

The cover features a white background with three large, diagonal stripes. The leftmost stripe is a vibrant blue, the middle stripe is a light grey, and the rightmost stripe is white. In the bottom right corner, there is a solid blue rectangular box containing the text 'SUSTAINABILITY REPORT' in white, bold, uppercase letters.

SUSTAINABILITY REPORT

Sustainability Report

A Note From Company's Executive



At the time of writing this report Pakistan was going through a climate catastrophe the likes it has never seen before. A third of the county has been submerged by flooding caused by melting of glaciers and torrential monsoon rainfall. It has directly impacted 33 million people or 15% of the population. This comes as Pakistan is responsible for less than 1% of the worlds carbon emissions but one of the countries that is most impacted by climate change.

At Gatron we have been working towards our stated goal "To be an Innovative, Sustainable and Competitive World Class Producer of Polyester Products with a Positive Impact on Society". Owing to the crisis that has engulfed Pakistan, we want to accelerate our work in this segment and reach our goal faster. This report outlines Gatron's success in addressing sustainability and climate issues that matter most to our stakeholders.

MUSTAFA DIWAN



Sustainability : Our Strategy & Values

Sustainability at Gatron (Industries) Limited means developing an environment that fulfills the need of this contemporary world without compromising the needs of the future generations. We use the Triple Bottom Line approach that is aimed to ascertain that our actions do not harm the ecosystem, people, and stakeholders. We recognize the interconnection between society, environment and the economy and aim to use a holistic approach to find solutions that deliver benefits for all of these while mitigating negative impacts. **This year we have achieved a landmark in our Journey by recycling 100 Million Bottles for our flagship product ECORON.**

The emphasis on sustainable growth is driven by the commitment to our Vision that helps to integrate Environment Safety Governance (ESG) considerations in how we plan, operate, and develop our business model. To make Sustainable Development a reality for us, it is essential that the actions outlined in our framework are

- Embedded within our operations
- Proactively delivered
- And accurately monitored and reported



Sustainability: Our Journey & Development Framework



We as an organization envision that running operations in a sustainable way is no longer a tick-box exercise but an essential need of the hour to combat the emerging climate emergency. Our proactive transition to a sustainable future kicked off in 2020 when Gatron (Industries) Limited published its first sustainability report as part of its Annual report.

Since 2020, we have placed UN Sustainable development goals (SDGs) at the heart of our strategic framework. From the total of 17 SDG goals, adopted by the United Nation in its Sustainable Development Summit of heads of state and government in September 2015, we have underpinned goals that are highly relevant to our business conduct and industrial operations.

Sustainability: Our Performance at a Glance



	2020-2021		2021-2022		% Actual YOY
	Target	Actual	Target	Actual	
G3 Good Health & Well Being	44,000	39,663	39,000	38,876	-2%
Health Care (no. of people)	-	17,851	-	23,277	
Well being to impacted communities	-	-	-	15,000	
Management of Global health risk/ Pandemics (no. of people)	-	21,812	-	599	
G6 Clean Water and Sanitation	26,000,000	7,353,150	17,000,000	21,870,000	197%
Contribution of Direct Air Floatation System (IG/year)	-	-	-	12,960,000	
Effluent Treatment through ETP (IG/year)	-	-	-	8,910,000	
G7 Affordable and Clean Energy	985,000	1,815,828	2,000,000	2,650,018	46%
NG Savings due to Renewable Energy (m ³ /year)	-	-	-	597,343	
NG Savings due to Efficient Machinery (m ³ /year)	-	-	-	2,052,675	
G13 Climate Action	6,790	11,910	12,430	12,725	7%
Savings due to Renewable Energy (Tons/yr)	-	-	-	1,068	
Savings due to Direct Emissions (Tons/yr)	-	-	-	6,425	
Savings due to Indirect Emissions (Tons/yr)	-	-	-	5,232	
G12 Responsible Consumption and Production	4,381,000	6,181,230	6,475,000	7,623,915	23%
Electrical Savings due to Efficient Machinery (kWeh/yr)	-	-	-	7,623,915	



Good Health and Well-Being

	Achieved		Targets		
	By end of FY 2021	By end of FY 2021	By end of FY 2022	By end of FY 2023	By end of FY 2024
Health Care No. of People	23,277	17,292	24,000	25,200	26,460
Management of Global health risk/ Pandemics	599	21,812	-	-	-
Well Being of Impacted Communities	15,000	-	15,000	15,750	16,538
Overall Achieved/Targets	38,876	39,104	39,000	40,950	42,998

SDG goal 03 inspires to extend health services to the underprivileged society in order to avoid suffering due to preventable diseases and promote well-beings for all ages. Gatron (Industries) Limited is committed to the cause and has invested in multiple health-care projects through the Gatron Foundation Fund.

