

SUSTAINABILITY REPORT

(2025-26)

Powering progress, responsibly



Introduction

At Gatron, sustainability continues to be the foundation of our business strategy, guiding our efforts to create long-term value for the environment, society, and economy. As a leading industrial organization, we acknowledge our responsibility to contribute to sustainable development and remain committed to aligning our initiatives with the United Nations Sustainable Development Goals (UN SDGs).

This year's Sustainability Report (2025-26) reflects our progress and renewed commitment across critical areas such as renewable energy adoption, water stewardship, responsible production practices, circular economy solutions, and employee well-being. Our focus is not only on meeting today's needs but also on safeguarding resources for future generations.

2025-26 has been a landmark year on this journey. We **tripled our solar capacity to 8.3 MW**, more than doubling the clean energy we generate and the CO₂ emissions we avoid. Our energy efficiency programme delivered **sixteen times** the savings of the previous year, our Sina Clinic in Baldia **ramped up** the patient services it provides, and we reduced Lost Time Injuries by **half for the second consecutive year**.

By harnessing innovation, enhancing operational efficiency, and empowering our people, we continue to implement initiatives that minimize our environmental footprint, promote workplace health and safety, support community development, and encourage sustainable growth across our value chain.

Gatron remains dedicated to creating measurable impact through actions that advance global sustainability priorities, reinforcing our vision of building a resilient, responsible, and inclusive future for all.

Our Sustainability Journey

Gatron began its formal sustainability reporting journey in 2020 with a clear vision to integrate the United Nations Sustainable Development Goals (UN SDGs) into our business practices. Our initial focus was on five priority goals, aimed at reducing our environmental footprint, improving resource efficiency, and enhancing the well-being of our employees and the communities we serve. Over the past years, we have achieved meaningful progress, implementing projects that delivered tangible environmental and social impact.

Building on this foundation, we have moved from ambition to delivery. The targets we set for 2025-26 have translated into a step-change in renewable energy, with solar generation rising from 2.3 million kWh in 2023-24 to 8.17 million kWh this year. Our priorities going forward include expanding renewable energy with battery storage and wind power, strengthening water stewardship, advancing responsible production, integrating circular economy solutions across our operations, and using AI to enable our growth.

As we continue this journey, Gatron remains committed to driving sustainable growth, creating long-term value for stakeholders, and contributing to a resilient and inclusive future for all.

Key Highlights 2025-26

Environmental Impact

CO₂ EMISSIONS 3,353 tons CO₂ emissions avoided through solar ▲ 134% vs 2024-25 	NATURAL GAS 2,372,163 m³ Natural gas saved ▲ 124% vs 2024-25 	SOLAR SYSTEM 8.17 million kWh Renewable energy generated ▲ 133% vs 2024-25 
SOLAR CAPACITY 8.3 MW Installed solar capacity ~3x the 2.8 MW of 2024-25	ENERGY EFFICIENCY 2.50 million kWh Direct energy savings from equipment upgrades 16x vs 2024-25	RECYCLED WATER 9.07 million gallons Water consumption from recycled water 
PET BOTTLES 57.09 million PET bottles recycled into Ecoron yarn 306.7 million since 2023-24 	PLANTATION DRIVE 284 Trees planted 584 trees over two years 	WATER NOZZLES 179 High-efficiency water nozzles installed ▲ 8% vs 2024-25

Employee & Community Wellbeing

MEALS 735,435 Subsidized meals provided 	TRANSPORTATION 705,180 Free rides provided for our staff 	SINA CLINIC 80,000 Health services provided in Baldia, Karachi ▲ 114% vs 2024-25 
EYE CARE 21,185 OPD consultations and eye surgeries ▲ 9% more surgeries 	SAFETY 0 Fatalities Lost Time Injuries down to 2 LTIs ▼ 50% vs 2024-25	SAFETY TRAINING 500+ Health & safety sessions conducted ▲ 38% vs 2024-25

UNSDG 7: AFFORDABLE & CLEAN ENERGY

At Gatron, we are committed to sustainable operations by leveraging advanced energy monitoring systems to optimize a diversified energy portfolio. This approach enhances operational efficiency, ensures energy security, and reduces our environmental footprint.

