



UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS
2016 - 17



TRUSTED NOT TO COMPROMISE

Trusted not to compromise



GLOBAL COMPACT COMMUNICATION ON PROGRESS

<p><u>Company Name:</u> Pakistan Cables Limited</p> <p><u>Address:</u> Factory: B-21, S.I.T.E., - 75700, Karachi Head Office: Arif Habib Center, 1st Floor, 23 MT Khan Road, Karachi</p> <p><u>Contact Name:</u> Mr. Abdul Wassey Qureshi, Head of Occupational Health, Safety & Environment</p> <p><u>Contact Name:</u> Mr. Fahd K. Chinoy, Executive Director</p> <p><u>Contact Tel Number:</u> +92-21-32561170-75</p> <p><u>E-mail:</u> abdul.wassey@pakistancables.com fahd.chinoy@pakistancables.com</p>	<p><u>Date:</u> 19 March 2018</p> <p><u>Number of Employees:</u> 725</p> <p><u>Sector:</u> Construction & Engineering</p>
---	---

Nature of Business



Pakistan Cables Limited (PCL) is regarded to be the pioneer within the cable industry owing to its heritage, expertise and commitment to deliver to its valued customers. Being the country's first cable manufacturer, established in 1953 in collaboration with British Insulated Callender's Cable, (BICC) UK, in the subsequent six decades, Pakistan Cables has earned a reputation as a market leader in the industry and a company that does not compromise on quality. Pakistan Cables has been listed on the Pakistan Stock Exchange since 1956, making it the only listed cable manufacturer in Pakistan.

PCL's manufacturing facilities and head office are located in Karachi on an 11.5 acre site. This site also houses a 2MW gas fired tri-generation power plant, which allows the company to be self reliant for its electricity needs.

Its sales offices are located in Lahore, Faisalabad, Rawalpindi, Multan, Abbottabad, Peshawar and Muzaffarabad. It enjoys presence in 170 cities through its largest dealer network in Pakistan.



The company is engaged in the manufacture of wires, cables and conductors in both copper and aluminum. In addition, Pakistan Cables also produces copper rod and aluminum extrusion profiles. Given its focus on quality, Pakistan Cables continuously reviews and improves the effectiveness of its Quality Management System in line with objectives of achieving higher productivity, uncompromising quality and maximum customer satisfaction. Pakistan Cables was the first cable manufacturer and amongst the first 5 companies in Pakistan to be ISO 9001 certified. It has recently updated its Quality Management System certification to be in conformance with ISO 9001:2008 version.

In 2016 / 17, Pakistan Cables had a total turnover of USD 73 million. The Company has been consistent in being recognized by the Pakistan Stock Exchange's Top 25 Companies Award, most recently winning the award in 2004, 2006 & 2007. It has also been recognized as a winner of the Brands of the Year Award in 2007 & 2008.

Protecting the health and safety of our people and ensuring a healthy working environment is also of great importance to Pakistan Cables.

- Plant operations are strictly controlled to maintain safe environment for workers, as well as the surrounding community.
- Several measures have been taken to control pollution and to maintain a clean, green and healthy environment.
- Pakistan Cables has achieved, in January 2011, certification for its HSE Management Systems and during the course of the year in February 2017.
- PCL also achieved re-certification for its HSE Management Systems conforming to ISO 14001:2015 EMS and OHSAS 18001:2007.

Statement of Support

I am pleased to confirm that Pakistan Cables Limited supports the ten principles of the Global Compact in respect to human rights, labour rights, the protection of the environment and anti-corruption. With this communication we express our continued intent to support and advance those principles within our sphere of influence. We continue to commit to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company and undertake to make a clear statement of this commitment both to our employees, partners, clients and to the public. We support public accountability and transparency and will report on progress made in a public manner.

This communication on progress outlines how we have been applying the ten principles of the Global Compact, as well as our plans for the future.

SIGNATURE HERE

Kamal A. Chinoy
Chief Executive
Pakistan Cables Limited

PRINCIPLE 1: BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

The Company's policy is to conduct its business with honesty and integrity and be ethical in its dealings showing respect for the interest of those with whom it has a relationship.