For the community, we have invested in three Eye Care Clinics in the following districts to provide basic eye care through OPD and Eye Surgeries:

- Landhi - Karachi, Sindh
- Ghulam Qadir Khan Hospital - Hub, Balochistan
- Uthal Hospital - Uthal, Balochistan

Moreover, this year an eye care camp was also established at Gatron, where 680 employees benefited from basic eye care services. Employees who require Cataract and other surgeries have been identified and have been offered free of cost corrective surgery at Gatron's eye clinic or elsewhere.



3 days Eye Camp at Gatron (Industries) Limited

In continuation of our response to COVID-19, we have successfully achieved our target of 100% vaccinated workforce. In addition to the government's effort, strict precautionary protocols and compulsory immunization at Gatron, helped to diminish the impact of

COVID'19 throughout this fiscal year. With the sharp decline in positivity ratio and the spread in early quarters of FY 21-22, the country went back to normal. Thus, the shallow repercussions of Covid'19 has given us the room to revise our targets for the subsequent year.

During this fiscal year, we have been readily involved in the distribution of food rations & clothing to meet our ambition of zero hunger. This year about 3000 employees have benefited by our inflation relief campaign with ration packages .



Ration Distribution at Gatron (Industries) Limited

Triggered by heavy monsoon and catastrophic effects of melting glaciers, unprecedented floods have devastated a major land mass of Pakistan. The floods have left about one-fourth of the population has been left under the open sky. Owing to our sense of social and national responsibility, Gatron has been proactively involved in providing food and emergency shelters to the most vulnerable. Gatron Foundation Fund has collaborated with multiple organizations including **LASBELA WELFARE TRUST (REGD) BALOCHISTAN** and **Sardar Akhter Khan Mengal Fund** for effective flood relief.



Ration distribution for flood victims



Clean Water and Sanitation

	By end of FY 2021	By end of FY 2022	By end of FY 2023	By end of FY 2024
Water Savings IG/Year	26 Million	17 Million	40 Million	49 Million
Achieved Results IG/Year	7.3 Million	21.8 Million		

The water crisis at Hub, Lasbela has worsened in the recent years. Gatron has been continuously confronting water scarcity, provoked by appalling low level of Hub Dam in the winter followed by acute tropical rainfalls. However, Gatron (Industries) Limited has shown unwavering dedication for the cause by adopting indigenous technologies and methodologies for water treatment and resource management:

1. Dissolved Air Flotation System
2. Effluent Treatment Plant
3. Bleed Water Reusage

This rigorous approach and effective resource management has enabled us to conserve **21.87 Million Imperial Gallons** of water this year. Moreover, 50% of our bleed water from cooling towers is re-used through Reverse osmosis treatment.

Gatron (Industries) Limited is highly motivated to further scale up our efforts and contribution to Clean water and Sanitation, by managing our water consumption and treatment. Our Future endeavors and ideas to meet this challenge include:

1. Commissioning and operation of **Two New Reverse Osmosis plants** along with a new ETP plant to meet fresh water scarcity.
2. Planning of future framework in **reducing evaporation from water reservoirs and ponds**, to meet water conservation targets.
3. Procurement and installation of **Water Flow meters** at each distribution network towards departments and sub-sections, for better resource management.



ETP Plant



Affordable and Clean Energy

	By end of FY 2021	By end of FY 2022	By end of FY 2023	By end of FY 2024
Targeted Natural Gas Savings m ³ /Year	985,000	2,000,000	3,000,000	3,900,000
Achieved Results m ³ /Year	1,815,828	2,650,018		

The last year has seen record high energy prices throughout the globe and also in the country. Gatron's early adoption of affordable and clean energy has helped it to reduce its energy bill along with reducing its carbon footprint. Keeping in line with its vision to be a pioneer in clean energy, Gatron undertook a project with Reon Energy to install Pakistan's first large/utility scale Battery Energy Storage System (BESS) of 2.7 MW. This project was a part of the UNIDO sustainable Energy Initiative for Industries.



BESS system at Gatron (Industries) Limited

Our quest for Affordable and Clean Energy led to the planning, installation and commissioning of the following projects in FY 2021-2022:

1. **Additional 400 kW Renewable Solar Energy** plant installation and commissioning has resulted in yearly savings of 65,741 m³ of Natural Gas. This took the total installed capacity of Solar to 1535 KW while increasing renewable penetration in our energy mix to 7%.
2. Installing and commissioning of **Higher Efficiency Engines** and **replacement of old Chillers and compressors** has resulted in 2,052,675 m³.

