



***Hashwani Hotels Limited
United Nations Global Compact
Communication on Progress
Year: 2018-19***

Statement of Continued Support

Corporate sustainability starts with a company's value system and a principles-based approach for doing business. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Hashwani Hotels Limited being active member of the United Nations Global Compact (UNGC), constantly monitor growth and progress against the set guiding principles of UNGC, which we have adopted as a way of everyday business operations.

We believe in carrying out our business in a responsible manner and actively work to mitigate the impact of our business on the environment in accordance with all applicable laws and regulations. In this annual Communication on Progress, we describe our gradual integration of the Global Compact and its principles into the everyday culture and mission of our Company.

We being responsible business, enact the same values and principles wherever they have a presence, and know that good practices in one area do not offset harm in another. By incorporating the Ten Principles of the UN Global Compact into strategies, policies and procedures, and establishing a culture of integrity, Hashwani Hotels Limited is not only upholding its basic responsibilities to people and planet, but also setting the stage for long-term success.

Sincerely,

A handwritten signature in blue ink that reads 'Bawany'.

Muhammad Akhtar Bawany
Vice Chairman – Hashoo Group

May 30, 2019



Human Rights Principles

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

-Actions (Assessment, policy, goals and Implementation):

Hashwani Hotels Limited, overarching expectation of business on human rights, namely, to respect and support human rights. The set and documented policies of Hashwani Hotels Limited focus on respecting human rights, use due diligence to avoid infringing human rights (“do no harm”) and addresses adverse human rights impacts with which they are involved. In addition, beyond respecting human rights, our policies encourage to take action to support human rights.

The management of Hashwani Hotels Limited take voluntary actions to make a positive contribution towards the protection and fulfillment of human rights whether through core business, strategic social investment/philanthropy, public policy engagement/advocacy, and/or partnerships and other collective action. Action to support human rights is a complement and special attention is paid to the rights of vulnerable groups, including women, children, people with disabilities, indigenous peoples, migrant workers, elderly persons etc.

-Outcomes:

Respecting and supporting human rights also strengthens a business’ relationships with its stakeholders. For example, workers who are treated with dignity and respect are more likely to be productive and remain loyal to an employer. New recruits increasingly consider the social, environmental and governance record of companies when making their choice of employer. Human rights and inclusive business models can also be a source of innovation for new products or services, access to new markets, help strengthen the social license to operate and to make the business a valued member of the community and society.



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

-Actions (Assessment, policy, goals and Implementation):

Our Company has a systematic management approach to human rights, including due diligence processes that cover the entity's business relationships. Such processes identify and prevent or mitigate the human rights risks with which the company may be involved through links to its products, operations or services. The need for transparency in business practice has been highlighted in our policies and the advancement in information technologies and global communications mean that it is hard to afford to conceal poor or questionable practices. Our Company is taking necessary action for betterment of the Human rights:

- Our company has established a monitoring/tracking System through its Human Resource Department, to ensure that all human rights policies are being implemented.
- Human Resource is now actively engaged in open dialogue with the employees and try to resolve the grievances immediately
- It is ensured that none of the security arrangements, ovulates the implicit human rights

As part of our mission, we will not knowingly or intentionally carry out business with any supplier, regime, or business that is known to abuse or violate human rights.

-Outcomes:

Our hotels have earned the name of being champions of human rights advocacy by making the respect of human life a part of our belief system. By showing zero tolerance to discrimination and human rights abuse, we have given our employees, customers and suppliers an environment to perform to the best of their abilities which results into monetary benefits as well as earns goodwill for the Company.



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

-Actions (Assessment, policy, goals and Implementation):

We believe in freedom of association and respect for the right of all employers and all workers to freely and voluntarily establish and join groups for the promotion and defense of their occupational interests. Both workers and employers have the right to set up, join and run their own organizations without interference from the management or external forces. We believe in freedom of expression and opinion, including on the topic of unions – provided that the exercise of this right does not infringe a worker's right to freedom of association. We try to develop a climate free of violence, pressure, fear and threats in order to provide the opportunity to the workers to make a free decision.

-Outcomes:

Establishing genuine dialogue with freely chosen workers' representatives enables both workers and employers to understand each other's problems better and find ways to resolve them. Freedom of association and the exercise of collective bargaining provide opportunities for constructive rather than confrontational dialogue. This harnesses energy to focus on solutions that result in benefits to the enterprise, its stakeholders, and society at large and is often more flexible and effective than state regulation. Freedom of association can set in motion a "decent work" cycle that increases productivity, incomes and profits.



Labour Principles

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

-Actions (Assessment, policy, goals and Implementation):

Our employment contracts to all employees clearly states all the terms and conditions of service, the voluntary nature of employment if any, the freedom to leave (including the appropriate procedures) and any penalties that may be associated with a departure or cessation of work. Our policies are very clear about; not to use, be complicit in, or benefit from forced labour.

-Outcomes:

This policy enabled us to abolish forced and compulsory labour from our operations. By doing so the Company is getting the proper and quality workforce.



PRINCIPLE 5: BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR

-Actions (Assessment, policy, goals and Implementation)

Our HR Policies are in adherence to minimum age provisions of national labour laws and regulations and use adequate and verifiable mechanisms for age verification in recruitment procedures. We avoid having a blanket policy against hiring children under 18, as it will exclude those above the legal age for employment from decent work opportunities.

