight Directors. We encourage representation of independent non-executive Directors and Directors representing minority interest on Board of Directors. The Board is comprised of an independent Director, two executive Directors and five non-executive Directors. The Board has an Audit Committee, comprised of three members, all of whom are non-executive Directors, including the Chairman of the committee. The meetings of the Audit Committee are held at least once every quarter prior to approval of interim and final results of the Company. The committee reviews overall corporate and financial performance, capital expenditures and is responsible for preparing the annual budget. Its recommendations are sent to Board of Directors for approval. There is a strict internal check mechanism through highly qualified internal audit team which submits an internal audit report regularly.

This is in addition to external auditing. Performance records are checked and compared with previous year's performance and budget. In Addition to the Board of Directors and the Executive Management, there are committees in place responsible for various issues including monitoring of receivables, fixed expenses and maintenance work in the company.

The company holds AGM (Annual General Meeting) as prescribed by SECP (Security Exchange Commission of Pakistan) where all shareholders participate to review the company's operational performance/profitability and to make recommendation if necessary. We have placed a suggestion box in the production hall so that the workers or Union Members can come up with Constructive/Meaningful suggestion pertaining to operational improvements or for carrying out improvements in general. Shareholders, can introduce resolution for company's improvement which can be made part of Annual AGM (annual General Meeting).

Financial Results	2014 (Rs. in thousands)	2013 (Rs. in thousands)
Revenues	1,884,959	1,389,258
Operating costs	1,724,548	1,323,784
Employee wages and benefits	116,274	119,446
Payments to providers of capital (Dividend)	96,138	98,118
Payments to government (Taxes & levies)	333,038	220,472

Guided by ongoing continuous improvement processes, path towards sustainable growth and sustainability improvement has enabled Merit Packaging to continually deliver increased levels of performance in 2013-14 and beyond. I invite you to take a closer look at Merit Packaging's sustainability successes and challenges pointed out in this document, and look forward to reporting continued progress over the coming years. In 2013, we experienced challenging times and various strategies were introduced to bring the company out of loss. Efforts included aggressive penetration in market and motivating staff members to put in their best efforts. Investments in technology were also envisaged. Taking these steps, we hoped to see better results the following year. During the year 2014, with the induction of new machine for foil jobs and by bringing diversified value added jobs (through better market penetration) Merit Packaging came out of losses and was able to earn profit before tax. Employee's wages and benefits decreased because through better management of work force.

OUR EMPLOYEES

Merit Packaging believes that key to productive and efficient workforce is keeping them happy by continuously providing them chances to improve upon their skills. In the year 2013, Merit made investments in its employees. Employees were sent on numerous trainings, both locally and abroad, such as training on Gas Chromatography, WVTR/ OTR, Blown Film, Machine Inspections, etc. Merit Packaging also obtained various ISO certifications in 2014, and employees were provided training on ISO 22000, PAS 223, risk assessment (fire and evacuation), EMS ISO 14001, and many others. The company focused on building employee skills in order to bring out their optimum potential.



AWARD CEREMONY AT MERIT TO KEEP EMPLOYEES MOTIVATED



FIRE DRILL EXERCISE FOR EMPLOYEES BY A QUALIFIED TRAINER



GRI Specific Disclosure:
G4-LA1, G4-LA2, G4-LA16

GRI Standard Disclosure:
G4-10, G4-11

GRI Standard Disclosure:
G4-56

GRI Specific Disclosure:
G4-LA6, G4-LA8, G4-LA16, G4-HR5,
G4-HR6, G4-SO4, G4-SO5, G4-SO8



MERIT PACKAGING LIMITED

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Merit Packaging is also focused on providing a comfortable life to its employees. We treat our employees fairly, compensate them according to industry standards, and provide them benefits while ensuring a safe working environment. Our employee benefits include provident fund, gratuity, medical insurance and group insurance. In the year 2013, in coordination with the welfare board, we awarded 24 flats to workers while providing educational assistance to the workers children. We also provided Rs. 80,000/- each in dowry to 5 of our workers. Merit Packaging acknowledges the efforts of our employees in different ways. To appreciate employees for their hard work and dedication, every year an award ceremony is held, where all employees completing 10, 15, 20, 25, and 30 years are awarded shields of honor. In 2014, Employees having shown phenomenal performance were awarded computers and tablet PCs, along with cash rewards.