Our Commitment or Policy

Excerpts from Pakistan Cables' Statement of Ethics & Business Practices:

- The Company recognizes its social responsibility and will contribute to community activities as a good corporate citizen.
- The Company is committed to recruit and promote employees on merit and provides safe and healthy working conditions for all its employees. It also believes in maintaining good communications with employees.



Excerpt from Pakistan Cables' HSE Policy:

- We shall seek to conduct all our manufacturing and associated processes in a manner that ensures health and safety of personnel.

System

1. Pakistan Cables' business strategy is based on ensuring respect for human rights, which is explicitly stated in its "Statement of Ethics & Business Practices".
2. Pakistan Cables committed to maintain a work environment that respects individual differences.
3. Protecting the health and safety of our people and ensuring a healthy working environment is of great importance to Pakistan Cables.

PRINCIPLE 1: BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

Cont...

Activities

1. Since PCL is an equal opportunity employer, therefore every effort is made while hiring / promoting workforce that there is no discrimination on any grounds.
2. To sustain and monitor safe practices at workplace, 'Monthly HSE Walk Around Audits' & 'Monthly HSE Meetings' are being conducted by each zone. By sharing & adoption of HSE good practices among the shop floor personnel, the workers are now becoming more safety conscious.
3. For the improved health and hygiene condition at the workplace, 'Monthly Health & Hygiene' surveys are being conducted. Food Handlers are being medically examined on a half yearly basis. Also medical check-ups of all employees are conducted on a yearly basis and records maintained accordingly.



Measurable Results or Outcomes

- As a result of our sincere and continuing efforts with regard to complete elimination of discrimination, we have employees of both genders and from various casts & religions in PCL who are happily working in the company.



**PRINCIPLE 2: BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT
IN HUMAN RIGHTS ABUSES**

Activities

1. The Code of Conduct for Good Governance and Ethical Practices was approved by Pakistan Cables' Board of Directors on August 1, 2002 and the Statement of Ethics & Business Practices has been signed by all the Directors and management employees of the company.
2. Pakistan Cables is the only cable manufacturing company in Pakistan which has achieved OHSAS 18001:2007 (Occupational Health & Safety Management System) and ISO 14001:2004 certifications.
3. Pakistan Cables' premises have been divided into zones and each zone has been assigned with designated HSE Team Leaders.
4. Pakistan Cables is undertaking a comprehensive analysis of the risks and hazards that exist within the factory premises. Risk mitigation and hazards elimination measures are carried out to ensure a safe working environment for workers and management staff.
5. Protective clothing and equipment is provided to entire staff. This is being upgraded to meet the standards required by OHSAS-18001.
6. Pakistan Cables provides on-site medical services to all employees and has a full time doctor and ambulance available on the premises in case of any emergency.
7. To sustain and monitor safe practices at work-place, 'Monthly HSE Walk Around Audits' & 'Monthly HSE Meetings' are being conducted by each zone which help us to mitigate any non compliance with HSE Management Systems. In an endeavor to enhance the safety consciousness of staff sharing & adoption of HSE good practices is continuously done.



PRINCIPLE 2: BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

Cont...

Measurable Results or Outcomes

1. Upward trend in awareness on safety issues within the management and workers.
2. Reduced lost time accidents and minor incidents in 2016-17
3. No complaint received indicating violation of human rights / gender sensitive policy within the enterprise was received.



PRINCIPLE 3: BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

Our Commitment or Policy

At Pakistan Cables all of our workers are free to express their associations and have the rights to participate in collective bargaining process.

Excerpt from Pakistan Cables' Statement of Ethics & Business Practices:

- The Company is committed to recruit and promote employees on merit and provides safe and healthy working conditions for all its employees. It also believes in maintaining good communications with employees.



System

1. Reasonable time is set for management and labour to meet and negotiate a labour agreement.
2. Agreements are concluded after every two years through bilateral negotiations and are normally finalized within 3 to 4 months.