Our energy mix includes:



- **Solar Power:** Gatron now operates **8.3 MW** of solar power capacity, up from 2.8 MW last year, resulting in annual savings of **3,353 tons of CO₂ emissions** and **2,372,163 cubic meters of natural gas**. This investment significantly contributes to our renewable energy portfolio and demonstrates our commitment to reducing our environmental footprint.
- **Gas, Heavy Fuel Oil (HFO), and Gas and Steam Turbines:** A balanced and diversified portfolio that supports our sustainability goals while maintaining a reliable energy supply.
- **Electricity from K-Electric (KE):** In addition to self-generation, electricity is purchased from the national grid to support operations during natural gas shortages and also due to rising gas prices. However, this supply remains inconsistent and unreliable.

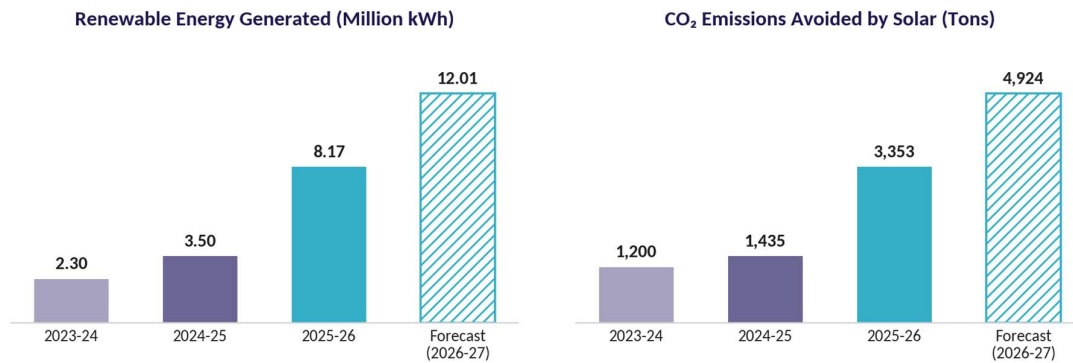
Expansion Plans

- **Additional Solar:** To further enhance efficiency and sustainability, we are installing an additional **2 MW** of solar capacity, which will take our total to **10.3 MW** and further reduce reliance on fossil fuels.
- **Battery Energy Storage (BESS):** Gatron was a pioneer in installing one of the first industrial-scale BESS in Pakistan in **2022**, and we have now ordered a new **7.5 MW / 15 MWh BESS** to support our renewable energy expansion.
- **Wind Power:** Building on last year's feasibility work, we have signed an MOU for a **7.5 MW wind turbine** in our vicinity. Wind will allow us to generate clean energy at night as well as during the day, complementing our solar portfolio.

Through these initiatives, Gatron is progressively transitioning toward cleaner energy sources, aligning with global sustainability practices, and contributing to climate action goals.

Commitment to Renewable Energy

Current and Future Renewable Energy Usage: Last year we committed to tripling our solar generation capacity, and we have delivered. Gatron's renewable capacity now stands at **8.3 MW**, with solar power generating **8.17 million units** in 2025-26, compared with 3.5 million units last year and 2.3 million units in 2023-24. Looking ahead, we are committed to increasing our renewable capacity to at least **10.3 MW**, projected to generate approximately **12.01 million units** of clean energy annually, reinforcing our long-term sustainability goals and accelerating our transition to a low-carbon future.



Forecast (2026-27) shown hatched.

Energy Efficiency Projects

At Gatron, we are committed to advancing responsible energy management in alignment with UN SDG 7 (Affordable & Clean Energy), SDG 12 (Responsible Consumption & Production), and SDG 13 (Climate Action). Through targeted energy-efficient projects and fuel conservation initiatives, we are significantly reducing our environmental footprint while enhancing operational efficiency.

In 2025-26, we scaled up our energy and resource efficiency programme, delivering measurable environmental and operational benefits:

- **Direct Energy Efficiency & Equipment Optimization:** Achieved **2,495,775 kWh** in direct energy savings through pump, chiller, blower, and inverter upgrades, sixteen times the savings achieved last year, avoiding approximately **1,061 tons of CO₂ emissions**, aligned with SDGs 7, 9, 12, and 13.
- **Utility & Grid Load Shifting (KE Infrastructure):** Shifted **22,674,230 kWh** of operational load, easing pressure on the grid during peak periods, supporting SDGs 7, 9, 11, and 13.
- **Staff Transport Optimization:** Saved **24,582 liters** of diesel annually through route optimization, cutting costs by **PKR 9.37 million** and reducing emissions, aligned with SDGs 7, 11, and 13.
- **Lifter Operations Optimization:** Reduced diesel consumption by **8,450 liters**, avoiding approximately **22.65 tons of CO₂ emissions**, supporting SDGs 7, 11, 12, and 13.

