



Sustainability For Tomorrow

Gul Ahmed's Report on
Sustainable Practices

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About the Report

About the Report

This report provides a holistic and detailed viewpoint of Gul Ahmed Textile Mills Limited (Gul Ahmed or the company) on how it promotes sustainable impacts on the economy, society, its people, and the environment for our valued stakeholders. The textile manufacturing industry generally has to cope with and abide by stringent legal and customer compliance requirements, which present significant challenges. Gul Ahmed strives to add value and help improve towards issues of global importance related to sustainable development both locally and globally. The report is in accordance with GRI universal standards.

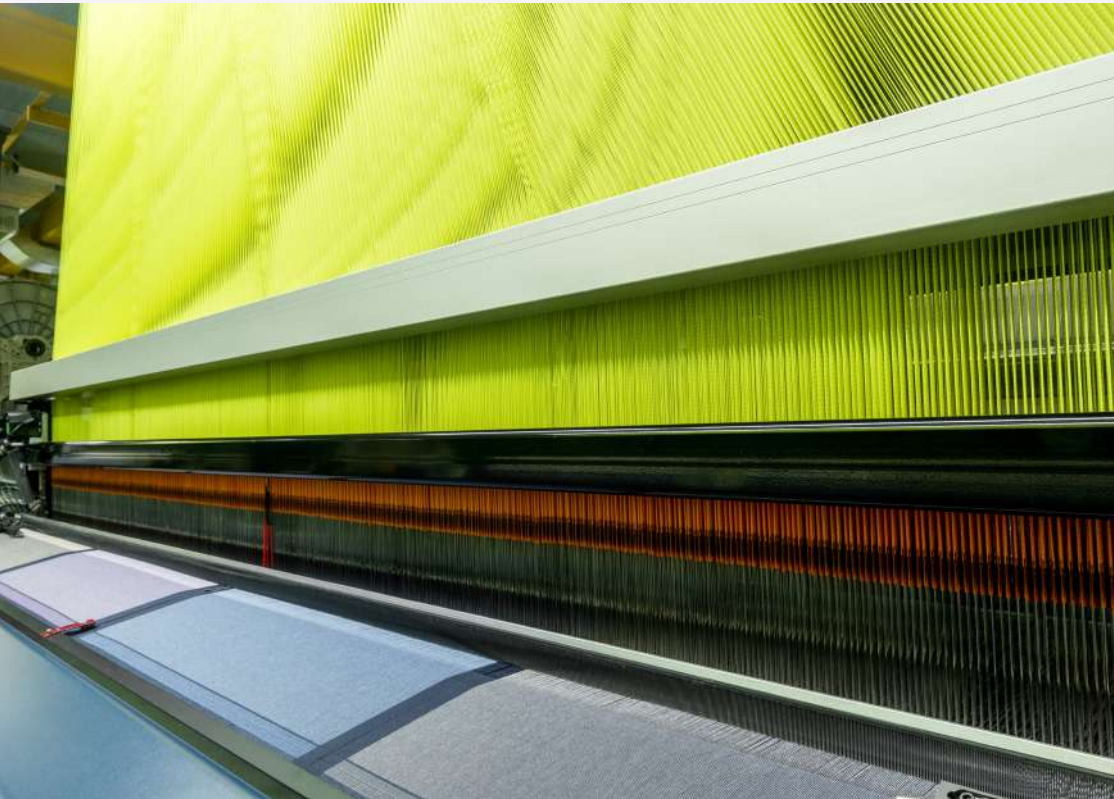
Reporting Period and Boundary

This is our first annual sustainability report; therefore, it contains no restatement of information. The reporting period for this report is from July 1, 2021 to June 30, 2022 whereas comparative information pertains to the periods starting from July 1, 2020 to June 30, 2021 and from July 1, 2019 to June 30, 2020 which are in alignment with our financial reporting period. For the purpose of simplicity, the above-mentioned periods have been referred to within the report as “2022”, “2021” and “2020” respectively. The reporting entity is Gul Ahmed Textile Mills Limited only and none of our associated companies or subsidiaries are part of this report. We confirm that there have been no significant changes to the organizational structure during the reporting period.

While preparing this report, we have reported qualitative and quantitative information to the best of our capability. The disclosed data is both measured and estimated. We have also ensured, to the best of our knowledge and capability, that the margin of error for any data measurements does not inappropriately influence the conclusions or assessments of information for the intended audience of this report. We have presented all information in a way that allows the intended audience to see negative and positive year-on-year trends in impacts, and distinguish clearly between reported information and the organization’s interpretation of this information

The publication date of this report is May 9, 2023.





Audience and Information disclosures

The information is presented in a way that can be understood by the intended audience. Wherever necessary, important details are included and made accessible and understandable for the audience. Where mentioned, the information within this report is to be read in combination to the information already disclosed in our Annual Report. The users can access our Annual Report on our website using the following link:

www.gulahmed.com/investor-relations/financial-information/

Data estimations and positional statements

The information presented is for the current reporting period and the two previous periods, wherever applicable, as well as any goals and targets that have been set. International metrics and standard conversion factors and protocols have been used, where applicable, for compiling and reporting information.

This report has been thoroughly reviewed by a designated team of internal stakeholders.

Please reach out to our Sustainability Council:

[\(sustainability@gulahmed.com\)](mailto:sustainability@gulahmed.com)

for any suggestions or feedback.

External Assurance

Keeping in line with the best corporate governance practices, the CEO has decided that the company's Annual Sustainability Report should be accompanied by external assurance from an independent external auditor.

This report has been reviewed and bears the opinion of an independent external assurance provider, M/s Yousuf Adil Chartered Accountants. The auditor has expressed an opinion in relation to the review scope, which includes the following aspects:

- Review of qualitative and quantitative information reported and referenced in the report.
- Evaluation of the disclosed information in the report to ensure compliance with the GRI 2021 Standards.
- Adherence of the review process to the International Standard on Assurance Engagement (ISAE) 3000 (Revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" to provide limited assurance on performance data within the Sustainability Report.

Please refer to page 72 for the complete assurance report.



Gul Ahmed at a Glance

Our Vision

Enriching Lives by Inspiring Change

Our Core Values

Integrity, Respect, Passion, Quality & Teamwork

Our Mission

To deliver value to our stakeholders through innovative technology, teamwork and by fulfilling our social and environmental responsibilities



Integrity

We always act with honesty and transparency in all that we do. We do what we say and believe in keeping our promises and commitments.



Respect

We treat our people and business partners with respect, fairness, and humbleness. We also encourage people to share their opinions even if it differs from our own.



Passion

We believe passion is the fuel that inspire and drives us to lead and move forward.



Quality

We demonstrate quality and strive for excellence through all our actions.



Teamwork

We are one team and committed to an environment where every person is a valued member and treated with respect. We encourage togetherness & believe in recognizing team efforts.

Our Business

The story of textiles in the subcontinent is the story of Gul Ahmed. The group began trading in textiles in the early 1900s and entered the field of manufacturing with the establishment of today's iconic name of Gul Ahmed Textile Mills Limited in the year 1953.

The company was incorporated on April 1, 1953, in Pakistan as a private company with its liability limited by shares. The company was converted into a public limited company on January 07, 1955, and got listed on the Karachi Stock Exchange (KSE). The company is now listed on Pakistan Stock Exchange Limited with its registered office being situated at Plot No. 82, Main National Highway, Landhi, Karachi. All manufacturing units and warehouses of the company are located in Karachi, Pakistan. The company is a subsidiary of Gul Ahmed Holdings (Private) Limited.

Nature of Business

Equipped with state-of-the-art machines for spinning and the latest technologies for yarn dyeing, weaving, processing, digital printing, embroidery, and stitching units, the company operates as a composite unit, manufacturing everything from cotton yarn to finished products. Additionally, Gul Ahmed has its own captive power plant, comprising of gas engines, gas and steam turbines, and backup diesel engines.

Our Product Portfolio

The production of textiles requires a blend of technical expertise and creative artistry to create products that appeal to customers. At Gul Ahmed, there is an emphasis on continuous learning, improvement, and innovation through consistent efforts and a drive for growth. The company is equipped with the most advanced technology in the industry, enabling it to offer a vast spectrum of product varieties to customers, across the world.

Yarn

The company offers a range of yarn qualities, including carded, combed, compact siro, fancy, plied, core-spun, slub, package dyed/cone dyed, and gassed mercerized/dyed yarn.



Fabric

Gul Ahmed has the capability to dye and print a wide range of home textile and apparel fabrics. Additionally, we have a set-up for back coating and flock printing, which provides us with an additional opportunity to cater to the needs of our customers. Our fabric category includes plain fabric, sheeting fabric, poplin, canvas, oxford, duck, Bedford cord, herringbone, ottoman, twill, sateen, rib stops, slub fabric, stretch fabric, and mélange fabric.



Home Textiles

Gul Ahmed’s high-quality textile products are a fusion of the centuries-old traditions of the East and the latest textile technology of the West. Our made-ups section includes products in white, dyed, printed, or yarn-dyed form and in different styles of confectioning.

Our home textile products are designed to meet all home and office decoration needs and set new trends and fashion vibes. This section includes:



Sheets and Pillowcases



Decorative pillows



Comforters



Curtains



Quilt/Duvet covers



Upholstery fabrics



Bed-in-a-Bag

We market our home textile products both locally and in foreign export markets and over the years our customer base has come to include renowned brands such as Ikea, Jo-Ann Fabrics, EnVogue International and Dunelm Group.



Apparel and Garments

We have always nurtured the passion of creative designers and invited young, talented individuals to showcase their skills in various forms of design. By doing so, we not only encourage such talented individuals but also benefit from their innovative ideas. Our value creation process and human resources have never let us down. The customers’ passion for rushing to stores with every new launch is a testament to our success in creating appealing designs and setting new fashion trends. After receiving an impressive response from the local market, we have expanded to exporting garments. Designing products according to the fashion trends of the target countries and GSP Plus status has helped us increase our exports. Our major foreign apparel customers include JCPenney, Decathlon, C&A and Carrefour.

Segment Information

The Group's operations have been divided in four segments based on the nature of process and internal reporting. Following are the four reportable business segments:

Segment	Details
Spinning	Production of different quality of yarn using both natural and artificial fibers
Weaving	Weaving is a method of fabric production in which two distinct sets of yarns or threads are interlaced at right angles to form a fabric
Processing, Home Textile & Apparel	Processing of yarn and griegie fabric into various types of finished fabrics for sale as well as manufacture and sale of made ups and home textile products
Subsidiary Companies	All subsidiaries are engaged in distribution/trading of textile related products except Worldwide Developers (Pvt) Limited which was incorporated to carry on real estate business and currently it has rented out certain portion of its property to the company for warehousing purpose

Details of Subsidiaries

Name	Country of Incorporation
Gul Ahmed International Limited FZC	UAE
GTM (Europe) Limited - Indirect subsidiary	UK
GTM USA Corp. - Indirect subsidiary	USA
Sky Home Corp.- Indirect Subsidiary	USA
Vantona Home Limited - Indirect Subsidiary	UK
JCCO 406 Limited - Indirect Subsidiary	UK
Ideas (Private) Limited	Pakistan

The company is a member of the following Associations:

- All Pakistan Textile Mills Association (APTMA)
- Karachi Chamber of Commerce & Industry (KCCI)
- The Karachi Cotton Association (KCA)
- Pakistan Business Council (PBC)
- Employers' Federation of Pakistan
- Pakistan Textile Exporters Association
- All Pakistan Textile Processing Mills Association
- Pakistan Bed Wear Exporters Association (PBEA)
- Pakistan Hosiery Manufacturers & Exporters Association
- Karachi Centre for Dispute Resolution
- International Textile Manufacturers Federation

Awards and Achievements:

The company has been recognized by various organizations including Global Compact Network Pakistan ("GCNP") for its sustainability efforts and commitment to its sustainability journey. During 2022, the company received the following awards:

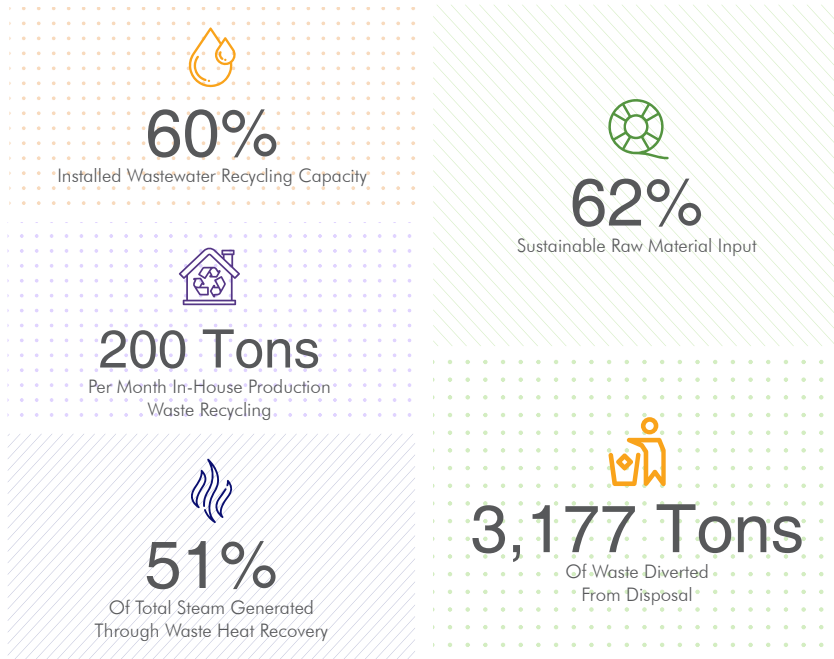
- GCNP Business Sustainability Award 2021 for SDG Initiatives
- GCNP Business Sustainability Award 2022 for SDG Initiatives
- CSR Award for Responsible Investment 2022