Activities

1. The agreement containing specific provisions covering wages, working conditions, compensation & benefits are signed after every two years as a result of Management – Union bilateral negotiations on the Charter of Demands.
2. Union elections are held annually as per legal requirements.

PRINCIPLE 3: BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

Cont...

Measurable Results or Outcomes

1. Employees working with PCL are secured in terms of workplace and social security. Our employees are provided opportunities for personal growth through development programs.
1. The process of Collective Bargaining through bilateral negotiations has continued for more than six decades and as a result 28 agreements have been signed & successfully implemented since 1956, including the latest agreement which was signed recently in June 2015. **S**



PRINCIPLE 4: BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR

Our Commitment or Policy

Pakistan Cables is committed to abide by all relevant local Labour Laws and ILO Conventions on Forced and Compulsory Labour.

System

1. All workers are issued appointment letters as per West Pakistan Industrial and Commercial Employment (Standing Orders) Ordinance 1968, in which terms and conditions of the employee service are clearly mentioned.
2. Exit interviews of all employees who leave the company are conducted wherein they can freely express their views about company's policy, work environment or any grievances.



Activities

1. On the first day of joining all new employees first report to HR Department, where they are welcomed and acquainted with general company policies with a view to develop a satisfied, efficient and productive workforce.
2. Job Descriptions / Work instructions are properly defined and communicated to the employees by the concerned department head.
3. All records pertaining to the terms and conditions of the job, job descriptions / work instructions are properly maintained by HR Department.



Measurable Results our Outcomes

1. Pakistan Cables' HR Department maintains / updates all relevant records of the employee from Appointment till Separation.
2. All Important documents are properly maintained in such a manner that this information can be retrieved as and when required.

PRINCIPLE 5: BUSINESS SHOULD SUPPORT THE ABOLITION OF CHILD LABOUR

Our Commitment or Policy

Pakistan Cables is Committed for complete abolition of Child Labour within the Company in light of ILO Convention and Local Labour Laws.

System

1. Entries of below 18 years are strictly prohibited in PCL premises and minors are only allowed inside the premises with special permission (in order to avoid risk of any mishap).
2. In order to verify age of the applicant all job candidates, even apprenticeship trainees, are required to submit their Computerized National Identity Cards (CNIC) at the time of interview.

Activities

1. Candidates not having CNIC are not considered for employment.
2. Notice of PCL is Child Labour Free is displayed at factory entrance.



Measurable Results or Outcomes

1. As result of strict scrutiny and security checks, no underage person works in PCL.

PRINCIPLE 6: BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

Our Commitment or Policy

- PCL firmly believes in equal opportunity for all its employees and treat its employees with respect without any bias on cast, creed, ethnicity, gender or faith.

Excerpt from Pakistan Cables' Statement of Ethics & Business Practices:

- The Company is committed to recruiting and promoting employees on merit and provides safe and healthy working conditions for all its employees. It also believes in maintaining good communications with employees.



System

1. At Pakistan Cables no preference is given on the basis of gender, religious or ethnic background at the time of employing or promoting the employees. Therefore, the only criterion is for any candidate for employment or promotion.

Activities

1. Since PCL is an equal opportunity employer, it ensured while hiring and promoting workforce that there is no discrimination on any grounds.



Measurable Results or Outcomes

1. As a result of our sincere and continuing efforts with regard to complete elimination of discrimination, PCL employees of both genders from various casts & religions , who are happily working at the company as a team.

PRINCIPLE 7: BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

The Company's efforts mainly focused on the areas of QHSE and education. Pakistan Cables evaluates in detail each organization that it supports and contributes towards health environment all around.

Our Commitment or Policy

Excerpt from Pakistan Cables' Statement of Ethics & Business Practices:

The Company is committed to run its business in an environmentally sound and sustainable manner and promote preservation of the environment.

Excerpt from Pakistan Cables' HSE Policy:

We shall promote preservation of the environment by preventing pollution as a result of controls & monitoring of emissions, effluents and solid waste.

