



SUSTAINABILITY SUMMARY 2013



At IPL we remain committed to creating long-term economic value while caring for our people, communities and environment. We recognise that sustainable growth requires us to balance our economic performance with our environmental and social responsibilities.

These responsibilities include being a good corporate citizen and operating ethically. They include ensuring good governance in our day-to-day business activities and behaving with honesty and integrity in our interactions with our stakeholders.

Driven by our Values of *Zero Harm for Everyone, Everywhere* and *Care for the Community and our Environment*, IPL has completed the first phase of its sustainability journey this year.

Read about what we have been working on and our plans for the future across the five areas that contribute to our environment, social and economic performance: workplace health & safety, environmental impacts and resource efficiency, community impact & engagement, labour practices and our products & services.

DYNO
Dyno Nobel



Incitec Pivot Limited

Our Company Vision and seven Values guide our approach to sustainability.

VISION STATEMENT

To be the best in our markets, delivering Zero Harm and outstanding business performance through our people, our culture and our customer focus.

VALUES



Underpinning all of our objectives is BEX

Business Excellence (BEX) is IPL's system for driving long term culture change and continuous improvement within our business.

Based on LEAN principles, BEX is strongly underpinned by workplace health and safety, environment management and sustainability.

BEX is assisting us in being more efficient in our use of costly resources, achieving closer community engagement in our areas of operation, attracting, engaging and empowering the best talent, driving product innovation and in considering our business risks more broadly.

Workplace health and safety



20% reduction in recordable injuries

2 fatalities

Total Recordable Injury Frequency Rate over time (TRIFR)



Why is this an area of focus?

Achieving 'Zero Harm for Everyone Everywhere' is our number one priority as a business and one of our Values. We are committed to the highest standards of health and safety performance and we want to ensure the wellbeing of our people, both at work and at home.

Our performance

- While our TRIFR improved this year, we experienced the tragic loss of two colleagues. These fatalities have made us more determined than ever to achieve our goal of Zero Harm.

What's next?

- We will continue to implement our five year Health Safety and Environment Strategy, using a continuous improvement approach to preventing workplace injuries and illnesses.

Products & Services



8,000

people accessed blasting tools and tips online via our Explosives Engineers Mobile Phone App

71,000

soil and plant tests undertaken in Australia

Why is this an area of focus?

We recognise the importance of improving the environmental and social aspects of the manufacture and use of our products, and working with our customers and suppliers to improve the life cycle sustainability of our products.

The greatest impact we can have is in creating products with improved sustainability outcomes and in helping our customers select and use our products to minimise adverse environmental and social impacts.

Our performance

- We undertook product innovations to improve the environmental and social aspects of the manufacture and use of our products.
- We worked with our customers to help them select and use our products to minimise their environmental and social impacts.
- We matured our approach to ethical sourcing, establishing mechanisms for driving sustainable practices within our supply chain.

What's next

- We will continue to assess and improve the environmental and social impacts of our products across their life cycle.
- We will continue to work with our customers to encourage them to use our products to achieve the best sustainability outcomes.
- We will implement our approach to ethical sourcing within our supply chain.

Environment

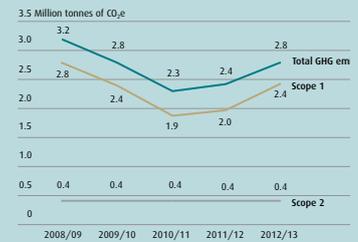


43,000 megalitres of water was used

95%* is the approximate proportion of energy we use that is derived from fossil fuels

8,700 tonnes of solid waste was created

Greenhouse gas emissions over the last 5 years



Why is this an area of focus?

We rely on resources such as natural gas and water and we have the potential to impact the environment through emissions of greenhouse gases, waste generation, and contamination of soil and groundwater.

We are committed to our Value of 'Care for the Community & our Environment' and we aim to minimise environmental impacts and leave no legacies.

* Excluding natural gas used as production raw material.

Our performance

- Our GHG emissions increased slightly with the ramp up of production at our new plants in Moranbah, Queensland, Australia.
- We conducted training at our sites on sustainable resource use, environmental best practice and target setting.
- We completed two carbon life cycle assessments.

What's next?

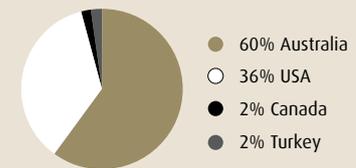
- Continuing our focus on education and training.
- Continuing to work towards integrated and multidisciplinary ownership of environmental issues and legacies.
- Working with the Australian Federal Government to ensure favourable outcomes on energy and carbon policy.



Community

45% ↑
In community contributions

Community investment by geographic region



Why is this an area of focus?

We understand that long term and meaningful relationships with our communities are fundamental to maintaining our social licence to operate and believe we have a responsibility to make a positive social and economic contribution, in line with our Value of 'Care for the Community & our Environment'.

Our performance

- We implemented our Community Investment Framework, establishing investment guidelines and a consistent, global approach to giving and reporting.
- Two new community investment programs were rolled-out to the business.
- We engaged the communities surrounding the sites of each of our major development projects.

What's next?

- Continuing to develop a consistent global approach to community relations.
- Understanding and addressing the impacts we have on our communities.
- Engaging employees to make a difference in their communities.

People & Culture



10%
increase in female workforce representation globally this year

6%
target for Indigenous representation within our Pilbara, Western Australia operations achieved

Why is this an area of focus?

Attracting, developing and maintaining a highly talented and diverse workforce is key to living our Value of 'Value People - Respect, Recognise & Reward' and vital to achieving our business objectives.