Key Highlights

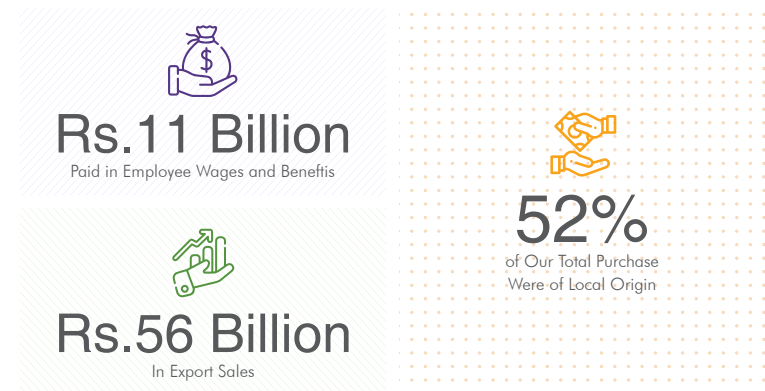
Environment



Social



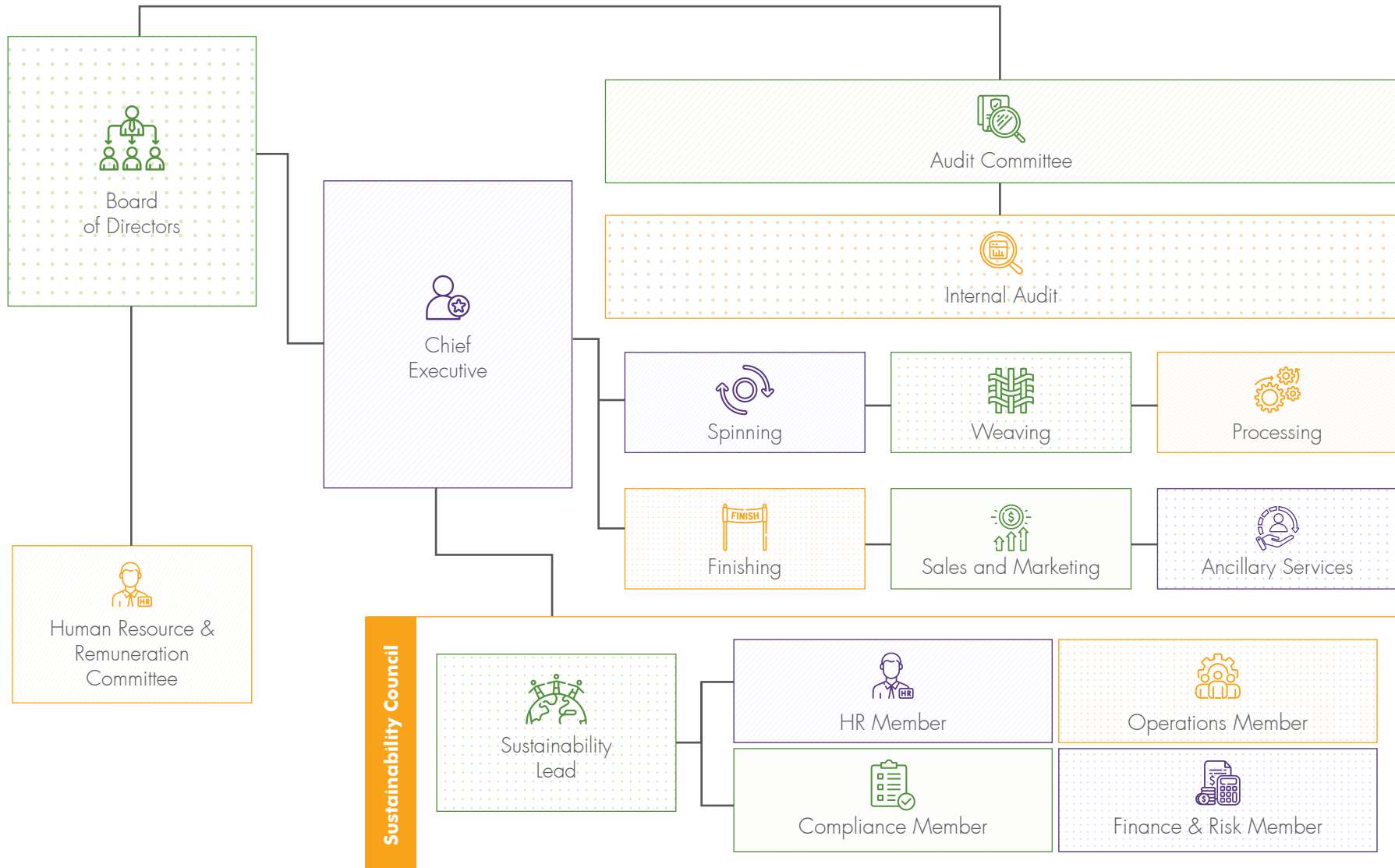
Economic





Sustainability Governance

Our Governance Structure



Our Leadership

The highest governance body within the company is the Board of Directors ("The Board"). The nomination, election, composition and responsibilities of the Board are governed by the Companies Act, 2017, Listed Companies (Code of Corporate Governance) Regulation, 2019 and other regulations as applicable on the company.

The Board is responsible for overseeing the management and strategic direction of the company. The functions of the Board include setting the company's overall strategy, monitoring financial performance, appointing and evaluating senior management, ensuring that the company operates in compliance with laws and regulations, and providing guidance and advice to the management team on relevant matters including the overall sustainability strategy of the company in respect of the economy, environment and people. The Board collectively possesses all required knowledge, skills, and experience to guide the company in relevant sustainability development matters. Critical sustainability concerns, if any, faced by the company are communicated to the Board for guidance.

Kindly refer to our Annual Report, Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulation, 2019 and relevant laws and regulations for detailed information regarding our leadership, their roles and responsibilities and the procedure of nomination and election

As of June 30, 2022, our leadership consisted of the following individuals who were elected as directors at the Extraordinary General Meeting of the company held on March 31, 2020:



Board Governance Commitees

Human Resource and Remuneration Committee

Composition

 Mr. Ehsan A. Malik Chairman and Member	 Mr. Mohomed Bashir Member	 Mr. Zain Bashir Member	 Mr. Salim Ghaffar Secretary
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The Human Resource and Remuneration Committee at Gul Ahmed is responsible for managing all aspects of Human Resources and Remuneration, including the development, maintenance, and monitoring of appropriate policies and procedures. The committee also develops and recommends performance-based remuneration incentive programs to the board. It undertakes an annual evaluation of the performance and decides upon the remuneration of the Board as a whole and its committees, either directly or by engaging external independent consultants. Additionally, the Committee is accountable for developing and monitoring workplace health and safety metrics and initiatives to ensure that a safe working environment is maintained.

The committee also deals with instances of workplace harassment, and resolve compliance in light of the anti-harassment policy. The Code of Conduct includes a zero-tolerance policy against harassment, and violations of this policy will result in serious consequence.

The company is determined to handle the disclosures received as a priority matter and fully investigates them until a satisfactory resolution is reached.

WhistleBlowing Committee

Gul Ahmed has a whistleblowing committee that comprises significant management heads. The Chief Financial Officer, Head of Human Resources, and Head of Internal Audit are members of our whistleblowing committee. Our protected disclosures are communicated to the committee through confidential calls, the whistleblower drop box, and email at

whistleblowing@gulahmed.com

bol@gulahmed.com.

WhistleBlowing Policy

The purpose of this policy is to provide a channel to raise concerns about any violations of legal or regulatory nature, incorrect or misrepresented financial statements and reports, etc. without fear of punishment or unfair treatment.

Gul Ahmed's whistleblowing policy assures that the protected disclosure will be acted upon seriously. Our top priority is to protect the whistleblowers so that they are not victimized. Victimization is a serious consideration that can lead to initiating disciplinary action against the concerned individual. Gul Ahmed ensures complete confidentiality as a principal value of our organization. Disciplinary

actions are part of the organization's approach to deal with anyone who destroys or conceals evidence of the protected disclosures. Gul Ahmed believes in providing an opportunity to be heard to the persons against whom the whistle is blown.

Stakeholder Grievance Management Mechanism

The stakeholders are allowed to raise their grievances, if any, with the relevant departments. The company allows access to all shareholders including potential investors, to call for relevant information or details on the company’s operations. The required information is provided immediately, or a query/grievance is resolved promptly in accordance with the statutory guidelines.

Investor and stakeholder grievances are managed centrally through an effective grievance management mechanism.

For Internal grievances the company follows an open-door policy which allows employees raise their concerns to their supervisors, senior management, human resources

department or use the help desk software along with other means of communication without any fear of judgment or criticism. The matters raised are then dealt by professionals and trained staff to resolve fairly with prudent justifications.

Audit Committee

Composition

 Mr. Ehsan A. Malik Chairman and Member	 Mr. Mohamed Bashir Member	 Mr. Amjad Waheed Member	 Mr. Salim Ghaffar Secretary
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The audit committee plays a critical role in overseeing the organization’s financial reporting and audit processes. Its primary responsibility is to provide independent oversight of the financial reporting process, including the company’s internal controls, risk management, and audit processes, to ensure that financial statements are accurate, complete, and in accordance with accounting principles and applicable regulations.

The audit committee is also responsible for hiring and overseeing the company’s external auditor and reviewing the audit plan and results. It reviews and assesses the work and performance of the internal audit function as well. In addition, the committee monitors compliance with

laws, regulations and standards related to financial reporting, internal controls, and best practices of corporate governance.

Overall, the audit committee is responsible for ensuring the integrity of the financial reporting process, safeguarding the assets of the organization, and promoting transparency and accountability in financial reporting.

Our Sustainability Governance

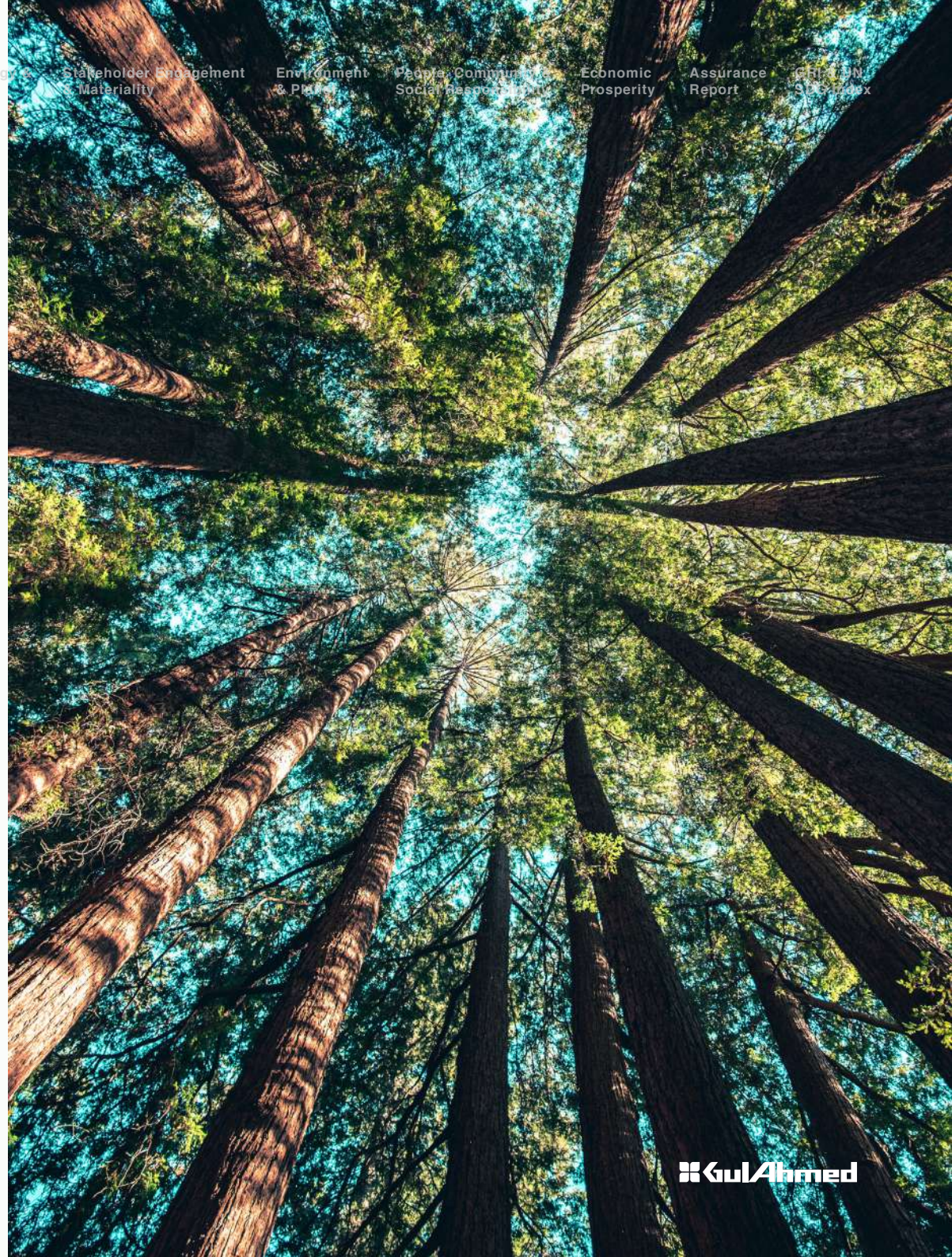
Sustainability Council - A leap towards achieving Corporate Sustainability Management

Given the recent international and local developments on sustainability-related responsible business initiatives, and results-oriented compliance requirement from our customers, our executive management decided to constitute a sustainability council. This council will become a driving force for taking our sustainability agenda forward and will provide overall visibility and transparency in our environmental, social, and governance overtures that is ensured through monthly meetings.

The sustainability council reports directly to the CEO, who in turn reports the progress to the Board on quarterly basis. The council includes the representation of all offices directly or indirectly related to sustainable business practices, and additional representatives

can be added as it moves towards maturation. Presently, the council members are represented by a leader from Sustainability Organization, Human Resources, Operations, Compliance and Finance & Risk Management.

The members of the sustainability council liaise with other relevant department heads to develop a time-bound action plan. Heads of the individual operational departments act as “Sustainability Champions” and assuming the final responsibility for delivery of their relevant targets.



Message from The CEO

Dear Stakeholders,

I am pleased to present to you Gul Ahmed Textile Mills Limited's first sustainability performance report. This report showcases our dedication towards sustainable practices and the steps we have taken to achieve our sustainability goals.

At Gul Ahmed, we have always viewed sustainability as a crucial component of our business operations. We firmly believe that the economic growth of our company should not come at the cost of the environment. We take pride in the fact that our sustainability agenda is embedded in our company's DNA, and we are committed to achieving our sustainability targets while ensuring consistent growth.

The year 2022 has been an exceptional year for our company, where we have achieved the highest sales and profit before tax in the history of our company. Despite the challenging global and national economic situation, we remained firm in our commitment to our customers, shareholders, and employees.

Our sustainability initiatives have been a significant driver of our economic success. As part of the UN Global Compact, we are committed to the 10 principles of the Compact, and we have taken several initiatives to promote sustainability in our operations.

Our organic cotton cultivation project, in collaboration with WWF, is a standout project that provides sustainable cotton while creating

employment opportunities for the local community.

We have sourced the majority of all cotton, polyester, and fibers from sustainable sources, and we have worked to increase the circularity and recycling of water within our operations.

Looking forward, we have committed to achieving Net Zero Emission and Zero Liquid Discharge to combat climate change. In the coming years we plan to fulfill a significant level of our energy requirement from renewable sources while improving energy efficiency throughout all our products. We aim to expand the impact of our sustainability agenda and achieve our sustainability goals while providing maximum returns to our stakeholders.

In conclusion, we hope that our efforts towards sustainability will inspire others to adopt sustainable practices, and we invite our stakeholders to join us in our journey towards a sustainable future. We remain committed in our sustainability journey and ensuring maximum value to our stakeholders while preserving the planet for the generations to come.

Sincerely,

Mohammed Zaki Bashir
CEO of Gul Ahmed Textile Mills Limited

Message from The Sustainability Council

Dear Stakeholders,

We are excited to share with you Gul Ahmed's first sustainability report for the year 2022. As a company, we recognize our responsibility towards the environment, society, and sustainable economic wellbeing and we are committed to continuously improving our sustainability performance.

In the textile industry, we understand the significant environmental impact that our operations can have. Hence, we have implemented several initiatives to reduce our environmental footprint. We firmly believe that sustainability is not just a buzzword, but a journey, and we are committed to making a meaningful impact. Climate change is one of the most pressing issues of our time, and we acknowledge the importance of taking immediate and decisive action to mitigate its impact. We have set science-based targets to reduce our greenhouse gas emissions and

have made significant progress in achieving energy efficiency by harnessing waste heat and investing in renewable energy sources such as solar. We have also implemented a comprehensive water management program, which includes the treatment and recycling of wastewater, and the reduction of water consumption in our operations. Furthermore, we believe in responsible sourcing and are proud to be one of the biggest buyers of BCI cotton in Pakistan, along with sourcing organic cotton.