System

1. Pakistan Cables is the only cable manufacturing company in Pakistan to achieve received re-certification for OHSAS 18001:2007 (Occupational Health & Safety Management System) and ISO 14001:2004 (Environmental Management System) during the course of this year.
2. PCL has a comprehensive HSE Management System and HSE Policy. Every employee's obligation to comply with HSE requirements is ensured through a robust training programmes and self audits, internal audits and periodic management reviews.



PRINCIPLE 7: BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

Cont...

3. The Company has invested in its own combined cycle 2 MW Tri-Generation Power Plant, with waste heat recovery and vapor absorption chillers. As a result Pakistan Cables is able to more efficiently utilize gas and electricity, thus ensuring energy conservation and reducing carbon emissions.



Activities

1. Plant operations and asset upkeep activities are strictly controlled to maintain safe environment for workers as well as the surrounding community.
2. Continuous efforts are made to improve greenery and maintain a clean environment in and around the factory through horticulture and better housekeeping.
3. All potentially hazardous materials are monitored by the Company to ensure that best practices are followed in environmental protection.



Measurable Results or Outcomes

1. All process materials and emissions are being monitored and controlled according to environmental laws and regulations and the compliance found within National Environmental and Quality Standards.
2. Energy Conservation: After installation of tri-generation system based on combined cooling, heating and power with 2MW engines coupled with installation of vapor absorption chillers, Pakistan Cables has improved the efficiency of electricity utilization and gas consumption.



PRINCIPLE 8: BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

Entire Pakistan Cables staff is committed to work together as a team to establish the HSE Management System in the organization by adopting Safe Working Practices and Environmental Friendly Methodologies and this leads to a Healthier and Safe Environment all-around.

Excerpt from Pakistan Cables' Ethics and Business Practices:

- The Company is committed to run its business in an environmentally sound and sustainable manner and promote preservation of the environment.



Excerpt from Pakistan Cables' HSE Policy:

- We shall promote preservation of the environment by preventing pollution as a result of controls & monitoring of emissions, effluents and solid waste.

System / Activities

1. Waste emissions and effluents are periodically tested by the third party and test analysis results are found in compliance with NEQS limits (National Environmental Quality Standards).
2. Several measures have been taken to control pollution and to maintain Clean, Green & Healthy environment which includes prevention of process gas emission into the atmosphere and recycling of waste heat.
3. Customers are encouraged to return wooden cable drums and PCL often pay to buy them back. Recycling wooden cable drums also reduces deforestation.
4. Continuous efforts are being made to sustain good environment around the factory through horticulture, better housekeeping etc.



PRINCIPLE 8: BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

Cont...

5. HSE events like 'Earth Day' and 'World Environment Day', were celebrated in PCL and in which workforce participated with great enthusiasm

Measurable Results or Outcomes

1. In July 2015, it was announced that Pakistan Cables was one of the 56 companies in Pakistan to receive the prestigious award from National Forum for Environment & Health at 12th Annual Environment Excellence Awards supported by United Nation Environmental Programme.



PRINCIPLE 9: BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

Our Commitment or Policy

Pakistan Cables has well-established policies and management systems on the wide range of Health, Safety and Environmental issues that are encountered in our operations.

Excerpt from Pakistan Cables' Mission Statement:

- To assist in the socio-economic development of Pakistan by being good corporate citizens.

Excerpt from Pakistan Cables' HSE Policy:

- We shall set, review and implement Health Safety & Environmental objectives as on-going aspect of continuous improvement.

System / Activities

1. In-line with management's objective, Pakistan Cables received re-certification for OHSAS 18001:2007 (Occupational Health & Safety Management System) and ISO 14001:2004 (Environmental Management System) in the year 2014. Pakistan Cables is the only cable manufacturing company in Pakistan to achieve these certifications.
2. Pakistan Cables sells environmentally friendly products. The company is in the business of producing the highest quality wires and cables in Pakistan. Due to the high quality raw materials utilized in our products and our focus on quality, our cables result in conservation of electricity. All our copper cables utilize LME "A" Grade 99.99% pure copper. The purer the copper, the less energy is lost while it is being transmitted and distributed. As such, Pakistan Cables plays a crucial role in conserving energy in a country that faces critical electricity shortages.



