



Gul Ahmed Textile Mills Limited

Communication on Progress

Jan-2021-Dec 2021

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Message from CEO

17-06-2022

To our stakeholders:

I am pleased to confirm that Gul Ahmed Textile Mills 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. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Zaki Bashir

Chief Executive Officer



1. HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

At Gul Ahmed, rights of all individuals are respected for provision of employment, appropriate placement, training and development, promotion, benefits and rewards purely on merit irrespective of their caste, color or creed, religious and political affiliation and gender. While strictly adhering to “Equal Employment Opportunity Principle (EEQP)” each employee involved in similar functions/professional activities, is provided with an equal opportunity for advancement, career development and growth. The Company management is keenly concerned for the prevalence of harmony at all levels and ensures that no employee is harassed or abused in any form/manner whatsoever, while at work or otherwise within or outside the bonds of the organization.

Gul Ahmed is an equal opportunity employer. We take pride in actively promoting equal opportunities for individuals from all walks of life. Our aim is to establish the best practices for diversity and inclusion in the industry to create a fair, healthy and a high-performing organization – enriching all the lives that we connect.

Top graduates from top universities are annually inducted at Gul Ahmed as ‘Future Leaders’. Future leaders follow a comprehensive training cum project-based program that encompasses accelerated learning and development road-map. The particular program nurtures the top talent to take up key managerial positions in the organization and be catalyst of change.

Being a strong advocate of imparting quality education in today’s era, the Company is a regular contributor to the “Fellowship Fund for Pakistan” and often contributes to good institutions for the purpose. This serves towards the task of showcasing the problems of public interest in media and fostering the think tanks for the country. The Company also strives to promote the youth by way of aids and sponsorship in various fields

Gul Ahmed has launched ‘Enriching Lives Program’ that provides training and employment opportunities to Persons with Disabilities through collaboration with various Vocational Training Institutes and Gul Ahmed employees. 100 Plus Differently abled Individuals have been trained and employed at Gul Ahmed under this Program to-date. The company firmly believes in empowering women through providing them with equal training, employment and growth opportunities.

Gul Ahmed is keen on improving the representation of Females at its workplace, with a goal of having gender balance. Gul Ahmed has adopted thorough strategic measures to

enhance the ratio of female employees in order to encourage women's empowerment and improve gender parity within the organization. Following are few of the initiatives that support the particular cause:

- Representation of Females in Welfare Association
- Female Focus Group, Welfare Council and Support Systems
- Health & Well-being Awareness, Training and Therapeutic Programs
- Vocational Training & Employment Opportunities for Females and PWDs
- 100% Females covered with Health Benefits & Maternity Benefits
- Child Care and Nursing Facilities with Parental Breaks
- Pick & Drop Facility & Early Off for Female Staff

2. LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour and;

Principle 6: The elimination of discrimination in respect of employment and occupation

We at Gul Ahmed are deeply committed to conducting our operations in an ethical, responsible and transparent way. Children under the age of 18 years are not considered for employment. Child Labor is strictly prohibited in the Company. We strongly reject the concept of forced, bonded or involuntary labor. The management does not force anyone to accept Company's employment or to work extra time. we ensure implementation of Minimum Wages Ordinance in all its functional units/departments and makes payment to its unskilled workers as per legally applicable wage rate.

The Company acknowledges the right of workers to join or form union of their own choosing or to opt for collective bargaining. Gul Ahmed provides its workers safe and clean working environment, to protect its workers from potential hazards or chances of accidents/ injuries. It is also incumbent on the Company Management to educate its worker against potential risks and provide guidance for appropriate preventive measures taking into account the prevailing conditions of the industry and various identified hazards to ensure risk-free environment for its workers and customers.

We are committed to fair employment practices to ensure congenial, healthy and safe workplace environment for our workers while acknowledging and respecting the "Ethical Code of Conduct" as proclaimed under any prevailing ethical standards and /or Code of Conduct compatible with our valued customer's requirements.

3. ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Gul Ahmed recognizes that tomorrow's business is contingent upon today's environmental practices. We continue to meet and exceed internationally-recognized environmental standards for our products and operations. The company has a well-established Environmental Management System. Our environmental policy provides the guidelines for maintaining coherence to conduct nature friendly practices.