We are equally committed to ethical labor practices. We recognize that our people are our greatest asset, and we are committed to creating a workplace culture that is inclusive, diverse, and supportive. We believe that every employee has the right to work in an environment that is safe, healthy, and respectful, and we are continuously working to improve our policies and practices to ensure this. Our commitment to

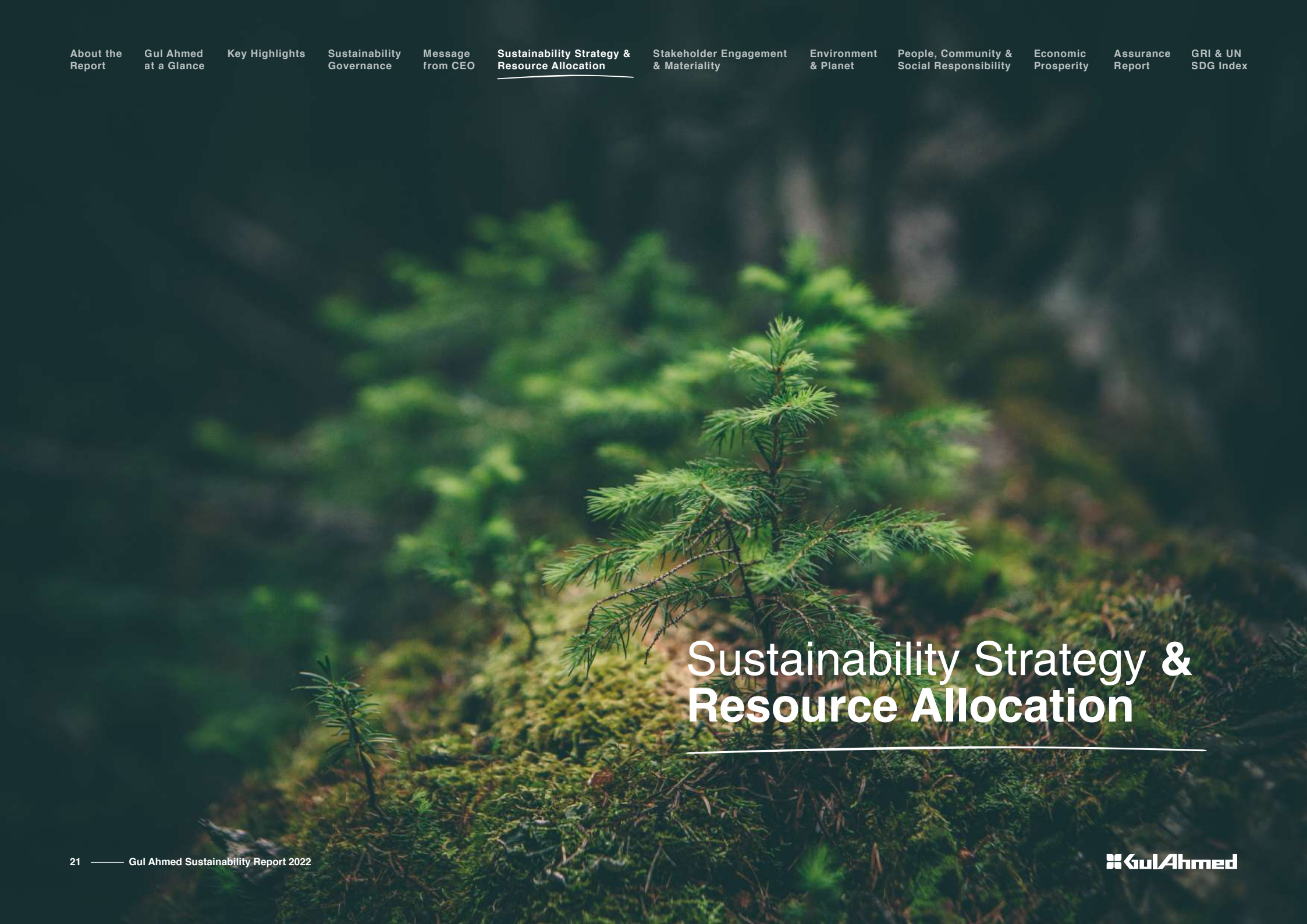
our people includes providing them with opportunities for professional development, promoting work-life balance, and offering competitive compensation and benefits. We also recognize the importance of empowering and engaging our employees in our sustainability efforts, and we encourage their participation and feedback. Through our commitment to our people, we aim to create a positive impact not only on our employees but also on their families and the wider community. We are also committed to supporting our local communities and have engaged in various community initiatives.

As a responsible corporate citizen, Gul Ahmed recognizes the importance of the economic pillar of sustainability. We are committed to achieving our economic goals in a way that is responsible, ethical, and sustainable. Our approach is to create long-term value for our stakeholders while minimizing negative impacts on

the environment and society. We strive to maintain a financially sound and stable business while generating sustainable growth. This includes investing in new technologies, improving operational efficiency, and maintaining a strong financial position to meet our business objectives. We believe that achieving sustainable economic growth is vital to our success as a business and to our ability to create shared value for our stakeholders.

Sustainability is a journey, and we are committed to continuing our efforts to reduce our environmental impact, improve our social responsibility practices, and create shared value for all stakeholders. We believe sustainability is a critical factor for business continuity. We welcome your feedback and suggestions on how we can further improve our sustainability performance.

Sincerely,
Gul Ahmed Sustainability Council

A young evergreen tree, possibly a spruce or fir, is the central focus of the image. It is growing from a thick layer of green moss and forest floor debris. The background is a blurred forest scene with more trees and foliage, creating a sense of depth. The lighting is soft and natural, highlighting the vibrant green of the moss and the needles of the tree.

Sustainability Strategy & Resource Allocation

Corporate Sustainability

Our Corporate Sustainability Strategy

Our sustainability strategy is implemented by our sustainability council headed by the CEO under the guidance of the Board. It is based upon the prevailing economic and environmental landscape of the country. Our governance mechanism provides a basis for us to embed our sustainability strategy into our everyday operations and prioritize our short-, medium- and long-term goals that will lead us to achieve our triple bottom line of Planet, People and Prosperity. The triple bottom line forms the basis of our sustainability strategy, and our approach to sustainability is formed on its three aspects.

The first element of our three-pronged strategy is **Planet**. For us, Planet involves both aspects, the resources we consume such as cotton, chemicals and fuel, and the impact we create on the planet from our operations. Our ultimate goal is to ensure that the negative impacts from our business do not harm the planet to such an extent that our ability to extract and use its natural resources is diminished, whereby undermining our direct and indirect economic

performance. Our strategy for Planet involves substituting traditional raw materials and their sources with more sustainable alternatives, increasing our reliance on circularity and recycling for both materials and water, changing our manufacturing methods by incorporating cutting edge technological advancements with the aim of reducing wastages and reducing our dependency on fossil fuels by gradually shifting to renewable sources of energy. We also aim for an across-the-board improvement in the energy intensity of our product portfolio, which in conjunction with other initiatives will help to reduce our carbon footprint.

The second element of the strategy involves **People**. Considering the labor-intensive nature of textile manufacturing, people are always going to be a major feature in the strategy of any textile composite unit however, the scope our strategy extends beyond our own employees and into the local community as well. Our aim is to share our economic prowess with all those associated with our business. To achieve this, we aim to provide all our employees with fair, competitive

remuneration along with an uplifting work environment that will allow them to broaden their horizons and have a fulfilling career. We also prioritize the health and safety of our employees by providing a safe working environment and access to training and support. To create an uplifting work environment, we have pledged to eliminate any form of discrimination while making a conscious effort to promote inclusion and diversity within our workforce. Furthermore, we consider Gul Ahmed itself as a responsible member of the community and we will continue to play our part in efforts to uplift the local community by way of self-run campaigns and partnerships with other institution to provide medical

assistance, access to quality education, and for the alleviation of poverty. Successful implementation of our Planet and People strategy will result in us achieving the **Prosperity** element within our strategy. We will continue working with our suppliers to improve their sustainability practices and ensure that our products are made in an environmentally and socially responsible way. With our ethical business practices, we are targeting greater economic prosperity where we can fulfil the expectations of our stakeholders while preserving the Planet for future generations, supporting our local community and providing a respectable living standard to all our employees.



Strategic Areas and Goals

At Gul Ahmed, we prioritize providing sustainable value to our customers and a wider community of stakeholders as we aim to create long term economic prosperity, despite challenges, such as industry volatility and financial difficulties.

Our key material theme for a genuinely sustainable future is a robust, diverse and future centric governance mechanism that envisions our business to impart economic and social wellbeing, with a continuous focus on environmental stewardship and respect for human rights as a core business opportunity.

We intend to continuously improve our work culture, ethical conduct, our relationship with communities as a partner in progress and develop and implement interventions that mitigate the impacts of climate change along with managing other environmental impacts.

To achieve this, we have set our future goals and KPIs on Preserving the environment, uplifting our people and creating prosperity.



Precautionary Principle

Having a futuristic sustainability agenda and ever evolving all-inclusive business strategy shall always have positive and negative fallouts, critical for us, is to balance between the question of financial implications of environmental degradation **'E'** and the limiting of economic & Social wellbeing **'S'**. This shall mean, we follow the precautionary approach to both the issues at large and set our targets and wider sustainability strategy on the intersection of both the E&S by evolving a sustainable product strategy, responsible investment discourse, E&S performance evaluation feedback and reporting mechanism that drives continuous improvement, increasing corporate social responsibility contribution and targeted impact assessment. We have an organization-wide understanding that we shall employ all resources to avail any opportunity that leads the way to being a good example for positive contribution to environment and society managed through a peculiar and focused governance organization by enriching lives to inspire change for all.

Our Approach to Sustainable Development Goals

Gul Ahmed is a proud signatory of the UN Global Compact. We are fully supportive and committed to the ten principles of the Compact, which cover issues around human rights, labor, environment, and anti-corruption. We are taking an active role in helping to extend the UN Principles, which are already embedded in our business, and promoting action in both our business and across our supply chain to help deliver the 2030 Sustainable Development Goals (SDGs).

Contributing to the UNSDGs is exactly what we aim for in business. We have a firm belief that enriching lives by inspiring change and contributing to UNSDGs makes us practice our vision in totality. No matter how small our contribution may be, we intend to keep it on our business agenda as we grow, set ambitions, and engage with our valued partners and other stakeholders. Goal no. 17, 'Partnerships', is the way forward to achieve these goals.

While we contribute to all 17 SDGs to the best of our capacity, our keen focus shall remain on six fundamental SDGs that are absolutely material to our business.



Our ambition is to bring about Positive Change for all stakeholders and the community. This reflects in all our decisions and business practices as we have set People Goals:

- Building diverse and empowered workforce
- Improving employee wellbeing



We have set our goals to release zero harmful chemicals into the environment and work to reduce overall water consumption.

- 60% wastewater recycling with the goal of ZLD.
- Recovering 90% of caustic through caustic recovery units.



Our ambition is to ensure that we are using cleaner energy in our steam boilers and that we produce electricity from clean or renewable energy.

- By 2027 we are planning to significantly convert our electricity to renewable generation sources.



Our ambition is to provide decent work conditions and promote growth and economic well being for our employees and their communities.

- Our organic cotton project is supporting well-being of 1500 farmers by promoting safe work and better livelihoods



Our ambition is to practice circularity in product development and reduce the amount of product waste generated.

- We are focused on increasing the share of sustainable raw materials
- We are increasing the proportion of post-production waste recycling



Our ambition is to reduce our energy use as far as possible and that we de-carbonise the energy that we continue to use in order to reduce our emissions

- We have committed the Science Based Targets for an absolute reduction in GHG emissions in line with 1.5°C and a net zero balance by 2050.

Stakeholder Engagement & Materiality

Our Stakeholder’s Perspective

We have been in the textile manufacturing business for the last 70 years. This long and challenging journey of success could not have been possible without the understanding and active participation of our stakeholders. It began with compliance to standards set by our stakeholders as we climbed the maturity ladder. Meeting the expectations of our stakeholders, who have both direct and indirect relationships with our business, has been one of our key relationship drivers, among others:



Since the concept of catering to business needs has fundamentally transitioned from shareholders to stakeholders, we have also managed to be a part of this transition by capturing and working towards the management of generic and specific needs of a diverse set of stakeholders present throughout our value chain. To ensure transparency and traceability, we carry out a stringent process of analyzing stakeholder needs

and their relative importance, depending on the types of stakeholder segments. This requires a distinct set of engagement tools and mechanisms to cater to the relevant segments. We place extensive emphasis on stakeholders’ previous feedback and ensure that their expectations are identified through a common language that both Gul Ahmed and our stakeholders understand. We make every effort to make these expectations part of our business continuity planning to exceed expectations. We become mutual beneficiaries and assume certain responsibilities that we can account for through commitments within the general boundaries of our business.

Our Stakeholders

Our strength is the great relationship we enjoy with our stakeholders broadly categorized as customers, shareholders, workers, communities, our supply chain partners, regulators (Policy and institutions), media, academia, and professional bodies etc.

We believe that our business pulse is driven by our satisfied stakeholders and that is why stakeholder engagement is our top priority.