PRINCIPLE 9: BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

Cont...

3. Pakistan Cables has adopted “reduce”, “reuse”, and “recycle” methodologies. For the betterment of environment, reducing energy consumptions and water usage best practices are shared amongst employees and achievements celebrated.
4. Pakistan Cables also produces aluminium profiles / sections that are used in the construction of homes / buildings / offices etc. Aluminium sections are an alternative to wood and are therefore more environmentally friendly as it results in reduction in deforestation.
5. As the Company is concerned about the wellbeing of all its stakeholders, it informs and educates electricians in the construction industry about electrical safety and precautions through regular communications.



Measurable Results our Outcomes

1. Zero neighbor complaints due to regular monitoring, self assessments and compliance with environmental standards.
2. HSE Orientation and Training on a regular on-going basis.
3. Discourage use of plastic bags, encourage using both sides of paper for printing, Reuse printed paper with blank on back side for internal use printouts.
4. Use natural lighting wherever possible.
5. Greenery and plantation inside and within the vicinity of the factory.
6. Set energy and water conservation targets.



PRINCIPLE 9: BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

Cont...

7. The Company's efforts mainly focused on the areas of health and education. Pakistan Cables evaluates in detail each organization that it supports and contributes towards.

8. As a responsible Corporate Member, in line with CSR, during the year the company made contributions towards the following organizations:

- a) Amir Sultan Chinoy Foundation
- b) Layton Rehmatullah Benevolent Trust
- c) The Kidney Centre
- d) SAARC Women's Association
- e) Aga Khan Education Services
- f) Kids Entrepreneurship Program 2015 at IBA, Karachi
- g) Fatimid Foundation
- h) NowPDP "heART Work – Project"
- i) Karigaar Foundation
- j) HOPE
- k) HELP

9. Pakistan Cables has also sponsored "The Amir Sultan Chinoy Chair" for the Institute of Educational Development at the Aga Khan University Hospital.

10. The Company continuously gives large discounts on its products to charitable organizations and philanthropic projects throughout the year.



PRINCIPLE 10: BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY

Pakistan Cable retains the right to monitor its assets and work environments in compliance with applicable federal, provincial and local laws. The company monitors to promote safety, prevent criminal activity, investigate alleged misconduct and security violations, manage information systems, or for other business reasons.

Our Commitment or Policy

Excerpt from Pakistan Cables' Statement of Ethics & Business Practices:

- The Company is committed to comply with all laws and regulations. The Board and Management are expected to familiarize themselves with laws and regulations governing their individual areas of responsibility and not to transgress them. If in doubt they are expected to seek advice. The company believes in fair competition and supports appropriate competition laws.
- The Company does not support any political party or contributes funds to groups whose activities promote party interests. The Company will promote its legitimate business interests through trade associations.
- The Company is committed and fully adheres to the reliability of financial reporting and transparent transactions.
- Employees must not use company information and assets for their personal advantage. Conflict of interest should be avoided and disclosed where they exist and guidance sought.

Excerpt from Pakistan Cables' Mission Statement:

- To operate ethically while maximizing profits and satisfying customers needs and stakeholders interests.

System / Activities

1. Orientation given to all new employees emphasizing on the importance of ethics in order to impart on all our employees that anti-corruption attitude of the Company.
2. Company focus on transparency and disclosure is evident in all its communications to the public or to any Government authorities, including financial reporting, annual reports, company websites, tax returns and marketing activities.

PRINCIPLE 10: BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY

Cont...

3. Gambling while at work is prohibited at all times, including during breaks. For purposes of this standard, “gambling” is defined as playing a game for money or property or betting on an uncertain outcome. Prohibited gambling activities include, but are not limited to:

Games (e.g., cards, dice, and dominoes) played for money or property sport pools such as the Cricket, Hockey, the World Series, or any tournament Internet gambling.

4. In addition, using company resources, such as computer software to track wagers or copying machines to copy wagers, is not permitted.



Measurable Results our Outcomes

1. Pakistan Cables is recognized as a company and a brand that in accordance with its slogan is “Trusted not to compromise” on quality and ethics.

