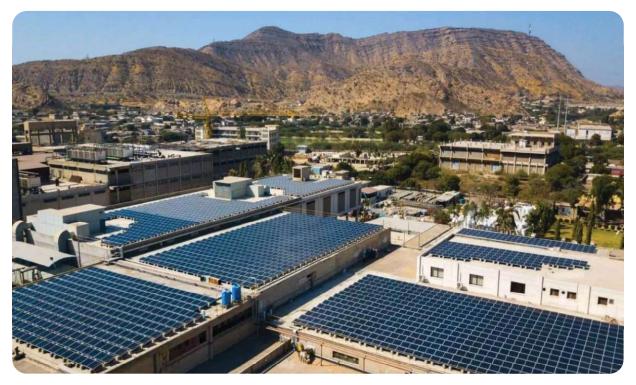


SUSTAINABILITY REPORT (2023-24)



Introduction

At Gatron, sustainability is at the core of our operations, driving our commitment to fostering a positive impact on the environment, economy, and society. As a leading industrial player, we recognize the responsibility we bear in promoting sustainable development and aligning our strategies with the United Nations Sustainable Development Goals (UN SDGs). This report highlights our progress in key areas, including clean energy, water conservation, responsible production, and employee well-being, as we strive to create lasting value for our stakeholders and future generations.

By leveraging innovation, resource efficiency, and a dedicated workforce, we are advancing initiatives that support renewable energy, reduce waste, conserve water, and enhance the health and welfare of our employees and surrounding communities. Through our continued efforts, Gatron is committed to making a measurable and meaningful contribution toward global sustainability goals, ensuring a better future for all.

Our Sustainability Journey

Gatron embarked on its sustainability journey in 2020, with a clear vision to align our operations with the United Nations Sustainable Development Goals (UN SDGs). We initially focused on five key goals, aiming to reduce our environmental footprint, enhance resource efficiency, and promote the well-being of our employees and the communities we serve. Over the past few years, we have made significant progress in these areas, successfully implementing a range of projects that have resulted in measurable environmental and social benefits.

Building on this momentum, we have now expanded our commitment by incorporating additional SDGs into our strategy, setting ambitious milestones and action plans for the coming year. Our forward-looking initiatives, including further investments in renewable energy, water

conservation, and responsible production, reflect our dedication to driving sustainable growth. As we continue to evolve, we remain focused on creating long-term value and contributing to a more sustainable future for all.

KEY HIGHLIGHTS

1200 tons of Co2 & 625,000 m3 natural Gas saved and 2.3 million KWH produced by solar power generation.

105 tons of Co2 saved from efficient technologies



20% of our total water consumption comes from recycled water.

0.3 m gallons of rainwater stored







950,000+ subsidized meals provided 850,000 free rides 839 Linked in courses

25,000+ Patients treated
23,000+ people
positively impacted





155 million pet bottles recycled.
300 trees planted

UNSDG 7: AFFORDABLE & CLEAN ENERGY

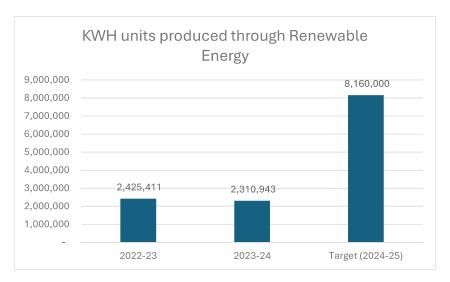
Gatron is committed to sustainable operations, using advanced energy monitoring systems to optimize a diverse energy portfolio, thereby enhancing efficiency and reducing our environmental impact. Our energy mix includes:



- Gas, Heavy Fuel Oil (HFO), Gas and Steam Turbines, and Solar Power:
 This diversified approach supports our sustainability goals while ensuring a reliable energy supply.
- Electricity from K-Electric (KE): In addition to self-generation, we purchase electricity from the grid to meet our operational needs when there is a shortage in natural gas supply for our Gas engines. However, this supply from the grid is not reliable.
- Heating from Biomass: The company is working on a project to use Biomass for its heating requirement instead of Gas and HFO
- Future Wind Power Facility: We are also studying a wind power facility in the Hub district, further expanding our renewable energy initiatives.

Commitment to Renewable Energy

- Installed Capacity and Environmental Impact: Gatron has 1,535 kW of solar power capacity, which annually saves 1,200 tons of CO2 emissions and 625,000 cubic meters of natural gas, significantly contributing to our renewable energy efforts and reducing our environmental footprint.
- Expansion Plans: We are in the process of installing an additional 1 MW of solar capacity and plan to explore a further 3.5 MW this year, aimed at enhancing energy efficiency and sustainability.
- Current and Future Renewable Energy Usage: Currently, 2% of our total energy consumption is derived from renewables, with solar power generating 2.3 million units this year. We are committed to increasing the share of renewable energy to at least 5% by tripling our solar generation capacity in the near future, and will be producing around 8.6 million units, further driving our sustainability goals and reducing our carbon footprint.