S. No.	Stakeholders	Engagement Methods	Engagement Frequency	Key Topics	Response	Actions Taken
1	Customers	Exhibitions, Meetings, Electronic Media, Customer Surveys/ Feedback	Ongoing	Business and Product Development, Sustainability Alliances, Terms of Engagement, Cost & Quality Impacts on environment & society	Continuous innovation and up-gradation, enhanced focus on management systems that complement reduction in E&S impacts	- Continuous focus on improvement in quality and efficiency of our products. - To develop products with reduced environmental footprints. - Regular performance monitoring and communication updates
2	Owners/ Shareholders	AGM / Board Meetings Websites, Official Press Release	Biannual / As per Request	Company Performance Business Growth & Development, Increased rate of return and good corporate governance.	Continuous focus on innovation and business development, investment in production capacity & expansion, investing in environmentally friendly technologies and community-based CSR initiatives.	- Recommend environmentally friendly technologies for technology upgrades. - Provide regular feedback on customer preferences on products that have positive environmental and social outlook. (ZDHC, ZLD, WHR, RE, Sustainable RM, etc.) and approval of financial commitments.
3	Employees	Meetings, Trainings, Confidential Calls, Emails, Drop Box, HR Interactions	Ongoing	Training & Development, Labor Practices, Employee Benefits, Performance Appraisals, Economic Performance of Company, Health & Safety	Provision of market-based benefits, on job training for enhancement of skill sets, Investment, policies and procedures for the management of health and safety of workers	- Increase the upskilling and frequency of training for all departments and workers to ensure that employees are aware about what Gul Ahmed offers to its employees and what value they have including their safety and wellbeing. - Gender and all-inclusive recruitment programs to create a culture of accepting diversity and inclusion.
4	Local Communities / NGOs / Civil Societies	Welfare / Funding Programs, Meetings, Employee Engagement,	Ongoing	Manufacturing Sites' Impacts, Recruitment drives, Intervention in the field of health, education, sports, clean water and infrastructure development	Welfare and empowerment of local communities. Assessment & investment in education, health, and sports for the betterment of local communities.	- Ensure collaboration with multiple organizations for community welfare and prosperity. - Develop a community wide outreach program and launch several community uplifting programs through social and business collaboration.
5	Suppliers	Meetings, Transactions, Supplier Evaluation, Surveys, Electronic Media, Request for Quotations	Ongoing	Product development, Sustainability alliances, Code of conduct, Cost & quality, Reasonable transaction terms and conditions.	Business developments leading to increased opportunities, exploring environmentally friendly materials and training/guidance to suppliers on new requirements	- All type of suppliers and contractors are dealt with courtesy and are updated about the values. Gul Ahmed believes in continuing to develop capacity of suppliers to improve on sustainability targets through regular knowledge sharing sessions and meetings. - Develop a local supplier preference plan and follow up on numerous opportunities for supplier capacity development.
6	Policy Makers / Government Institution	NOCs, Permits, Renewals, Interaction at Professional/ Industry and Policy Advocacy Forums	Every Quarter	Compliance with Regulations & Laws	Compliance with laws and regulations in all business activities	- Gul Ahmed has maintained its practice of complying with all legal obligations and all mandatory NOCs, Permits. - Management plan and monitoring reports are submitted within the prescribed timeline and participation in other professional and policy advocacy interactions with government institutions is a regular practice of Gul Ahmed.
7	Media	News, Events, Social Media handles	Ongoing	Reporting of news, events and developments within Gul Ahmed	Corporate communications department ensures that all media affairs are appropriately handled	- Gul Ahmed actively engaged media for promotion of environment and many other social pledges and awareness drives that it undertakes. - Gul Ahmed has its own media management and corporate communications team for all kinds of media interactions are managed including social media handles of Gul Ahmed.
8	Academia	Visits, Job Fairs	Ongoing	Job Openings, Research & Development	Hiring of young graduates providing them with internships and job opportunities.	- Gul Ahmed has developed its Future Leadership Program, to provide a platform to young talented individuals where they get an opportunity to work in different departments under the supervision of field experts. - We are a regular participant in student hiring events held at universities. - We have developed an R&D department that frequently liaisons with academic researchers at Karachi University, ISFD and Habib University on developing technical and non-technical solutions to our complex business operations

Our Materiality Methodology

Our materiality methodology is derived through an in-depth assessment and research of the relevant factors and aspects that influence our business or are influenced by it. We prioritize the results of our extensive stakeholder engagement activities and the actions taken as a result of those activities to determine materiality. Our materiality process converges key facts and figures through a three-step maturity ladder that filters out the most relevant and related material topics for our business. The three steps in our materiality development are:

- Evaluation of potential issues for relevance and importance through interaction and dialogue with stakeholders, as required from time to time.
- Positioning significant issues of relevance to a wider audience for brainstorming and aligning them with our business strategy.
- Task allocation for strategy development, transformation, and progress monitoring.

Based on our materiality development exercise, we have identified the following material topics and why they are material:

1. Economic Wellbeing

The economic wellbeing of our company allows us to satisfy our shareholders and continue operating as a viable business. It also empowers us to take the steps required to uplift our employees and local community and contribute to the national economy through our value distribution to the government.

2. Energy, GHG Emissions and Climate Change

The company has its own captive power plant to meet all its energy requirements; however, considering our dependence on fossil fuels, their impact on the climate, and their non-renewable nature, it is imperative that the company gradually moves to more renewable sources. Furthermore, it is also considered material since the company captures and uses waste energy for its other business processes, which increases the company’s green footprint. We understand our responsibility to protect and conserve the existing natural environment. It is our duty to adjust our business operations in such a way that our negative impacts on the environment are significantly reduced by way of minimizing our harmful emissions.

3. Water & Effluents

Pakistan has been identified as a “water-stress” area, and it experiences simultaneous episodes of drought and floods. Ensuring water conservation is becoming a major benchmark for all businesses in the country. In addition, safe discharge of effluents is also vital since textile production involves the use of several hazardous chemicals, which, if not treated properly, have the potential to contaminate other water bodies. This may lead to the scarcity of fresh water for the company itself along with others in the immediate vicinity of the water source.

4. Sustainable Materials

Textile manufacturing using conventionally produced cotton and fiber has a significant environmental fallout due to its farming methods. Therefore, in order to protect the environment, it is fundamental that the company shifts towards more sustainable alternatives. This is in addition to advancement in the manufacturing process, which will improve efficiency, reduce wastages and ensure optimal usage of resources.

5. Waste

Our production process generates both hazardous and non-hazardous waste. Minimizing and recycling non-hazardous waste allows us to reduce our reliance on virgin materials, whereas proper disposal of hazardous materials in compliance with relevant laws and regulations is necessary to eliminate any harmful effects on the environment or any humans who may be exposed to it.

6. Procurement Practices

Out of the total value that the company generates, a significant portion is distributed to suppliers and vendors. Therefore, it is important that the company adopts procurement practices that are sustainable. These practices primarily involve a preference for local procurement as compared to imports in order to help uplift the local economy and ease the burden on the country’s balance of payments.

7. Employment, Training and Development

Considering the labor-intensive nature of textile production, it is paramount that the company has a standing workforce with the required skills and capabilities to ensure that all operations are undertaken without any disruption. The employment generated by the company allows our employees to have a suitable living standard, while training and development courses aid in their career progression and ensure that the employees have all the necessary skills to perform their jobs effectively.

8. Diversity & Inclusion

Gul Ahmed prides itself on being an equal opportunity employer and maintaining a diverse workforce that includes employees from all walks of life. This forms the bedrock for our vision. Encouraging equality and diversity helps to prevent discrimination among employees and avoids any legal ramifications.

9. Ethics and Code of Conduct

Compliance with a formal code of conduct ensures that all business practices are undertaken within ethical boundaries. This includes compliance with laws and regulations, respect for human rights, zero-tolerance towards child labor and forced labor, avoidance of anti-competitive practices, etc. Ethical business practices protect the company against possible legal issues and non-compliance that may hinder the company’s ability to operate.

HSE Risk and Opportunities Analysis

It is expected that an organization comprehends the requirements and is prepared to explain how its quality system manages risks and opportunities.

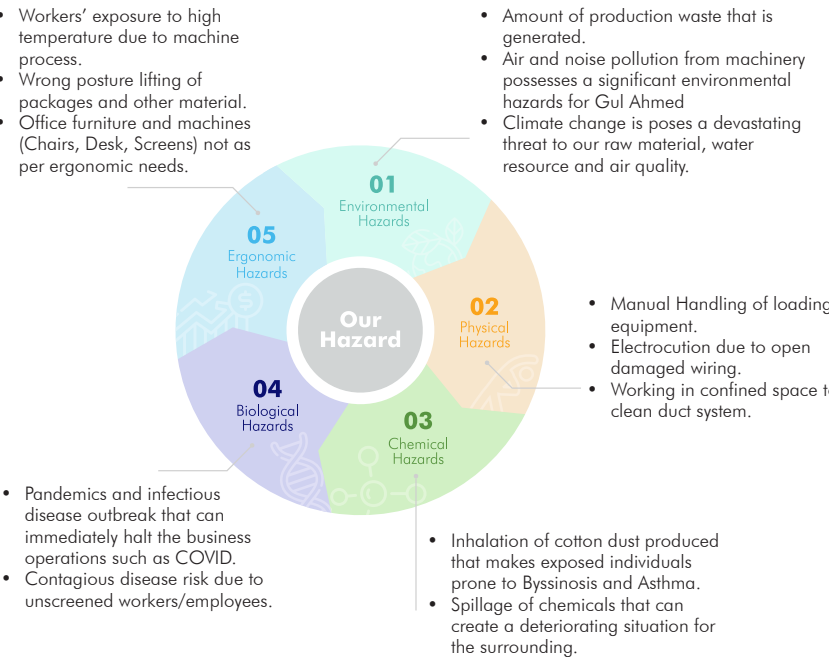
Gul Ahmed’s risk management system, particularly in sustainable development, is capable of:

- Assessing the efficiency of risk mitigation measures by determining potential hazards
- Planning actions to address them
- Integrating risk management procedures into processes and systems with adequate controls

- Assessing the complete system and making necessary adjustments through various management interventions like internal audit routines, frequent controls monitoring, and regular capacity development activities.

Gul Ahmed believes in establishing a system for health, safety, and environmental risks under a capable organizational framework that deters risks to the maximum with proportionate risk avoidance and mitigation strategies in place. This includes both environmental aspects/impacts and health and safety hazards.

Our HSE Risk Wheel



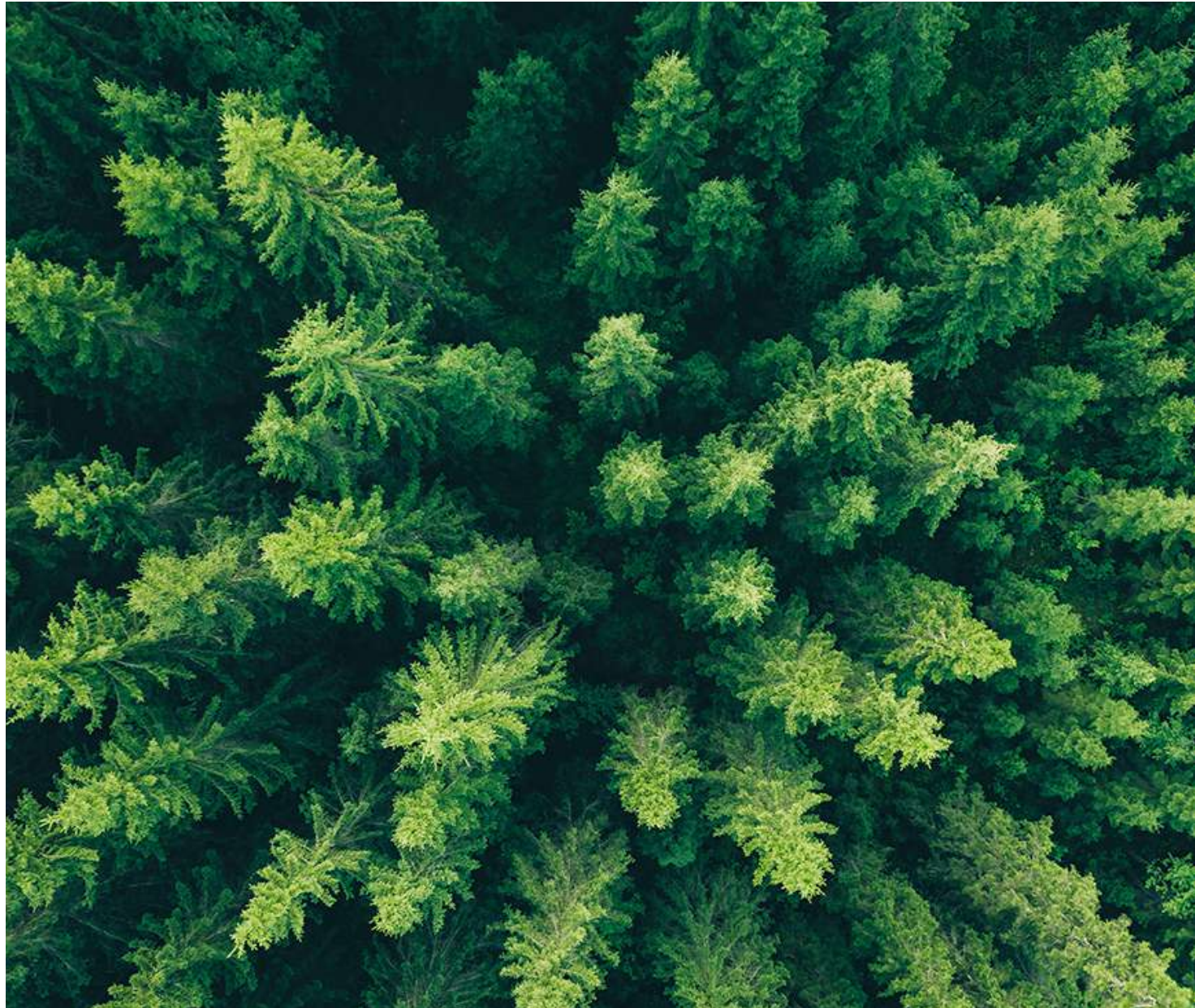
Environment & Planet

Our Management Approach to the Environment

The textile industry is one of the world's oldest and resource-intensive branches of consumer goods manufacturing, with environmental impacts throughout its value chain. At Gul Ahmed, we are committed to reducing overall negative environmental impacts and creating positive impacts for the environment through our management approach. This involves implementing necessary operational enhancements, such as technology upgrades and fuel substitution, as well as strategic interventions, such as sustainable material preferences.

Our focus is firmly on mitigating negative environmental impacts and converting them into business opportunities for our clients and other stakeholders, while also addressing risks and opportunities related to climate change. We are dedicated to managing our environmental footprints for both long and short-term impacts, developing strategies that balance competition and cooperation to design and deliver products that exceed stakeholder requirements in areas such as materials, energy, water consumption, and emissions.

Realizing net positive impact is a vital component of our elaborate management approach, which includes both centralized and distributed governance management systems led by our sustainability council. We are proud to have developed and improved our environmental management systems, which start with local regulatory compliance and culminate in governance review, offering potential opportunities to capitalize on.



Our Materials

As a leading supplier of textile and apparel products to some of the world’s renowned brands, we understand the importance of upholding the highest standards set by our business stakeholders. Our global visibility provides us with a unique opportunity to leverage the best practices within our supply chain and manufacturing operations to deliver sustainable value and trust to our customers.

However, the textile production industry is known for its extensive use of resources, including fibers, yarns, and chemicals, which can cause significant negative environmental and social impacts. As such, we recognize our responsibility to minimize our environmental impact and address the challenges associated with material efficiency.

To achieve this, we have developed a strategy that focuses on adopting manufacturing methods that minimize waste through design heuristics, technology upgrades, and the selection of materials with low-wastage tendencies. We also prioritize recycling and reusing our production waste, including packaging, and supplement it with sustainable raw materials to minimize environmental impacts from cradle to gate.

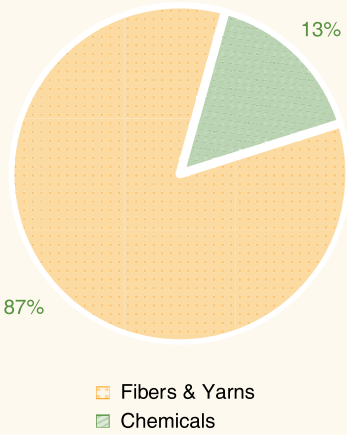
From 2020 to 2022, the share of renewable materials in our total raw materials has increased from 70.7% to 76.7%. While the share of recycled materials has also increased over the same period. Recycled raw materials includes materials purchased were either from recycled sources or waste that was recycled as input material. In addition to this the packaging material that we use is 74% paper based (renewable) and 26% were plastic based (non-renewable).

By prioritizing sustainable materials and minimizing waste, we remain committed to reducing our environmental footprint while delivering high-quality products that meet the expectations of our customers.