Our performance

- We improved our Human Capital management using the BEx methodology.
- We implemented our Indigenous Engagement Strategy.
- We were recognised as a top graduate employer by the Australian Association of Graduate Employers and won an industry award for our One Operator employee training program.

What's next?

Using BEx as an enabler we're:

- working to sustainably embed new human resources policies and procedures.
- enhance our talent management approach.
- deepen our continuous improvement culture and capability.

ABOUT OUR BUSINESS



Listed on the Australian Securities Exchange (ASX code: IPL) since 2003



S&P/ASX listed Company (ASX: IPL)



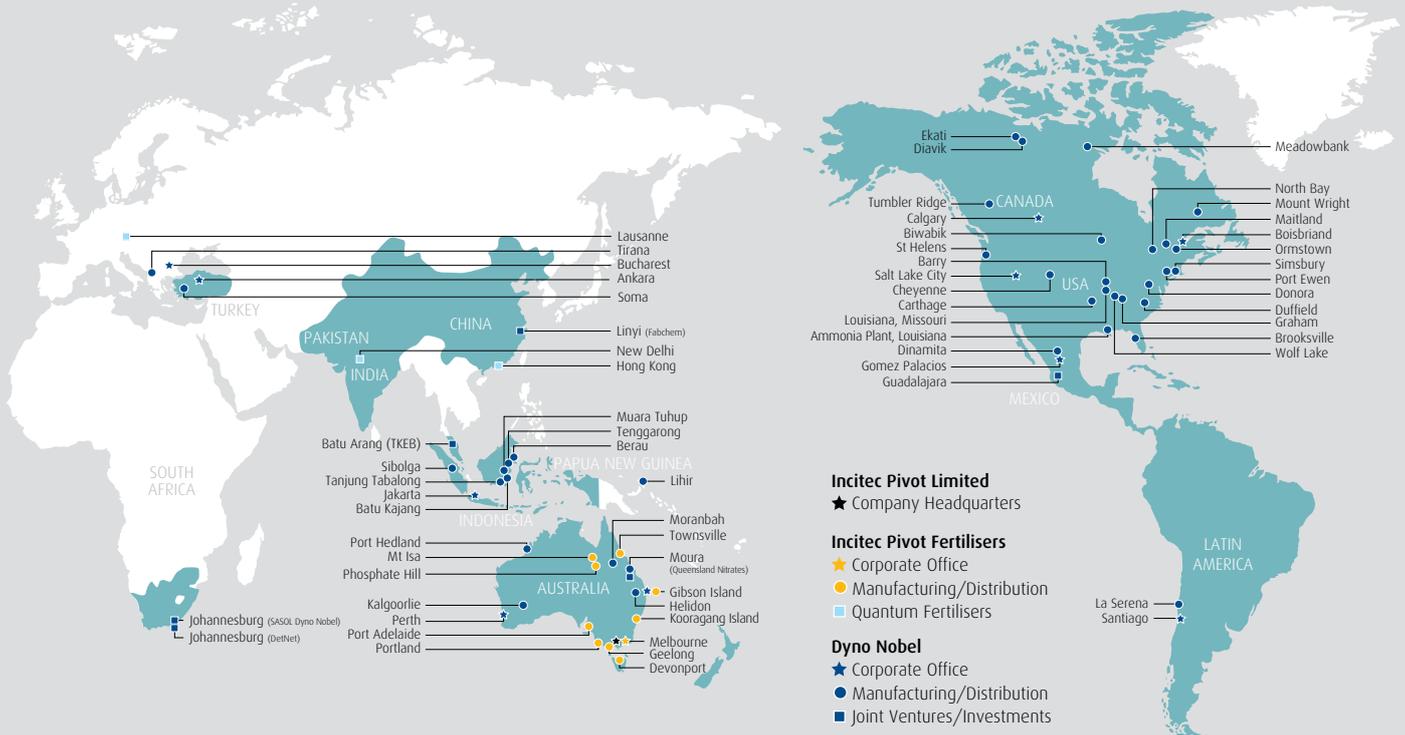
Annual sales revenue of \$3,439.2 million for 2012/13 financial year



IPL owns and operates manufacturing plants in the US, Canada, Turkey, Australia, Mexico, Chile and Indonesia



Joint venture operations, including in South Africa, Malaysia, China and India



Incitec Pivot Limited (IPL) is a leading global company headquartered in Melbourne, Australia, which manufactures, markets and distributes a range of industrial explosives, fertilisers, related products and services to customers around the world. A leader in its chosen markets, the Company holds a portfolio of recognised and trusted brands and is the number one supplier of fertilisers in Australia and the number one supplier of industrial explosives, related products and services in North America.

IPL is a public company, trading on the Australian Securities Exchange. It operates two major businesses, Dyno Nobel and Incitec Pivot Fertilisers. Dyno Nobel, with sites in the US and Canada (Dyno Nobel North America), Turkey, Romania, Albania, Mexico and Chile

(Dyno Nobel International), and Indonesia and Australia (Dyno Nobel Asia Pacific) supplies explosives, related products and services to mining, quarrying and construction customers around the world. The business includes Dyno Consult, a specialist team of drill and blast consultants and Dyno Nobel Transport, a full-service carrier, transporting explosives and hazardous materials throughout the United States and Canada.

Incitec Pivot Fertilisers manufactures and distributes a range of plant nutrients in Australia and sources and distributes internationally through Southern Cross International and its Hong Kong-based joint venture Quantum Fertilisers.



Over 5,200 employees at 30 September 2013



As at 30 September 2013, 13.3% females in management roles (2012: 11.8%)



Supply approximately 2 million tonnes of fertiliser per annum



Supply approximately 1.6 million tonnes of ammonium nitrate explosive per annum



Provide agronomic services in Australia, completing 71,000 soil and plant tests each year