Energy Efficiency Projects

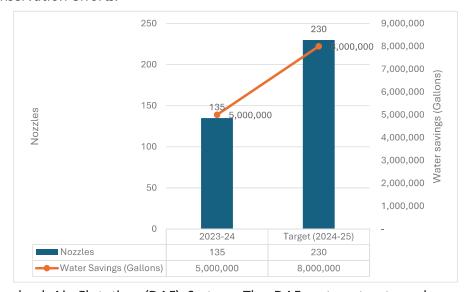
- Polymerization Plant Upgrades:
 - o Reduced energy consumption by 20% with efficient and latest technology.
 - o Annual savings of 185 MWH of energy.
 - o Significant reduction in CO2 emissions.
- Efficient Energy Generation Engines:
 - o Savings of 34,000 cubic meters of natural gas annually.
 - o Reduction of 105 tons of CO2 emissions.
- Heat Recovery Systems (HRSG and WHRB):
 - o Improved thermal insulation and energy retention.
 - o Savings of 3.3 million cubic meters of natural gas, an increase by 2%.
- Air Compressors:
 - o Investment in efficient air compressors led to annual energy savings of 578,000 kWh.

UNSDG 6: CLEAN WATER AND SANITATION

Gatron places a strong emphasis on water conservation as a vital component of its sustainability strategy, demonstrating our commitment to preserving one of the planet's most crucial resources. By recognizing the essential role of water for our operations and the communities we serve, we have implemented a comprehensive water management approach focused on efficiency, waste reduction, and sustainable practices.



- Effluent Treatment Plant (ETP): We utilize advanced technologies to treat and recycle
 9.7 million gallons of wastewater annually. This reduces our reliance on fresh water and ensures that discharged water complies with strict environmental standards, safeguarding local ecosystems.
- Reverse Osmosis (RO) and Ultra Filtration Plant: Our RO plant treats blowdown
 wastewater from our cooling tower, reducing the need for 37 million gallons of fresh
 water annually, thereby conserving this vital resource.
- High-Efficiency Water Nozzles: The installation of 135 water-saving nozzles has led to annual savings of 5 million gallons of water, supporting more efficient and responsible water use. Additionally, we have identified 95 potential sites for further nozzle installations in the coming year, which will contribute significantly to future water conservation efforts.



• Dissolved Air Flotation (DAF) System: The DAF system treats and reuses 5 million gallons of backwash water from the Ultrafiltration (UF) plant, enhancing our water recycling efforts and overall efficiency.

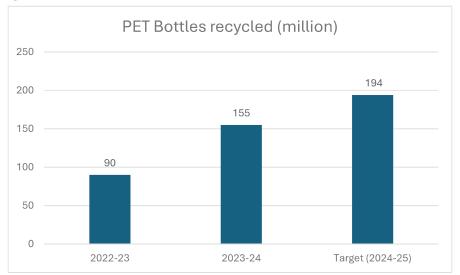
Through these strategic water conservation efforts, Gatron recycles 20% of its total water consumption, aligning with UN Sustainability Goal 6. By setting a standard for responsible water management in the industrial sector, our commitment to innovative water practices reflects our dedication to sustainability and our responsibility to future generations.

UNSDG 12: RESPONSIBLE CONSUMPTION & PRODUCTION

Gatron is dedicated to responsible consumption and production, optimizing resource utilization and implementing sustainable practices:

Key initiatives include:

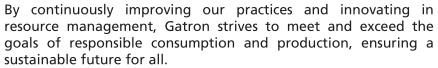
• Waste Minimization: This year, we have recycled over 155 million plastic bottles to produce high-quality recycled polyester yarn, branded as Ecoron. This initiative not only significantly reduces waste but also helps in lowering our carbon footprint by giving plastic a second life.



- Resource Efficiency: Through investments in energy-efficient technologies, such as advanced air compressors and heat recovery systems, we have successfully conserved energy and reduced natural gas consumption. These efforts lead to more sustainable production processes and a reduction in emissions.
- Sustainable Product Innovation: Our commitment to sustainability is reflected in our development of environmentally friendly products that support a circular economy. By prioritizing the use of recycled materials in our manufacturing processes, we contribute to a more sustainable supply chain.



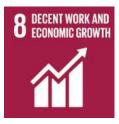
 Engagement and Education: We actively involve our employees and local communities in our sustainability initiatives, raising awareness about the importance of responsible consumption and waste reduction. Tree Plantation Drive: Gatron has made a significant contribution to responsible environmental stewardship by planting 300 trees within our premises. In the coming year, we plan to collaborate with local authorities to extend our efforts by implementing a large-scale tree plantation initiative along Hub River Road. This initiative will further our commitment to sustainable practices, reduce our carbon footprint, and enhance the local environment, aligning with our goal of promoting responsible consumption and production.





UNSDG 8: DECENT WORK & ECONOMIC GROWTH

At Gatron, we are committed to promoting inclusive and sustainable economic growth and ensuring decent work for all employees. Our dedication to UN SDG 8 is reflected in various initiatives designed to enhance the well-being of our workforce and contribute positively to the local community.