Workforce by Contract, Employment Type, Category and Gender	2014		2013	
	Females	Males	Females	Males
Permanent employees	5	211	5	198
Temporary employees	-	-	-	-
Full time employees	5	211	5	198
Part time employees	-	-	-	-
Line workers	0	96	0	106
Management	5	115	5	92

New Employee Hires and Employee Turnover	2014	2013
Number of employees at beginning of year	203	255
Number of employees who left	20	76
Number of new employees hired	33	24
Number of employees at end of the year	216	203

In 2014 our total workforce grew to 216 employees compared to 203 in the year 2013. There are no temporary workers employed in Merit Packaging limited. All employees are working full time. Line workers include Helper, Assistant Operator, etc. Approximately 43% of our workers are covered by collective bargaining agreements. At Merit Packaging CBA elections are held every two years, in which candidates belonging to or having affiliation with different Labor Unions/Groups can participate. The participating members are part of two unions. Once the votes are cast, the winning party forms the CBA. The management and CBA enjoy cordial working relations: The management looks after the interest of employees on the whole and providing them the opportunities to grow professionally, when CBA taking care of the workers as per permissible rules and regulations under Factory's Act. CBA is always informed of operational changes well in advance.

Maintaining a healthy relationship between the management and CBA ensures trouble free productivity in the company which contributes positively to the country's GDP. An impartial team is assigned for labor practices grievance mechanisms, which gives employees freedom and opportunity to present their side of the story before a final decision is taken by the management. The management works hand in hand with the CBA and grievances are given proper weight in finalizing it CBA's charter of demand. Labor-management healthy and cordial relationship are evident from the fact no grievance was filed during the reporting period.

HEALTH AND SAFETY

Merit Packaging ensures its employees work in healthy and safe working conditions. Employees are provided with soap for personal care, timely medical treatment whenever needed on duty, social security, safety shoes, proper uniforms and personal protective equipment. It also provides Hygiene Cards to all employees for free medical checkups after every six months. There is always a stand by vehicle at the factory to carry workers to the nearby hospital for emergency treatment in case of accidents. This information is provided in the Management-CBA agreements. We are pleased to report that in the years 2013 and 2014 there were no incidences of work-related injuries or fatal incidents.

OUR VALUES

Merit is committed to a high standard of ethics regarding its customers and workers. We conduct all aspects of business in accordance with ethical policy and expect our employees as well as our clients to demonstrate a similar commitment to honesty and transparency in business dealings.

Our company's Code of Conduct has clearly defined policies that discourage bribery, corruption, blackmailing, bullying, or any other kind of anti-social activity. Employees are provided with the Code of Conduct during their orientation week and instructed to strictly follow the company's rules and regulations. No instances of corruption were reported to the management in 2013 and 2014. Our policy includes adoption of the widely accepted standards of the International Labor Organization (ILO) convention. All of our employees, upon commencing employment, are required to undergo training on all aspects of our ethical policy, including issues regarding corruption and human rights. Our company discourages child labor, and forced labor at its workplace. The company verifies the age through documents/ NIC and then offers employment.

In 2013 Merit Packaging set its sights on obtaining Supply Ethical Data Exchange (SEDEX), a certification which focuses on business ethics, health and safety, labor laws and the environment. This was done to meet the requirements of clients, including national and multinational companies.

CSR AWARENESS ACTIVITIES AT LAHORE SCHOOL OF ECONOMICS



STRENGTHENING OUR COMMUNITIES

We are committed to strengthening our communities by supporting health, education and welfare of our neighborhoods. We encourage our employees to participate in volunteering programs such as charity drives to aid the homeless and victims of national disasters. We believe that investing in childhood education is key to foster the skills of the world's future leaders. We therefore, place emphasis on the needs of young people. Increasing the literacy rate is one of the core agendas of government. Through 'Hasanli and Gulbano Lakhani foundation', we provide support to company employees to take care of their children's educational needs. Applications for scholarships are reviewed by our head office and selected applicants are given PKR 1,000 to 1,200 in financial aid. The company also facilitates the employees through CBA's charter of demand that provides for a lucky draw to send the employee to Hajj. This activity is carried out every year with two to three people winning the lucky.