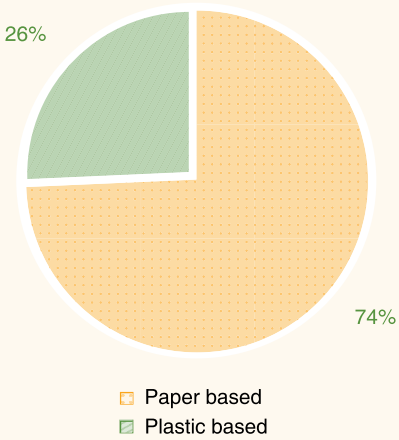
Total Materials used

Material Category	UOM	2020	2021	2022
Raw Materials				
Chemicals & Dyes	Tons	17,302	19,393	17,955
Fibers & Yarns	Tons	62,830	116,552	125,408
Total	Tons	80,132	135,945	143,363
Packaging Materials				
Paper Based Packaging	Million PCs	82.80	63.20	92.47
Plastic Based Packaging	Million PCs	42.56	29.11	32.92
Total	Million PCs	125.35	92.30	125.39

% of Raw Materials in 2022



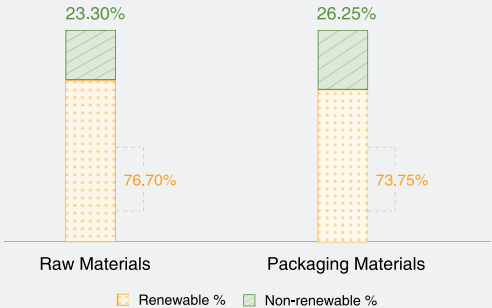
% of Packaging Materials In 2022



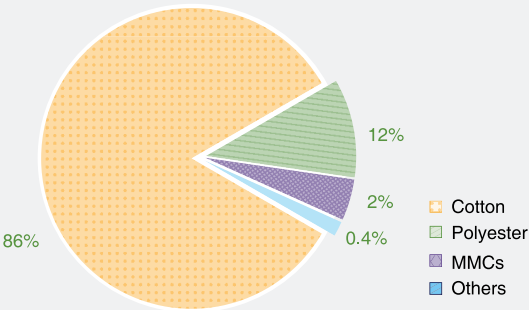
Renewable & Non-renewable Materials Used

Material Category	UOM	2020	2021	2022
Raw Materials				
Renewable	Tons	56,641	105,083	109,940
Non-renewable	Tons	23,491	30,862	33,423
Total	Tons	80,132	135,945	143,363
Packaging Materials				
Renewable	Million PCs	82.80	63.20	92.47
Non-renewable	Million PCs	42.56	29.11	32.92
Total	Million PCs	125.35	92.30	125.39

% of Renewable & Non-renewable Materials in 2022



Gul Ahmed's Fiber Mix



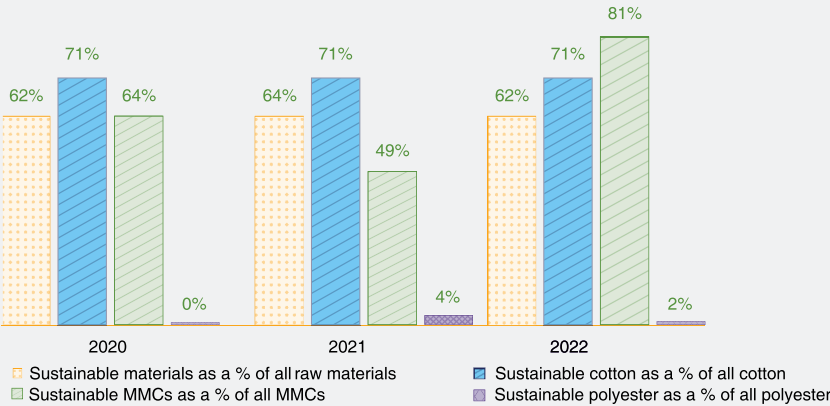
Defining Sustainable Materials

We define sustainable materials as materials with better environmental and social performance than conventional materials. We use industry standard tools such as the Textile Exchange Preferred Materials and Fiber Index and the Higg Material Sustainability Index to assess the sustainable nature of our materials. Furthermore, we also make sure that the materials are purchased under credible third-party certification such as Organic Cotton (OCS - Organic Content Standard or GOTS - Global Organic Textile Standard), cotton sourced through the Better Cotton Initiative (BCI), certified recycled polyester (GRS - Global Recycling Standard, RCS - recycled claim

standard), materials from reputable brands (such as Lenzing Lyocell) or materials with responsibly produced labels such as FSC certified fibers.

During 2022, sustainable raw material represented approx. 62% of our total raw materials. These consisted of sustainable cotton, sustainable polyester and sustainable Man-Made Cellulosics ("MMCs").

Sustainable Raw Material as a % of total Raw Material

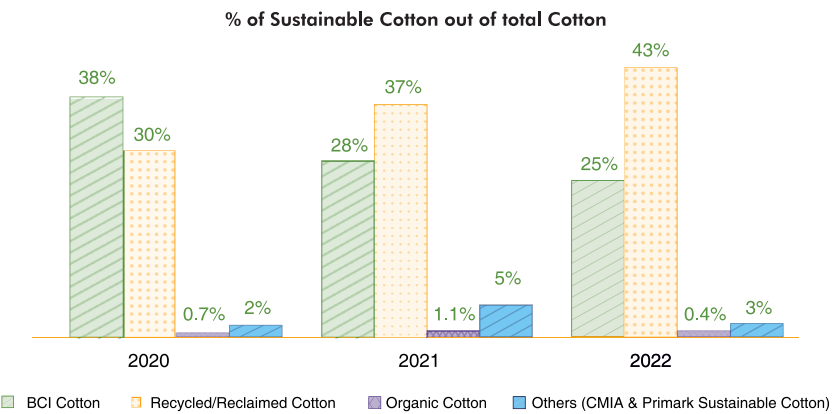


Sustainable Cotton

Cotton is our most important raw material, accounting for 86% of the total fiber in our products. This is a strategic area for us because we can have the most positive impact by sourcing cotton more sustainably.

Conventional cotton farming and production processes have significant environmental footprints in terms of water usage, pollution, soil quality, biodiversity, and greenhouse gas emissions. Additionally, chemicals used in conventional cotton farming pose health risks to farmers and the public. To address these issues, we aim to reduce the environmental and social impacts associated with cotton by using a portfolio approach to sourcing. This means we strive to ensure that all our cotton is either certified organic cotton via OCS or GOTS, cotton sourced through the Better Cotton Initiative, or recycled/reclaimed cotton. In 2022, approximately 71% of our cotton was sourced through more sustainable ventures.

Our sustainable cotton is sourced mainly through Better Cotton Initiative and Recycled/Reclaimed cotton with organic cotton farming expected to have a larger share in sustainable cotton in the coming years.



Better Cotton Initiative (BCI)

We take pride in being one of the leading consumers of BCI cotton in Pakistan, embodying the idea of safe and sustainable raw materials in letter and spirit. In 2011, Gul Ahmed joined the Better Cotton Initiative (BCI), which aims to train farmers to produce cotton in a way that respects the environment, boosts their incomes, and strengthens the industry. BCI cotton is an important part of our portfolio approach to sourcing more sustainable cotton. In 2022, BCI cotton accounted for 25% of our total cotton procurement. Opting for sustainable raw materials in our products not only reaps tremendous environmental benefits but also harnesses our social well-being agenda for all.

	2020	2021	2022
BCI cotton as a % of total cotton	38%	28%	25%

Recycled/Reclaimed Cotton

To ease our reliance on virgin materials and work towards the circular economy, we are actively increasing our adoption of both pre-consumer and post-consumer waste as input material in the making of our products. We have inhouse recycling facility to recycle both soft and hard waste to produce recycled fiber. The share of our reclaimed cotton has increased significantly from previous

years and is an important strategic focus for achieving our circularity goals.

	2020	2021	2022
Recycled/Reclaimed Cotton as a % of total Cotton	30%	37%	43%

CmiA & Primark Sustainable Cotton:

Gul Ahmed is supporting various other cotton initiatives such as Cotton-made-in-Africa (“CmiA”) and Primark’s Sustainable Cotton Program. CmiA, an initiative of the Aid by Trade Foundation, is one of the world’s leading standards for sustainably produced cotton. Their goal is to help people, via trade rather than donations, in order to improve the living and working conditions of smallholder farmers in Africa and to promote an environmentally friendly cotton production.

Primark’s sustainable cotton program aim at providing farmers of countries like India and Pakistan with knowledge of environmentally friendly farming methods in order to improve the quality of cotton and livelihood of farmers.



Organic Cotton

Organic cotton cultivation is a sustainable production system that promotes the health of soils, ecosystems, and people. It works in harmony with ecological processes, local biodiversity, and cycles that are adapted to the local conditions, instead of relying on synthetic inputs that can have adverse effects on humans and the environment. Organic cotton cultivation combines tradition, innovation, and science to benefit the shared environment and improve the quality of life for all involved.

The demand and supply of organic cotton fiber products have grown considerably in recent years, indicating strong interest from both global retail markets and farmers in growing cotton organically. Some regions in Pakistan are naturally fertile and free of chemical contamination, which holds enormous potential for large-scale organic cotton cultivation.

Recognizing the existing demand and potential of organic cotton cultivation, our company has partnered with WWF-Pakistan as a financing partner to implement

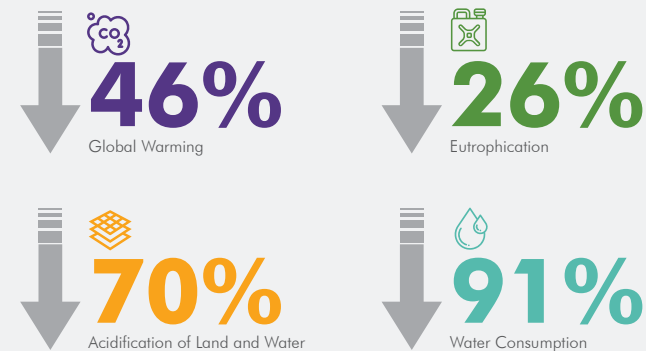
produce around 2,300 metric tons of lint cotton per year. Other project objectives include the development of a dedicated supply chain ensuring traceability, transparency, and sustainability.



the “Organic Cotton Cultivation Project” based in Khuzdar, Balochistan. The project aims to create an enabling environment for organic cotton cultivation by engaging relevant stakeholders. The objective is to build the capacities of around 1500 farmers in Balochistan province, who cultivate cotton on at least 8,000 acres, to adopt standard practices of organic cotton cultivation and is expected to

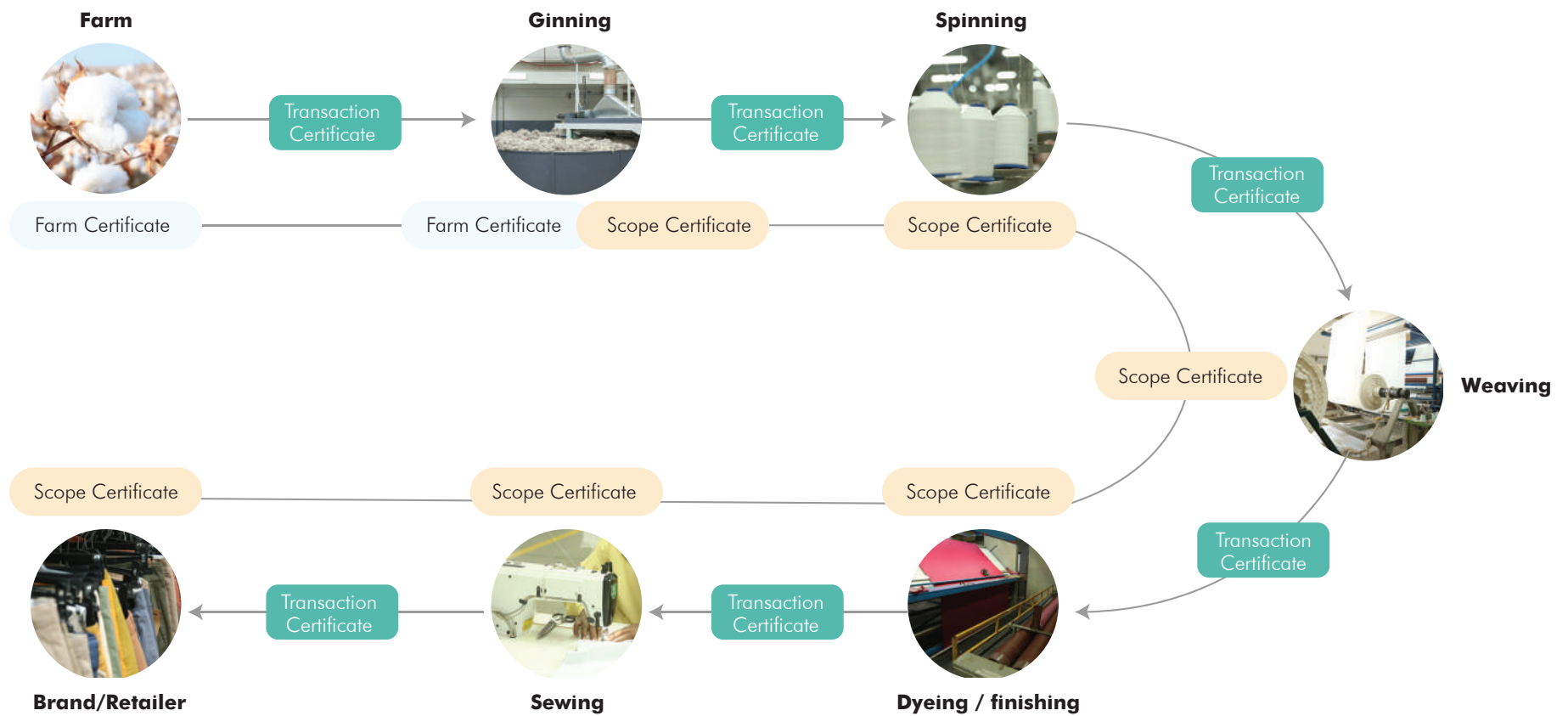
Social and Environmental Impacts:

The project has its positive social impact in terms of livelihood development and gender empowerment. It keeps farmers and their families safe as they are not exposed to toxic chemicals in the field or through their food and water supply. Organic Cotton uses no toxic chemicals and does not damage soil health. It has less impacts on air & water and uses non-GMO seeds.



Organic Cotton Traceability

The entire process of making fabric from organic cotton is GOTS certified. The seeds undergo lab testing for GMOs. Organic cotton certification tracks the identity and use of organic cotton through a series of certificates; Farm certificate ensures that the cotton produced meet the organic farming standard. Scope certificate ensures the company is qualified to produce organic cotton. Transaction certificate tracks the organic cotton passed from one hand to another.



Sustainable Polyester

Sustainable MMCs

At Gul Ahmed we are working to reduce our reliance on virgin fossil-based materials. Polyester accounts for 12% of our total material usage and is derived from petroleum, a non-renewable resource. To address this issue, we have turned to recycled polyester or rPET, which is made from recycled plastic bottles. This helps to reduce plastic waste in landfills while also requiring fewer resources and producing fewer greenhouse gas emissions than the production of new fibers. Our goal is to gradually increase the use of recycled polyester in our products to reduce our carbon footprint.

Manmade cellulosic fibers (MMCs) are made from dissolved wood pulp, with examples including viscose and lyocell. While MMCs are derived from renewable plant-based sources, the production process can contribute to deforestation and pollution. At Gul Ahmed, MMCs account for only 1.5% of our material usage, but we understand the importance of sourcing these materials responsibly.

To ensure that our MMCs are sustainably sourced, we work with responsible manufacturers such as Lenzing. Lenzing lyocell, which we use in our products, is made in a closed-loop system that recycles the majority of the solvent used in the production process, preventing chemicals from entering the waste stream. Lenzing is a pioneer in producing manmade cellulotics, and we consider them our preferred choice for lyocell. In addition, all bamboo fibers used in our products are FSC® certified, ensuring that they are responsibly sourced.