- Employee Welfare:
 - o Subsidized Food: We offer our employees affordable, nutritious meals through in-house catering facilities that adhere to strict hygiene standards. This year, we provided approximately 950,000+ subsidized meals, ensuring our workforce has access to quality food at minimal cost.
 - Housing Facilities: To address housing challenges, we have constructed free accommodation facilities for over 800 workers, offering them secure and comfortable living conditions.
 - o Transportation Facilities: We offer complimentary transportation services to all employees and workers, providing 850,000 free rides this year. Covering the entire Hub region and Karachi, this service ensures a smooth and convenient commute. By providing free transportation, we enhance accessibility, contributing to both the well-being and job satisfaction of our workforce.
- Employee Engagement: We actively engage our employees through various events and activities, including Eid celebrations, Independence Day (14th August) festivities, dinners, Hajj balloting (providing 5 people with the opportunity to perform Haj each year), town hall meetings, and retirement emails.





 Training and Development: We invest in our employees' professional growth by offering training programs. This year, our employees have successfully completed 839 LinkedIn courses, providing them with opportunities to enhance their skills and knowledge.



• Talent Management: Our talent management strategy includes the implementation of SAP SuccessFactors, KPIs, and a performance management system to ensure effective monitoring and development of employee performance. Additionally, we conduct regular health risk assessments for workers in our polymer plant to ensure their well-being.

Through these comprehensive efforts, Gatron strives to create a supportive and enriching work environment, contributing to sustainable economic growth and the overall well-being of our workforce.

UNSDG 3: GOOD HEALTH & WELL-BEING

Gatron is dedicated to ensuring the health and well-being of its employees and the surrounding communities through various initiatives:

• Sina Clinic Inauguration Ceremony: In early 2024, Gatron Foundation, a welfare wing of the group, partnered with Sina Clinic to establish a new healthcare facility in Baldia, Karachi, which officially opened during the 2024-25 period. With a capacity to treat over 3 500 patients, the clinic is dedicated to offering high-quality of the control of t



over 3,500 patients, the clinic is dedicated to offering high-quality medical services to the poor and underserved.



The inauguration ceremony was held at the newly established clinic, which was beautifully decorated, with a prominent "Sina Clinic Inauguration" banner displayed at the entrance. The event's highlight was the ribbon-cutting ceremony, symbolizing the clinic's official opening. The chief guest, Mr. Pir Muhammad Diwan, Founder of Gatron (Industries) Limited and Gatron Foundation, along with the CEO of Gatron (Industries) Limited and other dignitaries, participated in the ribbon cutting.

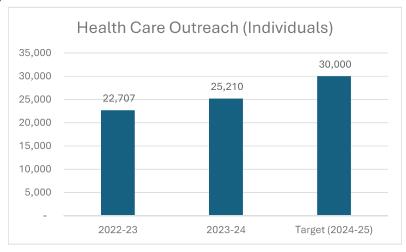


The successful inauguration of Sina Clinic underscored its mission to deliver compassionate, accessible, and excellent healthcare to those in need. The event reflected the clinic's commitment to these values, setting an encouraging tone for its future operations.

• In-house Clinic Facilities: Gatron operates an in-house clinic to provide immediate and accessible healthcare services to its employees. This ensures that workers can receive medical attention without leaving the workplace, thereby promoting a healthier workforce.



• Sponsorship of Eye Care Unit at Uthal: Gatron Foundation sponsors an eye care unit at Uthal, where comprehensive eye care services are provided to the community. In the year 2023-24, this facility conducted 23,761 outpatient department (OPD) consultations and performed 1,449 eye surgeries. By supporting this initiative, Gatron is contributing to the prevention of blindness and the improvement of eye health in the region.



 Distribution of Rations and Suits: To further support the health and well-being of its employees, Gatron Foundation has provided more than 5,800 ration bags and distributed suits to over 4,000 workers. These initiatives not only contribute to the nutritional and economic well-being of employees but also enhance their overall quality of life.



- Health and Safety Training: Gatron conducted 15 in-house health and safety training sessions, focusing on best practices and protocols to maintain a safe working environment. These sessions were attended by numerous employees, demonstrating our commitment to fostering a culture of safety. Additionally, an external training session was organized, with Mr. Asghar from Novatex Limited, invited to share his expertise, further enhancing our safety knowledge.
- Personal Protective Equipment (PPE): To reinforce safety standards, Gatron has made the use of PPE, including helmets and safety shoes, mandatory for all employees and workers. These protective measures are crucial in preventing injuries and ensuring a safe workplace environment.



• Safety Performance: Thanks to our rigorous safety protocols and continuous training efforts, we have successfully reported zero fatalities this year. However, we did record 9 Lost Time Injuries (LTI) and 8 Medical Treatment Injuries (MTI), which are being carefully analyzed to prevent future incidents.



Through these efforts, Gatron demonstrates its commitment to enhancing the health and well-being of its employees and the communities it serves. By prioritizing health initiatives, Gatron aligns with Goal 3's objective of ensuring healthy lives and promoting well-being for all ages, underscoring its role as a responsible and caring employer.