

## COMMUNICATION ON PROGRESS (COP)

Period covered by your Communication on Progress (COP)

From:  To:

### **1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER (OWNER OR PRESIDENT IN THE CASE OF SMALL BUSINESSES)**

Please use the box below to include the statement of continued support signed by your company's chief executive

May, 2019

To our stakeholders:

I am pleased to confirm that Sadaqat Limited reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

Furthermore, we are also committed to sharing this information with our stakeholders using our primary channels of communication.

We support the SDGs of UNGC whole heartedly.

Sincerely yours,



Khurram Mukhtar  
Chief Executive Officer

## 2. DESCRIPTION OF ACTIONS

### Human Rights

Please use the box below to describe **actions** your company has taken in the area of human rights. Examples include:

✓ **Ensure workers are provided safe, suitable and sanitary work facilities:**

Sadaqat Limited considers its moral responsibility to provide high standards of safe working conditions with strong health and safety measures for its workforce. Occupational Health and Safety Management System is implemented as voluntary as well as legal requirement. Firefighting system has been installed at all the manufacturing sites with their backup's Electric, Diesel & juki pumps to in-combat in case of any fire incident. The factory has been evaluated annually by third party to verify the implementation of OHSAS (18001:2007) to ensure the workplace facilities are safe, suitable and adequate. If any issue is found during internal audit, it is discussed in meetings with stake holders.

✓ **Protect workers from workplace harassment, including physical, verbal, sexual or psychological harassment, abuse or threats:**

To promote the positive culture within premises, organization introduced the committee as mentioned below with equality of member without gender discrimination as per requirement of Factory Act 1934 & SA 8000:2014. To easily communicate individual problems of employee Complain procedure is established for workers, complain boxes are placed at workplaces which are easily accessible for worker to put complain into Complain box. Complain box is being opened on monthly basis and if any complain is being observed it is discussed with concerned stake holders and resolved immediately.

✓ **Take measures to eliminate ingredients, designs, defects or side-effects that could harm or threaten human life and health during manufacturing, usage or disposal of products:**

Company is inveigling toward product ingredients and following Manufacturing Restricting Substance List (MRSL) & Restrict Substance List (RSL) as key approach to protect human life as such as environment by side-effect of these restricted chemical. The company has conducted Risk Assessment to eliminate restricted amount of chemical from supply chain after Detox testing and define management plan to control these all before 2020. Furth more chemical & work condition Risk Assessment has conducted which allowed task after decision on Risk Assessment results, if residual risk is acceptable then they start job otherwise if potential of hazard remain then control measures are defined and implemented accordingly. Company has defined and implemented SOP for safe waste disposal and conduct employees training regarding hazardous waste handling. Use of Personal Protective Equipment is mandatory throughout the production.

## Labour

Please use the box below to describe **actions** your company has taken in the area of labour. Examples include:

✓ **Ensure that the company does not participate in any form of forced or bonded labour:**

Forced labour, bonded labour and human trafficking are not used or promoted, and appropriate measures are taken to prevent the use of such labour by the company. Remedial actions are in place in the event that such labour or trafficking is found, to ensure that victims are referred to existing services for support and assistance. As aforementioned all types of force labour are verified during the annual audits of Social Accountability SA 8000:2014.

✓ **Comply with minimum wage standards:**

Company provides compensation and benefits to all the employees as per state laws. Company facilitates all the employees with legal benefits like social security, group insurance, old-age benefit, gratuity, bonus as per company annual profit, annual leaves or encashment, maternity and other leaves with pay.

✓ **Ensure that employment-related decisions are based on relevant and objective criteria:**

Company establish neutral and objective criteria to avoid subjective employment decisions based on analyze the duties, functions, competencies relevant to the jobs and then create objective, job related qualification standards related to those and make sure the performance appraisals are based on employee's actual job performance.

✓ **Ensure the Disciplinary practices**

Company defined documented policy for all the disciplinary actions to be taken against any employee whose attitude is found against company's disciplinary policy.