Overall Impact

- **Diesel Saved:** 33,032 liters (24,582 liters transport + 8,450 liters lifters).
- **Energy Saved:** 2,495,775 kWh through direct efficiency measures, in addition to 22.67 million kWh of load shifted.
- **CO₂ Avoided:** approximately **4,437 tons** across solar generation (3,353 tons), energy efficiency (1,061 tons) and lifter optimization (23 tons), more than double the 2024-25 level.

These initiatives collectively strengthened our climate responsibility, operational efficiency, and contribution to global sustainability goals, embedding CSR into our core operations.

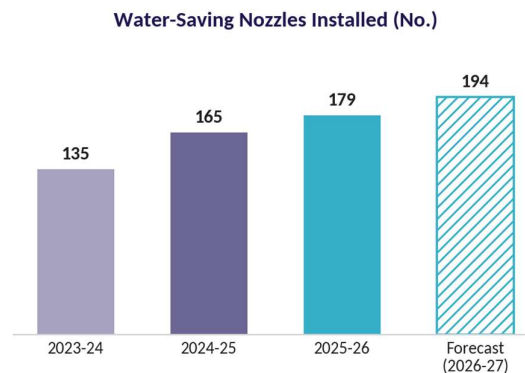
UNSDG 6: CLEAN WATER AND SANITATION

At Gatron, water conservation remains a core pillar of our sustainability strategy, reflecting our commitment to preserving one of the planet's most vital resources. Recognizing the critical role of water for both our operations and the communities we serve, we have adopted a comprehensive water management approach centered on efficiency, recycling, and sustainable practices.



- **Effluent Treatment Plant (ETP):** Through advanced treatment technologies, we treat **9.07 million gallons of wastewater annually**, ensuring discharged water meets strict environmental standards to protect local ecosystems.
- **Reverse Osmosis (RO) and Ultrafiltration Plant:** Our RO system treats blowdown wastewater from cooling towers, conserving **4.98 million gallons of freshwater** each year.
- **High-Efficiency Water Nozzles:** We expanded our network to **179 water-saving nozzles** (from 165 last year), delivering annual savings of **10.5 million gallons**. An additional **15 sites** have been identified for future installations, taking us to 194 nozzles, further strengthening our conservation efforts.
- **Dissolved Air Flotation (DAF) System:** This system recovers and reuses **1.20 million gallons of backwash water** from the Ultrafiltration (UF) plant, improving water recycling efficiency.

Through these initiatives, Gatron recycles **9.07 million gallons** of its total water consumption and conserves a further **14 million gallons** of freshwater through RO recovery, efficient nozzles and DAF reuse, directly supporting UN Sustainable Development Goal (SDG) 6: *Clean Water and Sanitation*. By championing innovative water practices, we continue to set benchmarks for responsible water management in the industrial sector, reinforcing our commitment to future generations.



Forecast (2026-27) shown hatched.

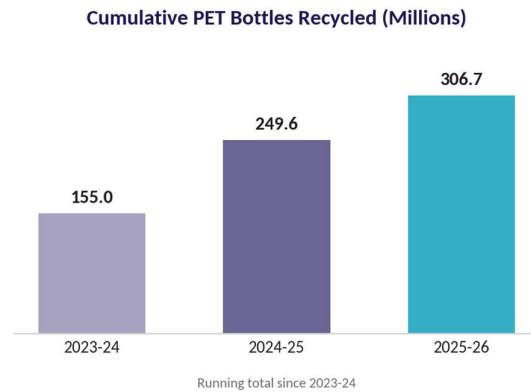
UNSDG 12: RESPONSIBLE CONSUMPTION & PRODUCTION

Gatron remains committed to advancing **responsible consumption and production** by optimizing resource utilization and embedding sustainable practices across operations.