HAJ BALLOTING AT MERIT



OUR SUPPLY CHAIN

Merit Packaging manufacture Offset Printing Cartons, Point of Sale Material & Wrappers through Offset Printing and Pouches through Gravure Printing for Multinational & National Companies. On the Offset side the company uses paper & paper board from Vendors that are certified through Forest Stewardship Council.

Being ISO & Sadex Certified Company Merit Packaging follow the requirements of good business practices, such as discouraging child labor & other unethical business practices. Our commitment to conduct business in a socially legal, ethical & responsible manner is evident in our Supply Chain activities. The company has well defined procurement and anticorruption practices.

MEMBERSHIP IN TRADE ORGANIZATION

Merit Packaging got itself registered with some of the leading trade organizations such as: KATI (Korangi Association of Trade & Industry), EFP (Employers Federation of Pakistan), PAPGAI (Pakistan Association of Printing and Graphic Arts Industry), KSE (Karachi Stock Exchange), KCCI (Karachi Chamber of Commerce and Industry).

At the request of multinational customers, we have initiated the process to acquire FSC certification by the year end 2018.

TOP MANAGEMENT MEETING FOR FINALISATION OF SUSTAINABILITY REPORT



FOLLOWING ARE THE DETAILS OF INDICATORS WITH RESPECT TO SUSTAINABILITY REPORTING AT MERIT PACKAGING LTD AND IT'S RELEVANCE FOR INCLUSION IN THIS REPORT:

ASPECT	RELEVANT TO	REASONS
Economic performance	Merit Packaging, its shareholders and new investors	Investors tends to focus on company's economic performance. If ROE of company is in normal range that is acceptable for a good company new investor are attracted and existing retained otherwise if ROE declines investor would divest from company.
Material	Merit Packaging, its supplier, customers and consumer level	Merit packaging believes in effective utilization of resources that enables to reduce wastage of material and which ultimately reduces production cost and improve material aspects.
Effluent and Waste	Merit Packaging and local communities	Waste and Effluent discharged by Merit packaging may have adverse effect on environment or health of general public. For this Merit packaging is planning to adopt waste reduction policies.
Occupational Health and Safety	Merit Packaging and its employees	Merit identifies health and safety hazards at the work place and tries to minimize the risk of injury and illness. Our health and safety goals, investments and continuous improvement efforts speak to our commitment to our stakeholders.
Training and Education	Merit Packaging and its employees	Training and educating employee is the excellent way to retain best employees. Merit packaging provide training to its employee which helps Merit to stay competitive and maintain highly skilled and motivated staff.
Child labor and forced labor	Merit Packaging	Merit code of conduct discourages child labor and forced labor in the company.
Procurement practices	Merit Packaging	Merit Packaging specifically allocate Budget for local suppliers to build relations with suppliers which reduce lead time and helps in economic growth of society in which we operate.
Energy	Merit Packaging and local communities	Merit believes in efficient use of energy. Its goal is to reduce amount of energy required to provide product thereby reduce production cost which led to increased efficiency.
Labor Practice and grievance mechanism	Merit Packaging	Merit maintains healthy relationship between the management and CBA to ensure trouble free operations in the company. This healthy relationship reduces wastage of time by timely resolution of grievances of labors.
Anti-corruption	Merit packaging and its shareholders	Corruption threatens sustainable economic development, ethical values and justice. Merit's code of conduct defines its anti-corruption policies which is implemented at all level in the organization.

COMMITMENT TO QUALITY AND MANAGING ENVIRONMENTAL IMPACTS

Quality Control

Our commitment to quality is central to our success in the printing and packaging industry. Merit Packaging implements quality management systems (QMS) to ensure that proper quality standards are implemented at our premises. The certifications, we have obtained are a testament to this commitment.

Merit Packaging has so far obtained the following certifications:

- Food Safety Management System (ISO 22000: 2005)
- PAS 223
- Environmental Management System (ISO 14001: 2004)
- SEDEX (Supplier Ethical Data Exchange: 2013)

Through these Food Safety Management System (FSMS) certifications, we comply with all food safety standards for packaging, both primary and secondary. Additionally, our quality management systems were renewed according to the ISO 9001-2008 standards.