Our Future Plans for expanding on the avenue of this Development Goal include:

1. Commissioning and operation of alternative **Preheating source of Heat Transfer Media** to save tons of Natural Gas.
2. Planning of future investments in Solar Energy to increase output of **Renewable Energy to 2507 kW** resulting in Savings of 975,595 m³ of Natural Gas per Year.
3. Planning of future investments in further **Replacement of existing winders and installation of highly efficient Spinning Lines.**



Solar plant installation at Gatron (Industries) Limited



Climate Action

	By end of FY 2021	By end of FY 2022	By end of FY 2023	By end of FY 2024
Target Reduction in CO ₂ Emissions Tons/Year	6,790	12,430	12,880	13,330
Achieved Results Tons/Year	11,910	12,725		

Climate Change is a real and undeniable threat to not only our ecosystem but also to the entirety of the existence of our civilization. The United Nations' SDG goal 13 urges the world leaders to combat climate change and its catastrophic impact at the earliest. Gatron (Industries) Limited is committed to strengthen resilience against climate crisis and lays paramount importance to move towards carbon neutrality.

By integrating climate control measures into policy-making and adaptation of latest technologies, we have been able to prevent **12,725** Tons of CO₂ emissions.

To stay true to our commitment we are expanding our Renewable energy share in our energy mix, embracing passive heating and cooling solutions, improving energy efficiency, and operational excellence . Almost 90% of the steam being generated at our site is through waste heat recovery boilers instead of fossil fuels. We are designing all new buildings with sufficient natural light and also modifying older buildings to add more exposure of natural light so we can minimize electricity usage.

According to a UN report, Pakistan's forest cover has been reduced to an alarming level of **2.2%**. To secure a green future for our planet and keeping in mind with the Government of Pakistan's Billion tree Tsunami drive - Gatron (Industries) Limited has initiated a tree plantation drive for mitigating carbon footprint. We have successfully planted **68 trees on our premises** this fiscal year with plans of increasing that number in the coming years. Moreover, as part of our social responsibility initiatives, Gatron (Industries) Limited has conducted multiple Environmental protection and awareness campaigns including sponsoring and organizing the World Environment Day campaign with the Lasbela Chamber of Commerce and Industry.



World Environment Day Campaign 2022



Responsible Consumption and Production

	By end of FY 2021	By end of FY 2022	By end of FY 2023	By end of FY 2024
Electrical Savings kWh/Year	4,381,000	6,475,000	7,475,000	8,475,000
Achieved Results kWh/Year	6,181,230	7,623,915		

The efficient management of our shared natural resources, and the way we dispose of toxic waste and pollutants are important milestones of this goal. Owing to our vision, Gatron (Industries) Limited ensures that its business strategies and decision-making are aligned with the theme of responsible consumption and production.

By investing in green and efficient technologies, we have successfully surpassed our target and have achieved **electrical savings of approximately 7.62 Million kWh for FY 2021-2022.**



Recycling and reuse are the today’s pressing priorities. **“ECORON”** is our Flagship sustainable product that uses post consumer plastic bottles to produce Yarn. So far, we have successfully **Recycled 100 Million PET bottles** for Ecoron

“742 days in Soil! And your Clothes have disintegrated.”

Driven by our sense of responsibility to our society and ecosystem, we have stepped into the production of **“Bioron”**, after successful trials, with the help of our Technology partner CiCLO. This sustainable product has a bio-degradation pace similar to that of natural fibers.



HSE

Occupational Health and Safety

	Achieved		Targets		
	By end of FY 2021	By end of FY 2022	By end of FY 2022	By end of FY 2023	By end of FY 2024
Fatalities: employees	0	0	0	0	0
LTI - Lost time Injury	6	6	5	3	2
MTI - Medical Treatment Injury	14	24	12	12	6

The Occupational Health & safety of every employee is pre-eminent to Gatron (Industries) Limited's operations and is strategic imperative to our vision. We believe the physical and mental health of our employees is the motivating power behind our operational excellence and progressive production.

Moreover, Gatron (Industries) Limited is devoted to invest substantial resources to improve working conditions and maintain the highest standards of Health and safety within our facilities so that we can improve our safety culture and enhance the value of our stakeholders.

At Gatron (Industries) limited, we have a comprehensive and robust OHS framework in place that is dedicated to mitigate risk and hazards , ensure compliance to standard safety protocols and monitor all company's operations for any substantial improvement.

To demonstrate management's dedication towards improving workplace safety, a Safety operation committee along with the organization's top management meets every yearly quarter to discuss and review the performance of our safety management system.

The initiation of the [Safety Champion Program](#) has been the landmark of this year's safety implementation framework. This indigenous program aimed to recruit one employee from every department and label them as safety champions/ representatives. These now act as a linchpin between their department and safety department for creating safety awareness, ensuring compliance to safety protocols, and highlighting and mitigating foreseeable hazards.

However unfortunately, we have been unable to meet our targets of MTI and LTI. The utmost reason is the greater influx of employees and labor due to numerous on-going projects. Nonetheless, we are committed to revamp our systematic management, incident reporting, and risk analysis of the target areas where most of the MTIs were reported, to identify and target preventive interventions and provide training, support, and resources for mitigation.