Key initiatives include:

- **Waste Minimization:** In FY 2025-26, we recycled over **57.09 million PET bottles** into high-quality recycled polyester yarn under our brand *Ecoron*, bringing the total to more than **306 million bottles** over the last three years. This initiative not only diverts plastic from landfills and oceans but also contributes to reducing our overall carbon footprint by extending the life cycle of plastics.



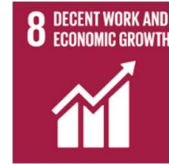
- **Resource Efficiency:** Through strategic investments in **high COP chillers, advanced air compressors, pumps, blowers, inverters and heat recovery systems**, we achieved measurable reductions in energy demand and natural gas consumption. These efforts directly support lower greenhouse gas emissions while driving more sustainable production processes.
- **Sustainable Product Innovation:** By embedding circular economy principles, Gatron continues to develop environmentally responsible products. The use of recycled inputs in manufacturing strengthens supply chain sustainability and reduces dependency on virgin raw materials.
- **Community Engagement & Education:** We actively engage employees and surrounding communities to raise awareness on responsible consumption, waste reduction, and environmental stewardship.
- **Tree Plantation Drive:** Demonstrating our environmental commitment, Gatron planted **284 trees and plants** within our premises during the year, adding to the 300 planted last year, contributing to carbon sequestration, biodiversity enhancement, and improved community well-being.



By continuously innovating in **resource management, product sustainability, and community engagement**, Gatron aligns its practices with the **UN Sustainable Development Goals (SDG 12)** and global sustainability benchmarks, ensuring a responsible and resilient future.

UNSDG 8: DECENT WORK & ECONOMIC GROWTH

At Gatron, we are committed to fostering inclusive and sustainable economic growth while ensuring decent work opportunities for all employees. In alignment with **UN SDG 8 (Decent Work and Economic Growth)**, we continue to invest in initiatives that strengthen employee well-being, professional development, and community engagement.



- **Employee Welfare:**

- **Subsidized Meals:** This year, we provided over **735,435 subsidized meals** through our in-house catering facilities, which operate under strict hygiene standards. These meals ensure that employees have access to affordable and nutritious food every day.
- **Transportation Facilities:** We provided approximately **705,180 free rides** through our employee transportation program, covering the entire Hub region and Karachi. Route optimization during the year allowed us to maintain this coverage while saving 24,582 liters of diesel. By offering reliable and cost-free commuting, we improve accessibility while enhancing both well-being and job satisfaction.
- **Employee Engagement:** We actively foster a culture of inclusivity and belonging by organizing a variety of events and initiatives, including Eid celebrations, Independence Day festivities, picnics, dinners, farewell gatherings, town hall meetings, retirement acknowledgments, and our **annual Hajj balloting**, through which the company sponsors employees to perform Hajj each year.



- **Training and Development:** This year, our employees completed **1624 man hours learning courses**, equipping them with new skills and knowledge to advance their careers. Such investments in professional growth not only empower individuals but also build long-term organizational resilience.
- **Talent Management:** We continue to strengthen our talent management systems through **SAP SuccessFactors**, structured **KPIs**, and a robust performance management system. To safeguard health and safety, we also conduct regular **health risk assessments** for workers in our polymer plant, ensuring a safe and secure work environment.

Through these initiatives, Gatron is creating a supportive and empowering workplace where employees can thrive. Our efforts demonstrate a clear commitment to **sustainable economic growth, decent work, and community well-being**, reinforcing our role as a responsible employer and industry leader.

UNSDG 3: GOOD HEALTH & WELL-BEING

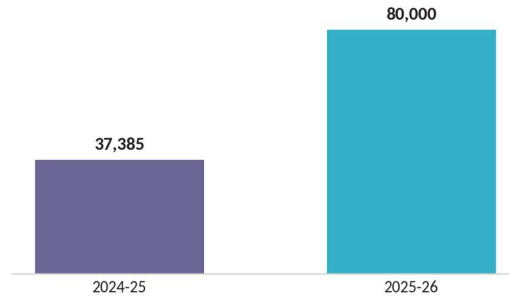
At Gatron, we remain committed to safeguarding the health and well-being of our employees and the communities we serve. In line with **UN SDG 3 (Good Health and Well-Being)**, we continue to expand access to quality healthcare, promote workplace safety, and strengthen community health support systems.