MERIT PACKAGING LIMITED

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Energy Consumption	2014	2013
Natural Gas	213,806 Units	241,553 Units
Diesel	18,578 Litres	51,000 Litres
Electricity	2,949,809 KWh	2,391,033 KWh

Merit Packaging is planning to implement a program to help reduce CO2 emissions. Work is being carried out to have a centralized HVAC (Heating Ventilation and Air Conditioning) system to replace the split units which have R-22 gases that are not environment friendly. The centralized chilling unit will have R-156 gases that will not affect ozone layer. The company is envisaging to replace DC motors with inverter technology that will reduce power consumption by almost 50%.

In 2014, we replaced a DC motor of Offset Printing Machine (OP-20) with inverter technology as mentioned earlier. This led to significant savings in power. Furthermore, Merit Packaging was awarded EMS ISO 140001, acknowledges that it follows the standard policies and procedures which help protect the environment through effective utilization of resources.

Materials Used	2014 (Kg)	2013 (Kg)
Inks	285,413	180,945
Plastic	1,226,211	760,614
Paper Board	10,419,359	8,901,851
Paper	31,356	39,529

Waste Generation	2014	2013
Damaged paper & board	35,654,231	30,445,302
Plastic cans and drums	544,681	643,829
Iron cans and drums	792,846	652,480
Used generator oil	8,686	7,425
Regular waste water – municipal sewer	210,480 m ³	200,457 m ³
Process waste water – offsite treatment	207,060 m ³	197,200 m ³

We protect the environment through strict monitoring and control of hazardous waste and follow an EPA-approved waste disposal system. The figures represent the quantity of material disposed of as wastage. Inks, cotton rags, other waste and waste water are disposed of in an environment friendly manner. The main raw materials come from wood pulp that is based on naturally renewable resources. Wood pulp used in paper and paper board manufacturing comes from sustainable managed European forests. We offer our customers products from responsible sources.

As a precautionary approach, raw material (Paper & Paper Board) is sold out to Group Company Century Paper and Board Mills for manufacturing Recycled Grade Boards to mitigate its adverse effect on environment.

ABOUT THIS REPORT

Our deep commitment to continuous improvement is evident from the goals we set to minimize negative impacts on the environment and surrounding community. Regular reporting on this performance helps Merit Packaging focus on achieving long-term sustainable growth. Our 2014 Sustainability Report describes our commitment to corporate responsibility and the areas we consider to be of material importance to our business, customers, suppliers and other stakeholders.

This report covers the period July 1, 2013 to June 30, 2014. Merit Packaging published its first sustainability report in 2012. This is our second sustainability report prepared in accordance with the Global Reporting Initiative (GRI) framework and our first report prepared according to the current GRI G4 Guidelines in accordance with the 'Core' option.

The scope of this report was based on a formal materiality assessment that identified the relevancy and boundaries of all aspects within the G4 framework. From this process, we identified 12 sustainability indicators of greatest importance to Merit and its internal and external stakeholders. The report discusses major topics on which data is currently available. The data provided relates to the entire Merit Packaging Limited (MPL). It contains no restatements of data and the boundaries for the report have not been changed from previous years. The contents of this report have not been externally verified. Key stakeholder groups regularly engaged and expected to use the report are customers, employees, trade associations, and investors.

Merit has identified the following topics as material for GRI reporting:

- Economic Performance
- Materials
- Effluents and Waste
- Occupational Health and Safety
- Training and Education
- Forced Labor
- Procurement Practices
- Energy
- Employment
- Labor Practices Grievance Mechanisms
- Child Labor
- Anti-Corruption

All aspect reported are material and relevant for Merit Packaging itself in its areas of operation and are also relevant to its suppliers and customers. Following table below explains the relevance of each material aspects.