	2020	2021	2022
Sustainable MMC as a % of total MMC	64%	49%	81%



Energy Management

Energy security is one of the most critical aspects of business, our realization of this fact has led us to have a comprehensive energy management plan, with a fully functional organization dedicated to energy management, optimization, efficiency and saving. We are committed to reducing our energy consumption and opting for clearer and renewable energy sources with continuous monitoring and evaluation. Energy audits are a regular practice at Gul Ahmed, as our organization has prioritized improving its energy management system to adapt to the best possible technology, process and behavioral aspects for optimization, efficiency and potential savings.

We have a tri fuel operated power plant of approximately 50 MW of installed capacity which allows us to meet our electricity, heating, cooling and steam generation needs in-house, as a result we have a negligible consumption of energy from external third-party providers.

Over the years, we have made consistent and considerable technology and process-oriented interventions to efficiently and effectively reduce our energy footprint and our reliance on fossil fuels. These interventions include installation of waste

heat recovery boilers as well as a plan to increase our energy generation through solar energy. We hope that these steps will significantly decrease our reliance on fossil fuel and moving forward the portion of renewable alternatives will gradually increase in our energy generation. However, sustained retraction from fossil fuels will be achieved through targeted interventions in technology, processes, systems and work culture.

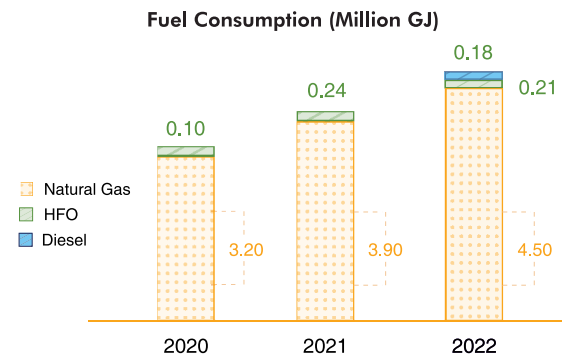


We have undertaken measures to move towards a greener energy alternative, however, currently our energy needs are being predominantly met through fossil fuels consumed by our in-house power plant.

Our primary source of energy consumption is natural gas that accounts for about 92% of our energy fuel mix. Natural gas is relatively cleaner alternative as compared to the rest of the fuels which are diesel and HFO.

While our overall fuel consumption has increased by 48% from 2020 to 2022, during the same period our sales have also increased significantly. This along with our energy conservation initiatives has resulted in a lowering energy intensity ratio. Energy intensity ratio helps us keep track of energy consumed to earn a dollar in sales revenue. From 2020 to 2022, our energy intensity has reduced by approx. 11% and now stands at 7.95 MJ per \$.

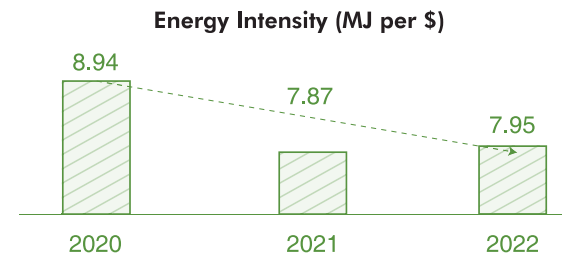
	2020	2021	2022
Total Fuel Consumption (Million GJ)	3.30	4.14	4.89



Note 1: Energy consumption outside the organization is not part of this report as this is outside our reporting boundary.

Note 2: GHG Protocol Tool has been used to source, calculate and consolidate all energy conversion factors.

Note 3: GJ=Gigajoules



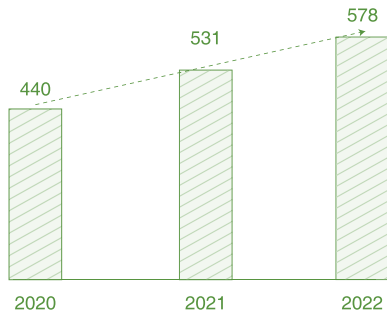
Note 1: Energy intensity has been calculated on the basis of gross revenue in USD in order to negate the effect of foreign exchange rate movements. Gross USD revenue has been calculated on the basis of average PKR to USD rate of the respective years.

Note 2: MJ=Megajoules

Waste Heat Recovery Solar Energy

In order to decrease our energy footprint that uses natural gas in steam generating operations, we have switched from conventional boilers to highly efficient Waste Heat Recovery Boilers (WHRB). This move has allowed us to fulfill 51% of our total steam requirements by WHRBs. In 2022, we were able to produce 203,051 Tons of steam from WHRBs resulting in the saving of 14,619,637 m3 of Natural Gas which translates to energy saving of approx. GJ 578,400.

Steam produced by WHRB ('000 in GJ)



Note 1: GHG Protocol Tool has been used to source, calculate and consolidate all emissions into equivalent CO2 units

We are committed to increasing our use of renewable energy sources and have already installed 462 kW of solar power at one of our production units which produces 2,376 GJ of energy renewably. We have plans to add an additional 12 MW of solar power by 2027.



Energy Savings

In addition to our solar energy initiatives and waste heat recovery boilers, we have also undertaken several operational and administrative measures to save the overall consumption of energy within the company.

These measures include process and technological interventions where we have upgraded our production equipment to be more efficient. These upgrades include replacing old printing machines with hybrid ager machines, upgrades in our stenter and bleaching machines for reduction in steam and natural gas consumption. We have also replaced a number of old inefficient burners to minimize natural gas consumption.

As a result of these upgrades, we have been able to save about 5.6 million m3 of natural gas (i.e., 221,260 GJ of energy) in addition to the 125,432 kWh of electricity savings from upgrading our fluorescent infrastructure.



Saving in Energy Consumption in GJ	2020	2021	2022
Gas consumption	-	123,073	221,260
Electricity consumption	20,939	13,845	1,540
Total saving in Energy	20,939	136,917	222,800

Note 1: GHG Protocol Tool has been used to source, calculate and consolidate all energy conversion factors

Reducing GHG Emissions

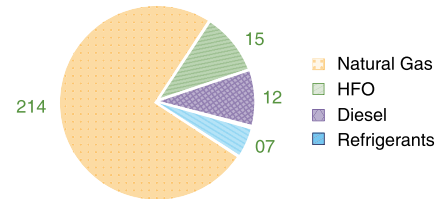
The impacts of climate change due to persistent GHG emissions are indeed a global emergency now. Following COP 26, financial impacts from climate change shall be part of the business strategy. To lower our burden on climate change, the best we can do is to curtail our GHG emissions to Net Zero as per the agenda. We have already committed to Net Zero by 2050, where we shall endeavor to cut our total GHG emissions by half till 2030.

A strategic plan has been developed to reduce our GHG emissions; however, this shall require considerable resources and a bold effort. We envisage shifting to renewable energy and reducing our reliance on fossil fuels simultaneously and seek technical advice wherever we see an opportunity to reduce our emissions. In October 2021, we committed Science-based Targets (SBT) and became one of the 26 companies in Pakistan to publicly join the “NET-ZERO Pakistan” coalition by Pakistan Environment Trust.

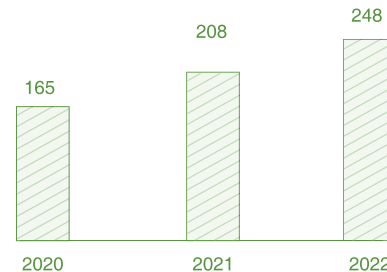
By 2027, we plan to install approximately 12 MW of solar panels which will help us to further reduce CO2 emission in the coming years. In addition, our waste heat

recovery boilers will generate clean energy of 578,400 GJ, resulting in savings of approximately 27,584 tCO2e.

GHG emission in 2022 ('000) tCO2e



Total GHG emission ('000) tCO2e



Note 1: Only scope 1 GHG emissions have been posted at our plant facilities of Gul Ahmed Textile Mills Ltd. Furthermore, Scope 2 GHG emissions are not applicable since all energy requirements are being met through in-house generation.

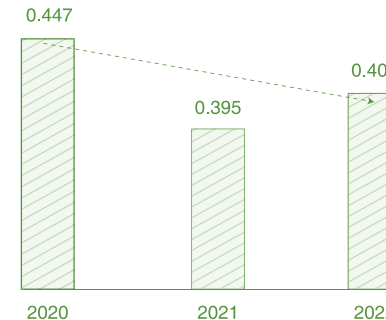
Note 2: GHG Protocol Tool has been used to source, calculate and consolidate all emissions into equivalent CO2 units

Note 3: For the calculation of GHG emissions CO2, CH4, N2O, SF6 and NF3 are included in tCO2e.

Reduction in GHG Emission

As a responsible textile company, we understand that mitigating GHG emissions is crucial for the environment and our business’s sustainability. We will continue to implement sustainable practices to achieve our goal of Net Zero by 2050. Our efforts to reduce energy consumption, as mentioned earlier, have resulted in a decrease in GHG emissions intensity.

GHG Intensity (tCO2e per \$)



Note 1: Only scope 1 GHG emissions have been posted at our plant facilities of Gul Ahmed Textile Mills Ltd.

Note 2: GHG Protocol Tool has been used to source, calculate and consolidate all emissions into equivalent CO2 units

Note 3: GHG intensity has been calculated on the basis of gross revenue in USD in order negate the effect of foreign exchange rate movements. Gross USD revenue has been calculated on the basis of average PKR to USD rate of the respective year.

Reduction in GHG Emissions (in tCO2e)

Source	2020	2021	2022
Water saving initiatives	-	5,924	2,218
Energy saving initiatives	407	9,815	15,228
Total	407	15,739	17,446

Our primary fuel for energy generation is natural gas, which accounts for nearly 92% of our fuel mix. Natural gas is inherently a clean fuel that emits negligible quantities of other air pollutants such as SOx, NOx, and particulate matter. However, we ensure compliance with all applicable regulations and standards through regular independent third-party emission testing. The results of these tests are submitted to the concerned authorities for assessment and feedback.



Water Conservation

We have always recognized water as a strategic resource that is essential to our business operations but in recent years Pakistan has been classified as a “high water stress area” by World Resources Institute which adds to the importance of conservation of water.

To manage our water impact, we have a two-pronged management approach. Firstly, reducing water consumption in our manufacturing operations through efficiency interventions, technology and process upgrades, and worker awareness on the importance of water as a precious resource. Secondly, we aim to achieve circularity within the effluents from our process water discharge. We currently have the capacity to recycle 60% of our process effluent and are committed to achieving Zero Liquid Discharge by 2027, for which we have already begun work.

As of 2022, the majority water consumption requirements of our operations are met via a government organization, which provides the company with freshwater.

Our primary process water drain is a dedicated industrial drain that is shared by other industries. We meter the inflow and outflow of our process water with effective controls and monitoring to assess the exact quantities of inflow to the Effluent

Treatment Plant (ETP) and outflow to the industrial drain, meeting all regulatory standards. We also have an in-house fully operational water quality testing laboratory, and we get our effluent water samples tested by a third-party approved by the regulator. As a result, we ensure that any negative impact on water bodies is minimal, and our wastewater is compliant with international quality standards, such as ZHDC. We are certified in Sustainable Textile Production (STeP) and follow the Higg Index for benchmarking our sustainability scores.

Reducing Water Consumption

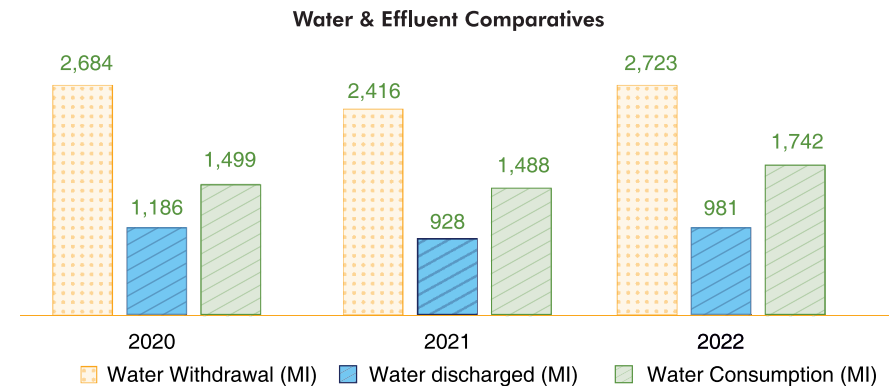
Considering the stress on water bodies and the unpredictable changes in Pakistan’s water cycle, we have taken measures to reduce our water consumption. One of our steps is the implementation of an upgraded printing process that has increased water efficiency by 20%. We have also commissioned state-of-the-art bleach machines that operate on a one-pass standard, resulting in a 30% reduction in operating costs and nearly 20% less steam and water consumption.

Furthermore, we have increased our intake of recycled water from our Effluent Treatment Plant (ETP). Through these measures, we not only ensure that our water usage is responsible and sustainable, but also minimize the risk of disrupting the availability of freshwater to others in the local community.



Water Saving (in ML/year)		
2020	2021	2022
-	2.2	1.2

Note 1: ML=MegaLiters



Waste Management

Waste management is a crucial aspect of our sustainability agenda at Gul Ahmed, where we believe that all non-hazardous waste is a resource rather than a burden. Our focus is on reducing the amount of waste generated and promoting reuse and recycling. In the case of hazardous waste, we take all necessary precautions to store, handle, and dispose of it in compliance with applicable environmental regulations and customer requirements.

We are proud to have a fully operational waste recycling unit that can recycle both self-generated and externally sourced non-hazardous production waste, which is then used as input raw material for our manufacturing processes. This approach not only reduces waste disposal costs but also conserves natural resources and lowers our environmental footprint.

However, our biggest challenge lies in managing hazardous waste, which if not handled properly, can cause serious harm to the environment. To counter this, we have implemented various measures to minimize the risk of contamination or environmental pollution. We work closely with third-party waste handlers who dispose of hazardous waste through incineration as the final disposal method. We have strict contractual agreements in place to ensure that no hazardous waste is disposed of in a landfill.

Traceability is essential, and we continuously monitor the disposal of our hazardous waste to ensure that it is handled in compliance with regulations and our ethical standards. Additionally, we strive to reduce the use of materials that cause environmental pollution within our manufacturing processes through green chemistry and other initiatives. At Gul Ahmed, we recognize that waste management is an ongoing process, and we are committed to continuously improving our waste reduction, reuse, and recycling efforts. By promoting a circular economy, we can not only reduce our environmental impact but also contribute to a more sustainable future.

Lowering Impacts of Hazardous substances through Green Chemistry

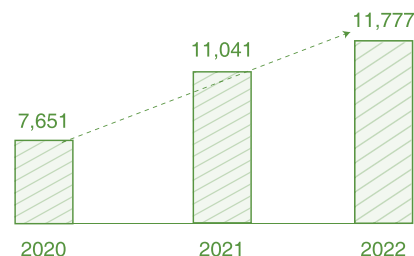
Our manufacturing processes, especially wet processes, require considerable amounts of chemicals for bleaching, dying and printing, which are the main contributors of hazardous substances both in the process waste and effluents discharge. We have a target-oriented approach to reduce the hazardous chemical pollution from our operations, this complements our commitment to Zero Discharge of Hazardous Chemicals (ZDHC).