- **Sina Clinic, Baldia:** The **Gatron Foundation**, the welfare arm of the group, partnered with **Sina Clinic** to establish a healthcare facility in **Baldia, Karachi**, which opened in 2024-25. In its first full year of operations,

the clinic provided over **80,000 essential health services** to the local community, more than double the 37,385 patients treated last year and well ahead of our forecast of 60,000, delivering high-quality healthcare to underserved communities.

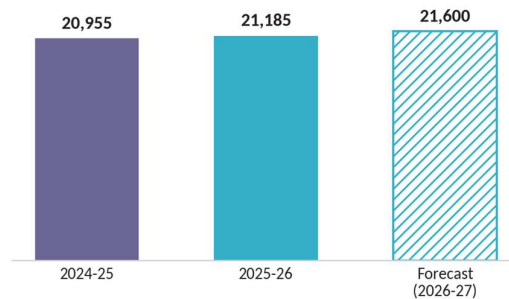
Sina Clinic Baldia – Patient Services



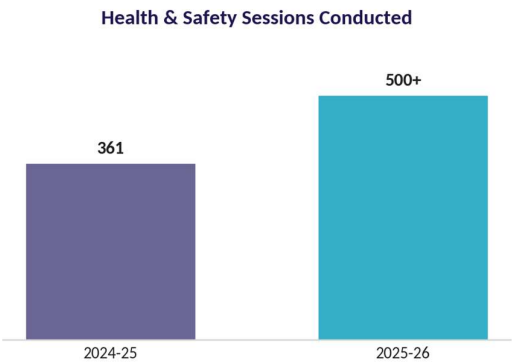
- **In-house Clinic Facilities:** Gatron continues to operate an **in-house clinic**, ensuring immediate and accessible healthcare services for employees. This on-site facility minimizes downtime and helps maintain a healthier workforce.
- **Sponsorship of Eye Care Unit at Uthal and Hub, Balochistan:** We sponsor an **Eye Care Unit in Balochistan**, providing essential eye health services to the local community. In 2025-26, the unit conducted **19,600 outpatient consultations** and performed **1,585 eye surgeries**, up 9% on last year, making a significant impact on the prevention of blindness and the promotion of healthy vision.
- **Gatron Factory Eye Camp:** Conducted at Gatron factory, screening a total of 766 employees. Following examinations, 199 spectacles were distributed across reading, distance, and bifocal requirements.



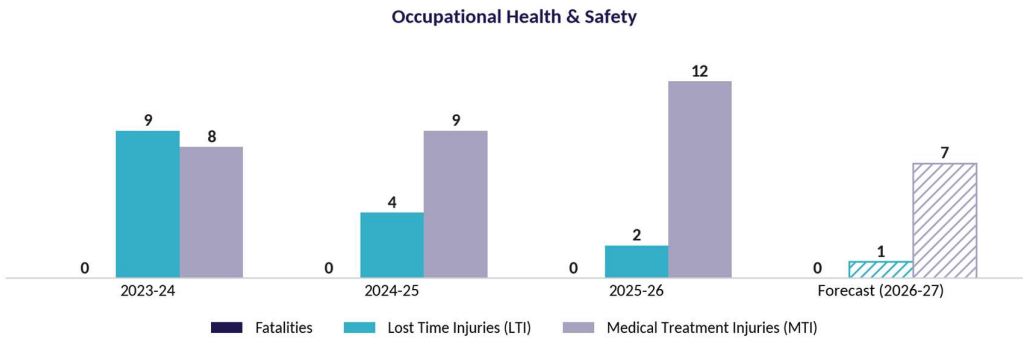
Eye Care Outreach (OPD + Surgeries)



- **Distribution of Rations and Suits:** To support welfare beyond the workplace, Gatron distributed over **4,179 ration bags** to families and provided suits to over **2,152 workers** this year. These initiatives promote nutritional security and enhance the overall living standards of our workforce.
- **Health and Safety Training:** We significantly scaled up our training initiatives, conducting **500+ health & safety sessions**, a 38% increase on last year, reinforcing a strong safety culture and preparing employees to proactively manage workplace risks.