Merit Packaging Limited

17- B Sector 29, Korangi Industrial Area

Karachi, Pakistan

For questions regarding this report and its contents:

Tariq Alam Jah

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Email: tariq-alamjah@meritpack.com

GRI G4 CONTENT INDEX



GENERAL STANDARD DISCLOSURES		Page	External Assurance	Coverage
STRATEGY AND ANALYSIS				
G4-1	Chairman / CEO Statement including the relevance of sustainability to the organization and its strategy	3-4	NO	
ORGANIZATIONAL PROFILE				
G4-3	Name of the organization	2	NO	
G4-4	Primary brands, products, and/or services	2	NO	
G4-5	Location of organization's headquarters	2	NO	
G4-6	Number of countries where the organization operates	2	NO	
G4-7	Nature of ownership and legal form	2	NO	
G4-8	Markets served	2	NO	
G4-9	Scale of the organization (employees, sales, capitalization, quantity of products or services provided)	6-8	NO	
G4-10	Total workforce by gender, employment type, employment contract, and region	8	NO	
G4-11	Percentage of employees covered by collective bargaining agreements	8	NO	
G4-12	Description of supply chain	10	NO	
G4-13	Significant changes during the reporting period regarding size, structure, ownership, or supply chain	2	NO	
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organization	14	NO	
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	13	NO	
G4-16	Memberships in associations and/or national/international advocacy organizations	10	NO	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-17	Entities included in the organization's consolidated financial statements or equivalent documents and whether entities listed in such documents are not covered by the report	15	NO	
G4-18	Process for defining report content and Aspect Boundaries	15	NO	
G4-19	Material Aspects identified in the process for defining report content	15	NO	
G4-20	Report Boundary for each material Aspect including limitations	12	NO	
G4-21	Materiality of Aspects outside the organization and limitations	12	NO	
G4-22	Effect of and reasons for re-statements of information provided in earlier reports	15	NO	
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	15	NO	

STAKEHOLDER ENGAGEMENT				
G4-24	Stakeholder groups engaged by the organization	15	NO	
G4-25	Basis for identification and selection of stakeholders with whom to engage	6	NO	
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and stakeholder group	6	NO	
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and response	6	NO	
REPORT PROFILE				
G4-28	Reporting period	15	NO	
G4-29	Date of most recent previous report	15	NO	
G4-30	Reporting cycle	15	NO	
G4-31	Contact point for questions regarding the report or its contents	15	NO	
G4-32	GRI Content Index, identify the "in Accordance" option chosen, and external assurance of report	16-20	NO	
G4-33	Policy and current practice with regard to seeking external assurance for the report	15	NO	
GOVERNANCE				
G4-34	Governance structure of the organization, including economic, environmental and social issues	6	NO	
ETHICS AND INTEGRITY				
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and ethics	9	NO	
SPECIFIC STANDARD DISCLOSURES				
Category: Economic (EC)				
MATERIAL ASPECT: ECONOMIC PERFORMANCE				
G4-DMA	Disclosures on Management Approach Economic Performance	Ultimate oversight of Merit Packaging's financial performance and control of the company, including strategy and risk management, is the responsibility of the Board of Directors. Strategic financial goals for the company are reassessed in quarterly review processes and our annual general meeting.		NO
G4-EC1	Direct economic value generated and distributed		6	NO
MATERIAL ASPECT: PROCUREMENT PRACTICES				
G4-EC9	Proportion of spending on local suppliers at significant locations of operation		6	NO



Category: Environmental (EN)

Overall EN DMA Notes	Environmental management is led by Merit's Maintenance Managers. During the years 2013 and 2014, Merit Packaging attained ISO 14001:2004 certification for its Environmental Management System.				
MATERIAL ASPECT: MATERIALS					
G4-DMA	Disclosures on Management Approach Materials	Merit's Supply Chain Managers are responsible for overseeing corporate-wide purchasing and have engaged vendors to source more environmentally.			
G4-EN1	Materials used by weight or volume		14	NO	
MATERIAL ASPECT: ENERGY					
G4-DMA	Disclosures on Management Approach Energy	Reducing our energy consumption is a key focus that is overseen by Merit's Maintenance Managers. In 2014, we replaced a DC motor of Offset Printing Machine (OP-20) with inverter technology that will reduce power consumption significantly. Merit will continue to identify opportunities to replace existing equipment with more efficient options in the future.	14	NO	
G4-EN3	Energy consumption within the organization		14	NO	
MATERIAL ASPECT: EFFLUENTS AND WASTE					
G4-DMA	Disclosures on Management Approach Effluents and Waste	Merit implements a solid waste management system which includes a designated waste storage area where different types of wastes are segregated and labeled prior to recycling or disposal. Inks, cotton rags, other waste and waste water are disposed of in an environment friendly manner. Head of health and safety is responsible for waste management.			
G4-EN22	Total water discharge by quality and destination		14	NO	
G4-EN23	Total weight of waste by type and disposal method		14	NO	



