

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

25th January, 2020

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:

✓ **Business should Support and Respect the Protection of Internationally Proclaimed Human Rights**

Sadaqat Limited believes that all human beings are free and equal in dignity and rights. We have celebrated Human Rights Day on 10th December 2019. Sadaqat Limited considers well-being of human at large as an important matter. The organization believes that human right ranges beyond the basic rights of employees at workplace and if they are treated with due care and respect, better efficiency standards can be achieved for business.

Management has included rigorous policies in its code of conduct while implanting guiding principles of local and international standards associated to Human and Work Place rights. The Company's activities, policies and positive initiatives towards human rights adheres to SDG-3 "Good health and wellbeing", SDG-5 "Gender equality" and SDG-10 "Reduced Inequalities" of United Nations. Managerial teams within the organization ensure compliance with the Company's code of conduct by actively observing activities in their respective span of control. Breach of ethical codes is brought to the attention of HR department by emailing the event and blowing the whistle at specified e-mail address.

✓ **Make sure that they are not complicit in Human Right Abuses**

Company has defined SOP for harassment and abuse at workplace which discourages physically, verbally, sexually and mentally exploitive practices, abuses, spreading harassment and threat/fear amongst employees. The company has also established Worker Management Committee (WMC), Social Performance Team (SPT) with male and female ratio as required for addressing workers issues.

SPT and WMC meetings are being held on quarterly and monthly basis respectively and all minutes of meetings are discussed with management and disclosed in this year.

Complain procedure is also 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 management and resolved immediately.

Labour

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

✓ **Business should uphold the Freedom of Association and the effective Recognition of the Right Collective Bargaining**

100% of employees are covered by Workers Management Committee (WMC). Purely on non-discriminatory basis, all employees of the Company possess freedom and right to associate and collectively bargain by ethical and legal means to protect their rights through this Committee. On parallel means, all employees are free in their right to vote any representative, whom they are comfortable with, for representing their rights. There were no such events reflecting material breach of the code of conduct during the reporting period.

✓ **The Elimination of all forms of forced and compulsory labour**

Sadaqat Limited considers forced and compulsory labor against its core values and ethical statements. The entity strictly adheres to the local and international laws and regulations related to forced and compulsory labor and has formulated and implemented strict policies to address the violation of these rules. Management feels pride in stating that it has successfully maintained material compliance towards applicable laws and entity's internal policies related to forced and compulsory labor.

✓ **The Effective abolition of Child Labour**

Sadaqat Limited recognizes its responsibility to participate in eliminating abuse of child labor from society and consider it against its core values and ethical statements. The entity strictly adheres to the local and international laws and regulations related to child labor and has formulated and implemented strict policies to address the violation of these rules. With great success, no instance of child labor has been reported or identified during the reporting period.

✓ **The Elimination of Discrimination in respect of Employment and Occupation**

Non-Discrimination has always been promoted in our policies and procedures as we believe it ensures true improvisation to human capital of the business. Sadaqat Limited has defined clear non-discrimination policy particularly based on race, religion, sex, color and no member is at disadvantage due to ethnicity, religion, gender or age. During the period, no such case regarding breach of policy was reported within the entity.

Environment

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

✓ **Business should Support a precautionary approach to Environmental Changes**

- 1.1 The company has precautionary approach in place to prevent environmental degradation. Environmental Risk Assessment is carried out on bi-annually basis and the process for risk management and risk communication is implemented. The entity is Environmental Management System (ISO 14001:2015) certified. Environment/ Sustainability committee is formulated for taking care of environmental issues. Company has made and implemented proper Emergency Response Plan (ERP) to response any incident and natural disaster related to safety and environment. The purpose of emergency preparedness and response is to ensure that environmental and health & safety impacts related with any emergency circumstances are minimized to the greatest extent possible. This procedure covers responses to Bomb threat, medical and first aid and general emergency and fire evacuation. Team of ERP has been trained and they are aware of their responsibilities as per required in SOP.

✓ **Undertake initiatives to promote greater environmental Responsibility**

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. GHG neutral is already counted furthermore we are working on it. SCADA online natural resource monitoring is also a step towards sustainability. Facility has onsite Waste Water Treatment Plant that ensures compliance with EPA requirements.

Implementing environmentally friendly technologies helps us to reduce the use of raw materials leading to increased efficiency. The company has installed following environment friendly technologies to promote greater environmental responsibility:

- Waste Heat Recovery Plant
- Heat Exchanger
- Automatic Color Kitchen
- Novajet instead of Acid Strip

✓ **Encourage the Development and Diffusion of Environmentally Friendly Technologies**

In quest of diminishing the environmental impacts, implementing environment friendly technologies help us to reduce the use of raw materials leading to increased efficiency. In support of UNGC Principle 9, Company has installed eco-friendly sustainable washing machines that have dramatically reduced the amount of water being used by recycling & reusing and brought the liquor ratio down to an unparalleled level.

Anti-Corruption

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

✓ **Business should work against corruption in all its forms, including extortion and Bribery**

Management believes stringent controls over operations and strong anti-corruption policies can lead towards an ethical and sustainable environment in an organization. Sadaqat Limited has developed a work environment where staff could safely and anonymously report known or suspected instances of frauds. Fighting successfully against corruption entails both a top-down and a bottom-up communication approach. The Company encourages whistle-blowers that they can act anonymously without fear of unjust retribution, so they can act as an essential element in eliminating corruption. The entity has strong internal audit functions in place to review the operations in order to detect any potential occurrence of corruption.

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: 7547 Female: 445

✓ **Rate of occupational diseases, injuries, and absenteeism:**
2%