- **Personal Protective Equipment (PPE):** The mandatory use of PPE, including helmets and safety shoes, remains a cornerstone of our workplace safety standards, preventing injuries and protecting employees on-site.
- **Safety Performance:** Our continued focus on safety has resulted in **zero fatalities for the third consecutive year**. Lost Time Injuries, our most serious recordable category, were **halved again to 2** (from 4 in 2024-25 and 9 in 2023-24), a **78% reduction over two years** and better than our forecast of 3. We recorded 12 Medical Treatment Injuries, and total recordable incidents remain **18% below 2023-24 levels**. These results underscore the effectiveness of our safety systems and our commitment to continuous improvement.

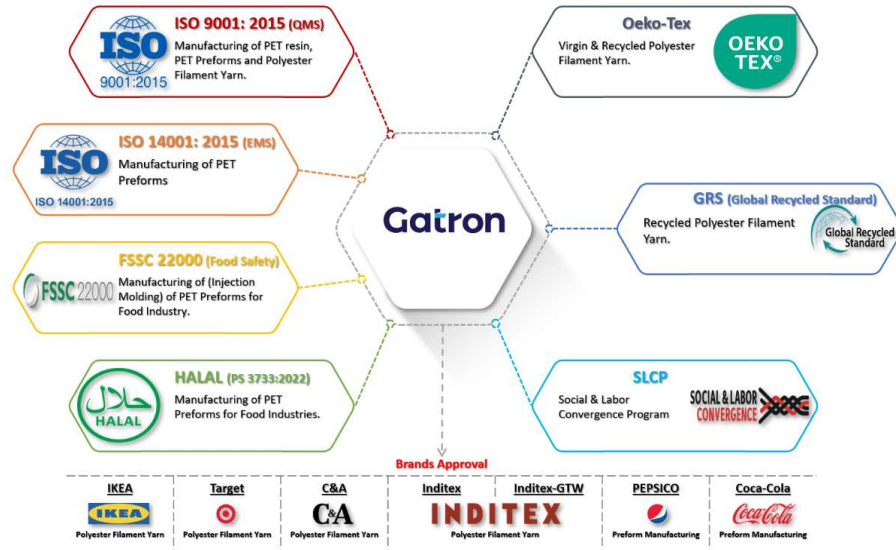


Forecast (2026-27) shown hatched.

Through these initiatives, Gatron demonstrates its commitment to creating a **safe, healthy, and resilient work environment** while extending healthcare access to surrounding communities. By prioritizing well-being at every level, we continue to strengthen our role as a responsible, people-focused organization.

Commitment to International Standards and Responsible Production

At Gatron, our sustainability journey is underpinned by a strong foundation of **globally recognized certifications and brand approvals**. These achievements reflect our commitment to **quality, safety, environmental responsibility, and ethical business practices**.



- **Certified Excellence:** Our facilities are certified to international benchmarks, including **ISO 9001:2015 (Quality Management)**, **ISO 14001:2015 (Environmental Management)**, **FSSC 22000 (Food Safety)**, and **HALAL (PS 3733:2022)** standards. These certifications demonstrate our dedication to delivering products that are **safe, sustainable, and consistently reliable**.
- **Sustainable and Ethical Production:** Through certifications such as **Oeko-Tex®**, **Global Recycled Standard (GRS)**, and participation in the **Social & Labor Convergence Program (SLCP)**, we ensure that our operations adhere to **sustainable material use, circular economy principles, and fair labor practices**.
- **Global Brand Trust:** Our collaboration with leading global brands, including **IKEA, Target, C&A, Inditex, PepsiCo, and Coca-Cola**, is a testament to our ability to meet the **highest international standards for quality, sustainability, and compliance**.

Together, these certifications and partnerships reinforce Gatron's role as a **responsible global partner**, committed to **reducing environmental impact, protecting human rights, and driving continuous improvement across our value chain**.

Looking Ahead: 2026-27

Building on the momentum of 2025-26, our priorities for the coming year are:

- Expanding solar capacity to **10.3 MW**, generating approximately **12.01 million kWh** and avoiding an estimated **4,924 tons of CO₂**.
- Commissioning our new **7.5 MW / 15 MWh battery energy storage system** and advancing our **7.5 MW wind turbine** project.
- Driving toward our goal of **zero harm**, with a target of no more than **one Lost Time Injury** and zero fatalities.
- Continuing to grow our community healthcare reach through Sina Clinic and our Eye Care Unit in Balochistan.