Our caustic recovery plant is one such example towards reducing chemical pollution within our process effluent, as it recovers caustic from weak lye generated from the newly installed mercerizing machines' wastewater, significantly lowering operational costs for controlling the wastewater pH level. In addition to that we prefer washing

and scouring through more degradable surfactants, use of water based printing dyes and avoiding chlorine and the heavy-metal based dyes to prevent these hazardous substances to be part of the process effluent sludge thus reducing the heavy-metals load and avoiding their associated environmental impacts.

From 2020 to 2022, our generation of waste has increased by 54% however during the same period our sales (in USD) have increased by 67% which indicates that even though our production has increased significantly our waste generation has not increased at the same rate.

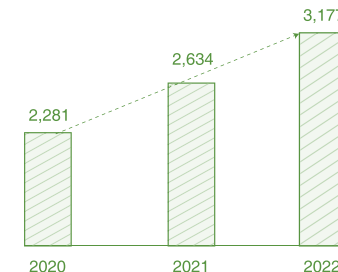
Waste Generated (in tons)



Waste Generated (in tons)

Year	Non-Hazardous	Hazardous
2020	7,523	128
2021	10,695	346
2022	11,580	197

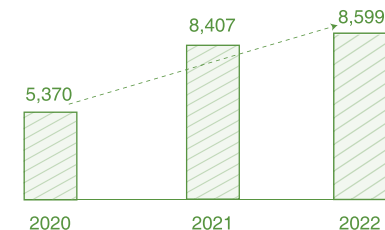
Waste Diverted from Disposal (in tons)



Waste Diverted from Disposal (in tons)

Year	On-Site		Off-Site	
	By Re-use	By Recycling	By Re-use	By Recycling
2020	793	-	769	719
2021	495	-	704	1,435
2022	357	-	636	2,184

Waste Disposed (in tons)



Waste Disposed (in tons)

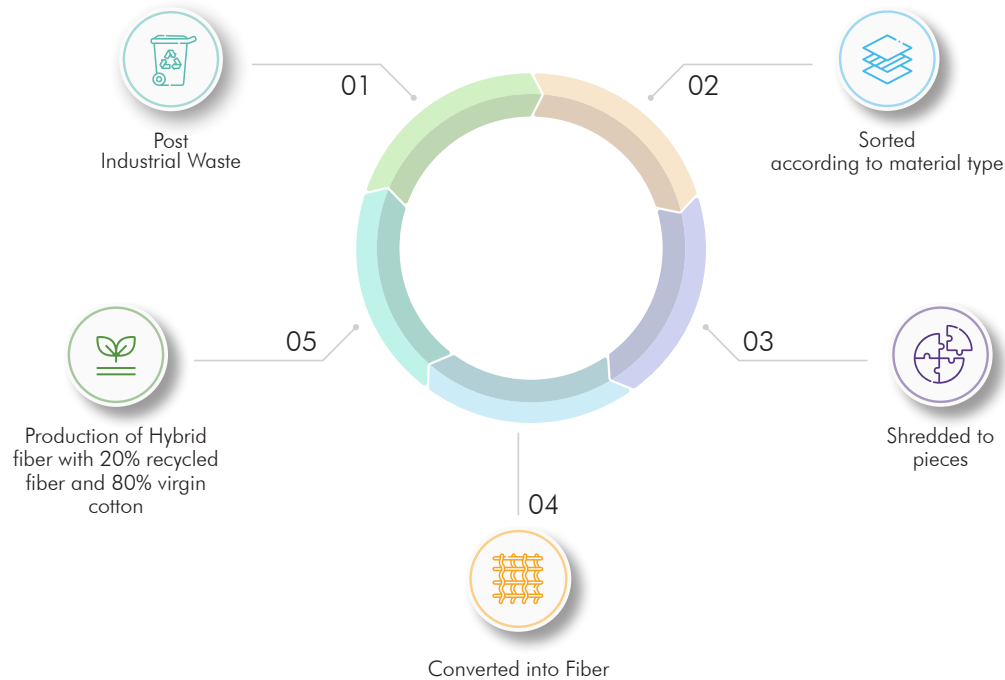
Year	Non-Hazardous	Hazardous
	Waste Sold	Incineration (without Energy)
2020	5,242	128
2021	8,061	346
2022	8,402	197

Responsibility of Packaging Waste

Packaging waste constitutes an immaterial part of our overall waste; however, we are still working to map the lifecycle of our waste through the cradle-to-gate methodology, which will help manage the control points more effectively. We are determined to reduce our packaging waste by sending the packaging materials, including damaged, discarded, and recyclable ones, back to the supplier for recycling.

The Circularity Challenge:

We acknowledge that the end-of-life phase of the textile life cycle value chain mostly leads to either landfill or incineration, with little understanding of what happens next. However, we believe that circularity offers a promising solution. While we address complex issues within the manufacturing process, such as process waste and associated pollution, we also have a proactive approach to exploring various opportunities for substituting virgin materials with non-virgin ones.



Our Waste Recycling Unit:

As previously mentioned, we have a fully functional waste recycling plant capable of recycling almost 200,000 kg/month of production waste (fibers and yarn) received in-house, thereby reducing our non-hazardous production waste disposal. We have also developed a system whereby we purchase waste from other organizations and recycle it as well. We see this as an opportunity to ultimately lead us to circularity in post-production waste.

This intervention has also enabled us to establish a strong circularity concept that will potentially make our production less resource-intensive and maximize waste recapture to reintroduce it into the production cycle as a raw material. Based on our current non-hazardous waste recycling, our recycling plant can recycle upto 21% of our non-hazardous waste.



People, Community & Social Responsibility

People Agenda

Gul Ahmed since its inception has ensured utmost conviction towards sustainable development so that the company's present economic growth can be met without causing lasting damage for future generations.

Our people are the key drivers of sustainability roadmap which is linked to our vision of **ENRICHING LIVES BY INSPIRING CHANGE**. Our goal is to nurture talent, ensure people wellbeing, provide equal employment opportunities and all of this while ensuring a safe and conducive environment.

Our senior management assumes leading responsibility to ensure our vision is embedded into our daily operations. Our hiring policies ensure diversity within the workforce in terms of gender, religious background and other demographic factors, whereas periodic training and development of employees complements career succession. Furthermore, our uncompromising stance on business ethics, harassment, and people health and safety provides a safe workspace for our employees

both mentally and physically. Our cognizance of the fact that our employees are our greatest assets is what sets us apart and is a core element of Gul Ahmed's success year after year.

The impact is even more profound when individual talents, strengths and energy combines together and orchestrate great success stories that expands our boundaries from people to communities.

At Gul Ahmed we firmly believe our employees are the most important aspect for the success of the organization. The spirit and tenacity of our employees creates value for customers and shareholders on a daily basis, therefore our Human Resource strategy is designed to prioritize our employees.

The HR strategy aims to differentiate Gul Ahmed from other employers as we are committed to the application of **"HR as Business Leader Strategy"**, which focuses particularly on Organization

Alignment, Talent Management, Organizational Development and Employee Engagement. The "HR as Business Leader Strategy" originated through the insights of business and aspirations shared by the top management, the feedback obtained from the key stakeholders through HR metrics, surveys, focus groups and observations made in the HR audits.

A robust system of attracting, deploying, and monitoring talent as per the business requirement is essential as the organization continues to grow. There is a clear need to build the talent and leadership pipeline and create unique Gul Ahmed DNA that will propel the future of Gul Ahmed to greater heights.



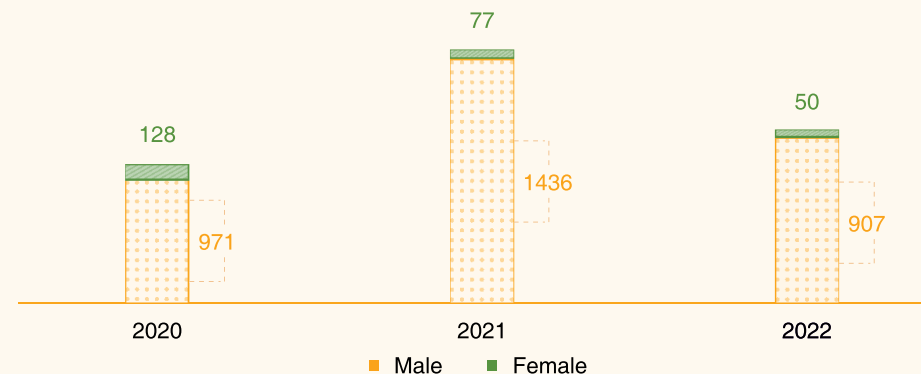
Impacting Lives – Employment Creation

As of June 30, 2022, Gul Ahmed has 15,493 employees working in various segments and sub-departments of the company. All employees within our workforce are hired based upon relevant skills, experience, education and suitability for the position and while there isn't any discrimination nor we impose any restriction on hiring based on any geographical location, we do offer a subtle preference to employees belonging to the local community

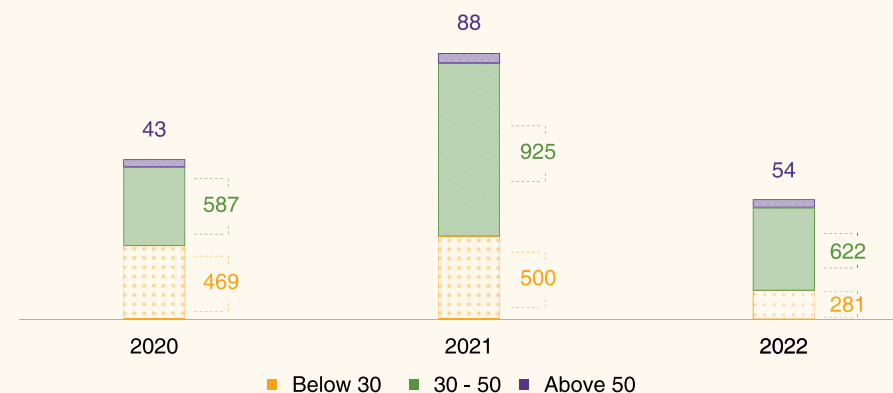
Our Workforce	2020	%	2021	%	2022	%
Total	13,480		15,345		15,493	
Composition by Gender						
- Male	12,401	92%	14,156	92%	14,606	94%
- Female	1,079	8%	1,189	8%	887	6%
Composition by Age Group						
- Below 30	4,760	35%	6,837	45%	8,142	53%
- Between 30 to 50	7,533	56%	7,807	51%	6,450	42%
- Above 50	1,187	9%	701	5%	901	6%
Composition by Employment Type						
- Permanent	11,837	88%	14,575	95%	14,536	94%
- Contractual	1,643	12%	770	5%	957	6%
Composition by Grade						
- Management & Staff	3,663		4,199		4,067	
- Workers	9,817		11,146		11,426	
Management & Staff by Gender						
- Male		95%		95%		95%
- Female		5%		5%		5%
Management & Staff by Age Group						
- Below 30		14%		18%		19%
- Between 30 and 50		74%		71%		70%
- Above 50		12%		11%		11%
Workers by Gender						
- Male		91%		91%		94%
- Female		9%		9%		6%
Workers by Age Group						
- Below 30		43%		50%		46%
- Between 30 and 50		50%		47%		50%
- Above 50		7%		3%		4%

Note 1: The information regarding our workforce has been compiled using head count methodology as allowed by Global Reporting Initiative Standard 2021

Hiring by Gender



Hiring by Age Group

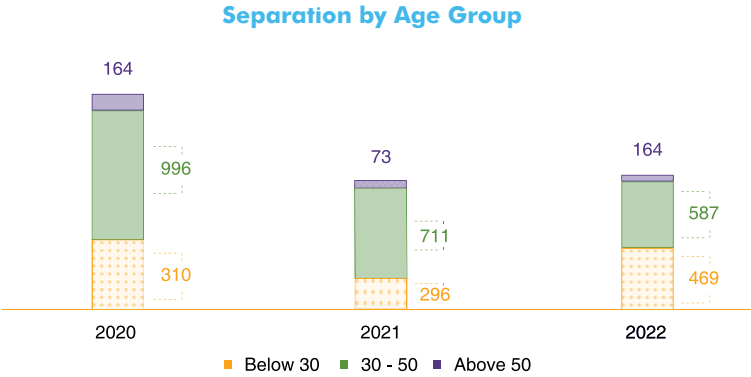
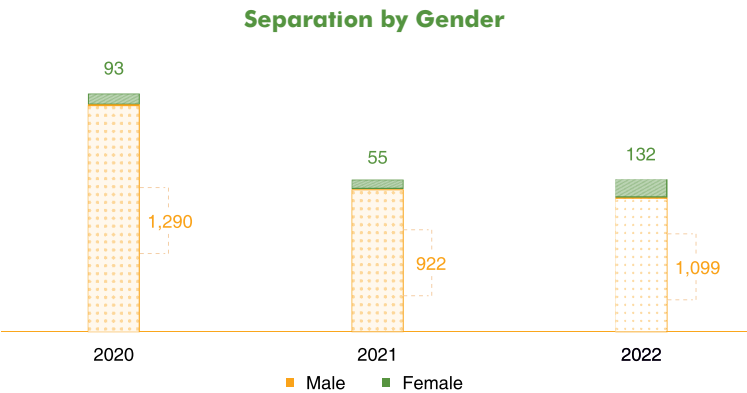


Note 1: The numbers of hirings include employees within the management and staff category only.

As our business continues to grow and reach newer heights, we are constantly increasing the size of our workforce to ensure that adequate skills and resources are available to support our growing business needs.

We neither want to compromise on the quality of performance nor do we burden any employee beyond the reasonable business norms. Gul Ahmed is an equal employment opportunity employer and lends a chance to every candidate. Our well-established framework and policies, with the support of the Management and HR team, plays a pivotal role in ensuring a balance between diversity along with merit and capability within the workforce.

Gul Ahmed is fully committed to upholding ethical labor practices and ensuring that all of our employees work in a safe, healthy, and supportive environment. We maintain an absolute zero tolerance policy on any kind of child labor, forced labor, or compulsory labor, and strictly adhere to all applicable laws and regulations of Pakistan. We believe that every employee should have the right to make their own decisions and have complete decisive authority over their association with the company.



Note 1: The numbers of separations include employees within the management and staff category only.

Our strong HR processes are in place to ensure the welfare and wellbeing of employees at all levels of the organization. The turnover rate is part of the dynamics of textile industry.

As a standard policy, permanent employees of Gul Ahmed are required to serve a months’ notice period while employees on probation are required to serve a weeks’ notice after acceptance of resignation. The company also provides a months’ notice to permanent employees prior to any significant change which may impact the employees’ designation, job description or ability to continue employment.





Gul Ahmed's Talent Management Strategy

Over the years along with growth in products and services, Gul Ahmed has also grown its workforce strength tremendously through the recruitment of employees in alignment with the HR strategy. Gul Ahmed aims to become one of the leading textiles mills in the world which requires significant attention to talent management. Gul Ahmed's talent management strategy is intertwined with our business continuity and succession plan which aims to ensure an uninterrupted supply of top talent which will boost our ranks and take a driving seat in the company's future growth

Following are the key features of Gul Ahmed's Talent Management Strategy:

- **Inspired by Gul Ahmed's Vision of Enriching Lives by Inspiring Change**

Gul Ahmed continuously nurtures change and transformation at all levels of the organization so that we stay

ahead of the curve and we continue to do good for others while doing well for ourselves. We aspire that all our employees become a model of excellence in linked to Gul Ahmed's vision and core values.