Category: Social - Labor Practices And Decent Work (LA)

Overall LA DMA Notes	Merit Packaging's Code of Conduct guides the behavior and culture of our workforce. Human Resource manager provide new employees with the Code during their orientation week and provide training on all aspects of our ethical policies				
MATERIAL ASPECT: EMPLOYMENT					
G4-DMA	Disclosures on Management Approach Employment	Our employee benefits plans are maintained by Human Resource manager and they includes provident fund, gratuity, medical insurance and group insurance.			
G4-LA1	Employee hires and employee turnover		8	NO	
G4-LA2	Benefits to full-time employees not provided to temporary or part-time employees		8	NO	
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY					
G4-DMA	Disclosures on Management Approach Occupational Health and Safety	Meeting our commitment to provide a safe working environment is overseen by Head of occupational health and safety. They ensure all employees are provided with personal protective equipment and training on safe workplace practices.			
G4-LA6	Injuries, occupational diseases, lost days and absenteeism, fatalities		9	NO	
G4-LA8	Health and safety topics covered in formal agreements with trade unions		9		
MATERIAL ASPECT: TRAINING AND EDUCATION					
G4-DMA	Disclosures on Management Approach Training and Education	Merit builds its employee skills by providing numerous training opportunities both locally and abroad. Integrating employee education and development is driven by Human Resource manager.			
G4-LA10	Programs for skills management, and lifelong learning		7	NO	
MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS					
G4-DMA	Disclosures on Management Approach Labor Practices Grievance Mechanisms	Merit builds its employee skills by providing numerous training opportunities both locally and abroad. Integrating employee education and development is driven by Human resource manager.			
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms		8-9	NO	

Category: Social - Human Rights (HR)

Overall HR DMA Notes	Merit's Code of Conduct includes aspects of the widely accepted standard of the International Labor Organization (ILO) convention. All of our employees, upon commencing employment at MPL, are required to undergo training on all aspects of our ethical policy, including issues human rights.				
MATERIAL ASPECT: CHILD LABOR					
G4-DMA	Disclosures on Management Approach Child Labor	Merit's Code of Conduct prohibits the use of child labor. Human Resource manager is responsible for verification of employees. Verification of age is done through National ID Cards. Upon commencing employment at MPL, all employees are required to undergo training on all aspects of our ethical policy.			
G4-HR5	Risk for incidents of child labor		9	NO	
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR					
G4-DMA	Disclosures on Management Approach Forced Labor	Merit's Code of Conduct prohibits the use of forced labor. Social audit is conducted by independent party for verification of forced labor in Merit Packaging. Upon commencing employment at MPL, all employees are required to undergo training on all aspects of our ethical policy. Human resource manager is responsible for employees training.			
G4-HR6	Risk for incidents of forced or compulsory labor		9	NO	

Category: Social - Society (SO)

Overall LA DMA Notes	Merit's Code of Conduct includes aspects of the widely accepted standard of the International Labor Organization (ILO) convention.				
MATERIAL ASPECT: ANTI-CORRUPTION					
G4-DMA	Disclosures on Management Approach Anti-Corruption	All of our employees, upon commencing employment at MPL, are required to undergo training on all aspects of our ethical policy, including issues regarding corruption. Human Resource managers is responsible for appointing qualified trainers.			
G4-SO4	Communication and training on anti-corruption policies and procedures		9-10	NO	
G4-SO5	Confirmed incidents of corruption and actions taken		9-10	NO	
G4-SO8	Significant fines and non-monetary sanctions for non-compliance with laws and regulations		9-10	NO	



IMPRESSUM

Consultants for Sustainability Report:
S.U. Khan Associates
Islamabad, Pakistan

Sustainserv
Boston, Massachusetts USA
and Zurich, Switzerland