The practice of child labour can be eradicated by focusing on poverty alleviation, proper measures are taken to ensure that wages paid to adults take into account the needs of both them and their families. We donate more to educational institutions of Pakistan to ensure quality and free education for the poor children to motivate them for getting education rather earning livelihood.

-Outcomes:

By adopting this policy, the child labour has been eradicated from the operations of our business.



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

-Actions (Assessment, policy, goals and Implementation)

Hashwani Hotels Limited believes in Non-discrimination in employment. Employees are selected on the basis of their ability to do the job and that there is no distinction, exclusion or preference made on other grounds. Employees who experience discrimination at work are denied opportunities and have their basic human rights infringed.

We are the hospitality service providers and from our business point of view discrimination does not make any sense. It leads to social tensions that are potentially disruptive to our business environment within the company and in the whole industry. We strongly agree that using discriminatory practices in employment and occupation we will deny ourselves to access to talent from a wider pool of workers, and thus skills and competencies. The hurt and resentment generated by discrimination will affect the performance of individuals and teams in the company.

-Outcomes:

Our company provide equal opportunities based on merits and without any discrimination in respect of employment and occupation which ultimately improve our productivity by enhancing our customer/guests satisfaction.



Environment Principles

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

-Actions (Assessment, policy, goals and Implementation)

The Company has a well-developed code of conduct / practice for its operations and products that confirms commitment to care for health and the environment. Environmental sustainability is focused in our vision and mission and we as responsible business operator, makes decision that reduce the negative impact on the environment

Our Company constantly observes International Earth Day, Water Preservation Day and Plantation weeks, clean as you go Campaign as small effort to present our commitment for generation to come. Measures undertake to execute its responsibility towards environment. Such as environmental preservation through plantations, waste management, energy preservation and reducing pollution in all forms. We adhere to the policies of Organizational Safety & Health. It is part of our Corporate Social Responsibility to invest environment friendly technology.

-Outcomes:

Adopting a sustainable corporate culture can provide a distinct advantage in terms of attracting and retaining talent. Similarly, environment friendly technology has impact on guests experience guests want to stay at properties that don't feel like hotels—they want an “at-home” feeling. Lighting, furnishings, cleaners and other front-of-house products combine to leave an impression with the customer, which can affect both occupancy and ADR.



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

-Actions (Assessment, policy, goals and Implementation)

In developing countries like Pakistan, it is challenging to develop an environmentally responsible strategy that keeps us ahead of the pack, helping us in maintaining an advantageous position in the marketplace. We try hard to innovate in terms of how to manage our relationship with the environment.

We as a responsible citizen created our own corporate environmental and safety standards that meet the guidelines UNGC. We not only adopt clean manufacturing practices that prevent pollution before it occurs not only in their own operations but also spread awareness to our stakeholders through organizing various social events. Our new procurement team is well focused on improving supply chain performance which will ensure to introduce pollution-prevention measures in production and distribution system.

Similarly, we remove obsolete and inefficient technologies and adopt efficient technologies which could produce more outputs with less energy consumption.

-Outcomes:

We are arranging, numerous social events such as “Clean as you go day”, “Think Green”, “Plantation Weeks”, “Earth Day” etc. in which senior management themselves participate to inculcate awareness among our work force and guests towards environmental protection.



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

-Actions (Assessment, policy, goals and Implementation)

We try to use environment friendly technology to protect the environment, follow the operating procedures that are less polluting, use all resources in a more sustainable manner, recycle more of the wastes and products and handle residual wastes in a more acceptable manner. We adopt cleaner production processes. We keep our machinery updated and well maintained to reduce noise pollution. Conservation of energy like reduction in illumination on the outside of buildings, negotiations with an electric appliances company for energy efficiency, installation of energy saving meters at various areas to monitor the upshot of energy saving efforts, replacement of conventional lamps with energy saver and LED bulbs in most of the areas to reduce usage and usage of heavy electrical equipment only on need basis are applied.

-Outcomes:

Implementing environmentally friendly technologies helps a company reduce the use of raw materials leading to increased efficiency. Technology innovation creates new business opportunities and helps increase the overall competitiveness of the company; and that use materials more efficiently and cleanly can be applied to most companies with long-term economic and environmental benefits.

Anti-Corruption Principle



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

-Actions (Assessment, policy, goals and Implementation)

Businesses face high ethical and business risks and potential costs when they fail to effectively combat corruption in all its forms. All companies, large and small, are vulnerable to corruption, and the potential for damage is considerable.

Hashwani Hotels Limited has maintained an excellent check and balance system over our transactions. Our policies strongly discourage business relations with such concerns which are ethically, morally or financially declared as corrupt by the state authorities and within the company no such activities are promoted at the individual or company level which can circumvent the Country laws and orders.

-Outcomes:

Standing against corruption, increases confidence and trust in business among investors, customers, employees and the public. Companies are learning the hard way that they can be held responsible for not paying enough attention to the actions of their employees, associated companies, business, partners and agents.

The rapid development of rules of corporate governance around the world is also prompting companies to focus on anti-corruption measures as part of their mechanisms to express corporate sustainability and to protect their reputations and the interests of their stakeholders.



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