Circular materials are key to ensuring a more sustainable fashion industry, we are therefore, focused on increasing the quantity of sustainable and certified raw materials (BCI Cotton, Organic Cotton, and Recycled Yarns) to decrease the environmental load of our products. More than 80% of our raw materials are sustainable. Conventional cotton farming is based on harmful practices that actually disrupts the natural function of ecosystem, it affects the soil health and its ability to absorb atmospheric carbon. Regenerative farming on other hand takes a more balanced approach. It is restorative in nature and maintains a good soil health which draws down carbon from atmosphere and help reverse climate change. Gul Ahmed has made an investment in these organic cotton farms covering an area of 8,000 acres in Khuzdar for next five years. This will not only revive regenerative farming but will also help uplift 1,500 farmers, women cotton pickers and their communities.

Company adheres to International chemical management guidelines & practices i.e., ZDHC chemical management guidelines. We continuously monitor updates to global restrictions on chemicals, banned substances, and other regulated materials that could damage the environment and taint products and adjust our operational practices as needed to eliminate potentially harmful substances and restricted chemicals. Our facility's Wastewater Treatment Plant treats wastewater with a capacity of approximately 4,500 m³ of water per day. Our wastewater recycling plant with a capacity to recycle approximately 400,000 gallons of water per day is recycling water equivalent to 1 Olympic size pool/day. 50% of our water used in manufacturing process is being recycled.

Company has installed two Caustic Recovery Plants (CRP) at its processing facility to recover caustic from weak lye generated from the newly installed mercerizing machines. CRP helps in recovering caustic from wastewater and also helps in reducing chemicals cost required to control the pH of wastewater.

Installation of waste heat recovery boiler enables our engines to utilize their flue gases to generate steam. We are meeting 60% of Steam demand through flue gases heat recovery. We have installed steam turbines that further produces 15% of additional Power from Gas Turbine Flue Gases. Gul Ahmed has also committed the most ambitious GHG emission reduction targets to limit the global warming to 1.5°C and reach net zero by 2050. At Gul Ahmed, we believe strongly in post-production waste recycling. The amount of discarded textile that ends up in landfills is a major cause of concern, so we have a dedicated facility that recycles post production waste into fibers. Besides recycling post production waste, we are also utilizing post-consumer waste into our products.

















4. ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Gul Ahmed is committed to conducting its business in accordance with all applicable laws, rules and regulations and the highest ethical standards, and this commitment is embodied in our anti-bribery & anti-corruption policy. Anti-Bribery and Anti-Corruption Policy reiterate Company's commitment for compliance in letter and spirit by all its interested parties, business associates, employees and its directors with the prevailing anti-bribery and/or anticorruption laws that may be applicable locally or internationally. This Policy supplements Company's Business Conduct, Ethical practices and all applicable laws and provides guidelines for compliance with the rules together with regulations and standards applicable to its operations locally and in countries of its business.

A safe mechanism is in place for employees to voice out their concerns, feedback and recommendations to top-management and key concerns. A team called 'Pulse' is in place at every unit of Gul Ahmed that readily collects feedback or concerns from the employees and promptly take interventions to urgently address their concerns while ensuring confidentiality of the employee

5. MEASUREMENT OF OUTCOME

Areas	Initiatives	UN SDGs supported
Human Rights	<ul style="list-style-type: none"> Enriching Lives Programme Enabling Differently Abled Individuals Future Leader Program Female Ratio <p>Current 8% Target 30% by 2030</p>	  
Labor	<ul style="list-style-type: none"> Employee Wellness Programme Child Care Centre Fair Trade Certified Facility Vocational Training & Employment Opportunities Health & Safety awareness day 	   
Environment	<ul style="list-style-type: none"> 80% sustainable raw material Organic cotton farming Leading BCI cotton consumer 50% wastewater recycling ZDHC complaint chemistry Caustic Recovery Units Waste heat recovery boilers Committed to Science based targets Net Zero Pakistan member Solar Power Energy 	        
Anti-Corruption	<ul style="list-style-type: none"> Anti-bribery and Anti-corruption policy Code of business ethics 	