## Environment

Please use the box below to describe **actions** your company has taken in the area of environment. Examples include:

✓ **Avoid environmental damage via regular maintenance of production processes and environmental protection system (air pollution control, waste, water treatment systems, etc.):**

Company has defined proper process maintenance schedule to avoid any environment degradation. For controlling air pollution we have installed wet scrubber and cyclone systems. The testing related to environmental monitoring is conducted and reported as defined in PEQS (Self-Monitoring and Reporting by Industry) Rule, 2001. Waste is disposed off under contract with EPA approved company (Global Waste Management) (GWM). GHG neutral is already counted furthermore we are working on it. Self Containing Acquisition Data (SCADA) to monitor online natural resource is also a step towards sustainability which is implemented from 2018. Facility has onsite Biological Waste Water Treatment Plant that ensures compliance of discharge water according to requirements of Punjab Environmental Quality Standard (PEQS).

✓ **Ensure emergency procedures to prevent and address accidents affecting the environment and human health:**

Company review and improve its health and safety management system continuously, so that its overall health and safety performance improves constantly. Company has systematic review of performance based on data from monitoring and from independent audits of the whole health and safety management system. There is a strong commitment to continuous improvement involving the development of techniques of risk control.

The Emergency Response Plan (ERP) is define and train the relevant person in case of any accident as mentioned below:

- Explosion;
- Overheated equipment;
- Earthquake
- Airplane crash;
- Chemical spill in particular area;
- Fire;
- Pandemic;
- Loss of power;
- Damage to building;
- Damage from chemical spill
- Damage from broken glass in particular areas

✓ **Minimize the use and ensure safe handling and storage of chemical and other dangerous substances:**

Company has implemented an SOP for storage and handling of hazardous substances and use minimum quantity as required in limit. Company has also obtained NOC for safer storage and handling of chemicals from Environment Protection Agency Pakistan and submits compliance status on monthly basis to EPA as required. We are working on Zero Discharge to Hazardous Chemicals (ZDHC), Labeling of chemicals according to NFPA Diamond, Global Harmonization System (GHS) compliant storage of chemicals and efficient use of chemicals.

✓ **Commitment towards environmental protection and reducing negative environmental impacts of operations:**

The Company is aware of its direct and indirect impacts on environment and has shown commitment towards environmental protection and reducing negative environmental impacts of its operations through continuous adoption of efficient technologies and processes. We have Environment, Health and Safety policy in place executed and monitored by Environment, Health, and Safety Committee headed by the GM Compliance & Sustainability. We take due care while discharging wastewater to nearby surroundings with its normal PH. It has successfully achieved 100% level in treatment of waste water through Environmental Protection Authority (EPA) approved waste water treatment plant. Company has shown commitment by investing more than USD 2,799,859 during the past few years in environment protection and prevention. This year, the Company has notably invested in cyclone system and waste heat recovery plant which enables operations of the organization to become more environmental friendly and sustainable in nature. Aligned with our commitment towards reducing environmental burden of our operations, we have partnered with World Wide Fund (WWF) on green office initiative which will help us to reduce our environmental impacts, result in saving through changed processes and shall also help contribute to slow down in climatic change.

## Anti-Corruption

Please use the box below to describe **actions** your company has taken to fight corruption. Examples include:

✓ **Assess the risk of corruption when doing business:**

Company closely verify the track record of outsourcing providers, local agents, distributors or intermediaries. In case of convictions for corruption offences, these companies excluded from the providers list. Company trained the employees on anti-corruption policies. These training sessions are normally held once a year and provided in the local language to guarantee the understanding of the policies. Provide a follow-up system and mechanism to verify that the policies are being properly followed and conducted the periodic audits as well.

✓ **Mention “anti-corruption” and/or “ethical behavior” in contracts with business partners:**

Anti-corruption and Ethical standards are mentioned in contracts extended for doing business.

✓ **Ensure that internal procedures support the company’s anti-corruption commitment:**

The policy and procedure has been defined and is in full effect in terms of anti-corruption. It will not acceptable from all persons working with us or on our behalf in our capacity to give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received.

Accept hospitality from a third party that is unduly lavish or extravagant under the circumstances.

We have defined and implemented a comprehensive policy that discourages corruption in any mean. We also do not make contributions to political parties. We keep financial records and have appropriate internal controls in place which evidence the business reason for making payments to third parties.

### **3.MEASUREMENT OF OUTCOMES**

In the box below, please include the most relevant indicators to **measure outcomes**. Examples include:

- ✓ **Demographics of management and employees broken down by diversity factors (e.g., gender, ethnicity, age, etc.):**

Age 18-60 Years    Male: 7354    Female: 330

- ✓ **Rate of occupational diseases, injuries, and absenteeism:**

0.11%

- ✓ **Percentage of recycled materials:**

10%