- **Promotes Gul Ahmed Core Values – Integrity, Respect, Passion, Quality, and Teamwork**

Gul Ahmed's core values are an integral part of all the systems and our Talent Management strategy encompassing recruitment, performance management system, rewards & recognition and employee development.

- **Driven by Business Goals and Strategy**

Human resources at Gul Ahmed has adopted the model of human resources and Business partnership whereby it focuses on enabling people across Gul Ahmed to embrace business goals and effectively work together to achieve them. We operate more as business enablers and try to eliminate all the hurdles that our employees or teams may face in achieving the goals.

- **Driven by our Sustainability targets**

Gul Ahmed's Talent Management Strategy is guided by United Nations Global Compact Sustainability Development Goals.

- **Grounded on Research**

Talent Management Strategy originated on the basis of business/industry insights, engagement survey and HR audits, and feedback obtained from the key stakeholders through surveys and focus groups.

Care & Well-being

Human Capital is the back bone for Gul Ahmed's sustainable growth and continuous economic development. We aim for the attraction and retention of capable employees who perform at their optimum and provide the greatest value to the company. The most significant factor of a fruitful attraction and retention policy of employees is the remuneration that the company offers, benefits and factors that create employee satisfaction.

The management believes in providing fair and competitive remuneration which

balances providing employee satisfaction along with optimal cost management for the company.

Employee Benefits

Our basic goal with regards to all our employees is to support each individual by providing them with benefits, support and growth opportunities for the betterment of their lives and careers. Some of our ensured privileges are mentioned below:

1. Health Benefit & Life Insurance
2. Provident Fund
3. EOBI Employees Old-Age Benefit
4. Paid Leaves (Base, Annual & Maternity)

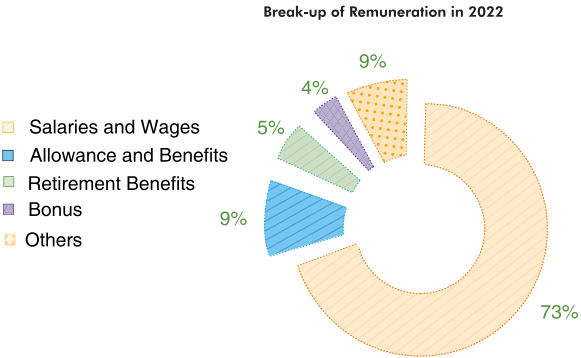
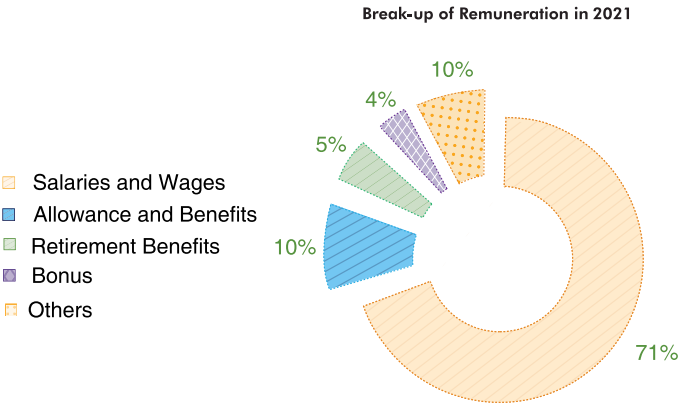
Furthermore, we do not discriminate based on any demographic factors in terms of basic salary or remuneration. The benefits provided are according to employment type and performance of each individual employee.



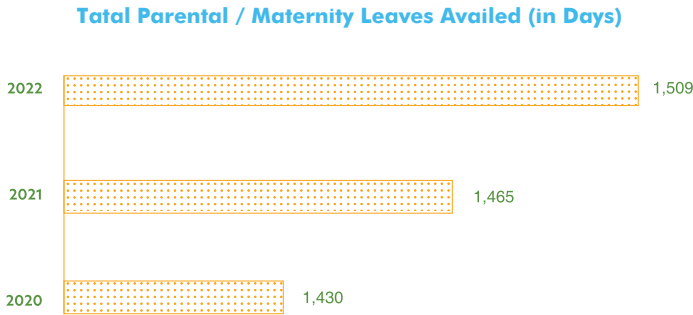
Gul Ahmed has a fair mechanism to ensure compliance and adherence to the laws and regulation set in place by the company. This is frequently discussed and ensured by the “Human Resource and Remuneration Committee”. The role of the Committee is to advise the Board on remuneration policies and procedures and makes recommendations on remuneration packages and terms of employment for the directors and executive managers along with providing guidance to our management and HR function in their roles regarding employee management.

During 2022, the company distributed Rs.11.19 billion to its employees in the form of remuneration and benefits. The company ensures that all employees are paid in accordance to the minimum wage defined by the government and in 2022, the ratio of standard entry-level wage (for both male and female workers) in comparison to local minimum wage was atleast 1:1. Furthermore, the company has a policy to periodically adjust the remuneration and benefits of employees according to the prevailing economic condition thereby ensuring that our employees are able to maintain a suitable standard of living despite any challenges.

Gul Ahmed has a portfolio of unique products and services that give the organization a competitive edge, but we firmly believe what makes us stand apart is our workforce. We believe that it is due to the commitment, innovation, leadership and achievements of the workforce which has contributed the most to the success of the organization.



Allowances and benefits also included paid leaves provided to employees in line with our Parental/Maternity leaves policy. As per our Company policy all female employees are allowed up to 4 weeks pre and 12 weeks post-partum leaves in order to cater to their medical needs and wellbeing. In addition, we also try to accommodate our employees for any additional period where they can have shortened working hours or work from home, if possible, on an as per need basis.



Retention Rate of Employees	2020	2021	2022
Number of employees availing paternity leaves	27	20	20
Number of employees returning on same or equal position	5	6	10
Retention Rate of Employees	19%	30%	50%

Note 1: All Employees who joined the company after maternity leaves remained employed for the next 12 months after rejoining

People Resilience

Our commitment to foster an environment with humanness and courage at equal levels, attained more depth in the year 2021 with pandemic leaving its traces, focusing on helping our people to become even more resilient and to maintain and enhance their physical energy, mental focus, value and sense of purpose.

We continue to progress by developing our people with new tools and initiatives to ensure that they are seen, heard, connected and productive. Well-being for Gul Ahmed isn't limited to healthcare only but extends boundaries for increased employee satisfaction. Employee well-being is our top priority that helps our people to coop with stronger resilience and unwavering commitment.

Employee Voice Out Program – PULSE

A safe mechanism is in place for employees to voice out their concerns, feedback and recommendations to top-management and concerned personnel. 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 the issue while ensuring confidentiality of the employee.

Workers Well-being Program

Our asset are our people and ensuring sustainable livelihood is the key to protect them. Our health-care medical camps for well-being program of workers is organized on quarterly basis. This include medical camp which consists of quick free screening for vitals, BMI, CBC Test and sugar. During the year we expanded our scope of care to mental well- being by collaborating with third party medical institute, for one-on-one counselling sessions and awareness workshops.



Cancer Awareness Sessions

Interactive awareness sessions for workers and staff were carried out. It was about creating general awareness on different types of Cancer, possible reasons that lead to it, personal care and precautions, last but not the least, about taking care and making other people know about it in families.



Women Healthcare Sessions

In collaboration with external parties, programs designed especially for our female workforce, to improve health related knowledge, were delivered. Moreover, creating awareness and answering queries on areas such as, Nutrition, substance abuse, Maternal Health and related issues, Child Birth concerns and other common but less cared diseases.



Talent Management



Well-being



Nurturing Talent

Training & Development

Nurturing Talent

While we understand that remuneration is the most significant element of employee satisfaction, we also recognize the need for constant job enrichment and job enlargement which allows employees to expand their horizons and continue on their journey to a successful and fulfilling career.

With nurturing and developing the workforce being a staple of Gul Ahmed's success we aim to develop our people through management and worker sessions. The wide spectrum would cover courses to ensure that our people are well versed in their jobs and continue to excel in roles every day. Our approach is to train & equip our employees for Code of Conduct and other fundamental trainings necessary for a better cultural understanding that includes Whistle Blowing, Work Place Harassment, Human rights and Values

& policies. This is based on tailored learning curriculums specifically designed for our people at all levels and is ensured to be carried out with all individuals.

in-house training fraternity that conducts and facilitate soft and technical skills session with employees.

Moreover, Gul Ahmed also has strong association with renowned training and development institutes where employees get the opportunity to attend and opt for external courses for development.

This helps to create an engaged, motivated and committed workforce that propels our organization to the forefront of the textile market in Pakistan.

Skill Development Program

Skill Development program, covers trainings that ensure an exchange of expertise within the teams and to create a nurturing environment for all workers. Special attention is given to fresh talent to provide support for their crucial development during the early stages of their learning journey. We have an

We also ensure that all security staff whether permanent or provided by third party, is given an awareness training session regarding the fundamental aspects of Human Rights such as discrimination practices, forced labor, child labor etc. fostering a safe and secure environment for everyone.



Year	Employee Category	Number of Employees	Total Training Hours	Avg Training Hours Per Employee
2020	Management & Staff	3,663	25,054	6.84
	Workers	9,817	40,311	4.11
2021	Management & Staff	4,199	33,304	7.93
	Workers	11,146	55,995	5.02
2022	Management & Staff	4,067	35,466	8.72
	Workers	11,426	62,617	5.48

Currently market forces are reshaping the online education space, Gul Ahmed Textile Mills is all set to unlock the opportunity to make bold moves in adapting and pivoting strategies.

Learning and Development team is continuously striving for better and improved learning opportunities, by digital means and plan to establish a more interactive user-friendly online training system.

The system is designed in response to employee feedback, and will be linked to our Employee Self-Service Portal complemented with courses, workshop material and in-house training fraternity available to answer queries on important topics such as information security, health and safety, personal data protection, sustainability, progressive development and more.

Gul Ahmed LEAD Program

Turning your employees into trainers can lead to a better learning experience and may even drive stronger knowledge transfer within the teams. Employees have a lot to offer in their current roles and potentially beyond by becoming Facilitators and Trainers. Gul Ahmed appreciates and supports its in-house training fraternity and ensures to train the trainers through “training of the trainer” program. The program is to prepare instructors to present information effectively, respond to participant questions, and lead activities that reinforce.

Women Training Center:

We believe skilled women are no less than men in every aspect of life. They are equally productive and their participation in the labor market can bring new management and production ideas, enhancing overall productivity and growth. If women participate in economic activity as men do, the world would add \$11 trillion in annual 2025 GDP. Gul Ahmed offers various women workers skilled program that helps to create engaged, motivated and committed workforce. Gul Ahmed has a dedicated Women Training Center for the females. The females acquire basic stitching knowledge along with hands-on experience on machines with the guidance of support staff and the trainer. Later, these females are hired as permanent employees and continue to grow.



External Training:

Information and knowledge is best when there's no boundary to learning and exploration. Gul Ahmed is committed to share the most relevant and accurate knowledge with its people. Apart from in-house training sessions in today's changing world, the potential of external training delivery partners cannot be undermined.

Gul Ahmed in collaboration with renowned training and development institutions carry out external trainings as and when required. External Trainings provide the best tools, practices and on-going trends with state-of-the-art technology and a personalized approach so as to meet the demand of the company.

Employee Development

For any organization, it is crucial to attract, retain, and continuously work towards the development of a skilled, engaged and productive workforce. We do not only focus on inclusive and fair hiring practices but the physical and emotional well-being of our employees is also important to us. This is done through development programs and engagement initiatives to keep them motivated, energized so that they continue to create value for their ownself and company.

Employee Engagement surveys and activities are also part of our People strategy to enhance the motivation and satisfaction levels of the employees at all levels. The personalized training, development and career progression programs are in place to reassure readiness of organization's top talent to take up key positions in our organization.

Performance Management

Our yearly performance measurement in the management & staff cadre involves collecting records and analyzing performance against the S.M.A.R.T objectives set at the start of the year, with standard KPIs for each, on a regular basis to track people's performance and subsequently work towards:

- Identification of areas of improvement
- Developing performance improvement plans
- Design Employee Development Plan
- Succession road map and critical job evaluation.
- Identification of High potentials and High performers for better retention and transition.

The performance review mechanism is in place for all Management & Staff standing workforce, and people are rewarded accordingly based on the performance & behavioural assessment.

The same performance data is reflected and discussed (department/teamwise) in the monthly Performance Review Meeting with the Head of the Department or Team Lead. Quarterly feedback and review plans are shared and discussed to stay on track and on time.

Succession Planning

Gul Ahmed has a keen focus on business continuity. It has a mechanism in place to ensure uninterrupted supply of top talent and to subsequently groom them to take up key positions in the organization. The personalized training, development and career progression programs are in place to reassure readiness of organization's top talent to take up key positions in our organization.

Future Leaders Program

One of the many initiatives within our succession planning is the "The Future Leadership Program" where top graduates from different universities are annually inducted at Gul Ahmed as "Future Leaders". The program is designed with the HR strategy and Talent management strategy in mind, ensuring to build a future workforce which can contribute to Gul Ahmed becoming Employer of Choice within

the industry. The future leadership program allows management trainees to obtain experience in a project-based program that focuses on comprehensive training, accelerated learning and follows a developmental road map. The purpose of the program is to recruit top graduates from renowned universities and to nurture them for managerial positions within the organization, in the future.



Employee Satisfaction

Our people strategy works along the lines of an engaged and safe work environment where a feeling of belonging is created for everyone, that results in satisfaction and increased productivity.

Engagement and suggestion surveys are conducted to measure employees' satisfaction and identify areas of improvement to meet the objectives of providing decent working conditions and to carry out more interactive and creative recreational activities for our people.

Financial Assistance

Gul Ahmed intends to ensure all employees stay motivated and work with increased satisfaction, by providing support in their hour of emergency. Financial Assistance program is in place for any unexpected issue or scenario where an employee may opt for company support for financial needs and may not be able to handle it otherwise.

Employee Engagement

Employee Engagement initiatives are organized and carried out, that are equally appreciated by employees and management and vary from Information Sharing Session, Departmental picnics, to events celebration and most importantly providing a platform where employee voice is heard.

We believe in ensuring our workforce is engaged and supported in all aspects of their job, the employee engagement survey allows us to receive valuable feedback.

For continuous improved engagement, social events are planned throughout the year along with award ceremonies and service recognition held to recognize internal and external achievements of our employees.

#BREAK THE BIAS

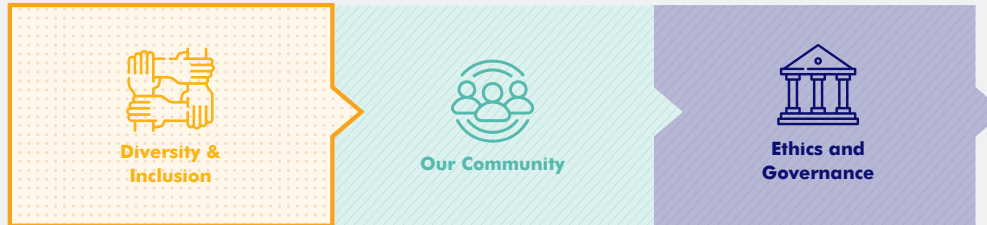
An amazing fun filled day, on March 08, 2022 was designed to acknowledge and appreciate all females of Gul Ahmed family for taking a step forward, breaking the bias and proving that possibilities are endless.



#GUL AHMED KA PAKISTAN

Reliving the spirit of Independence, understanding the true meaning of freedom and being grateful for the opportunities that we have, was the spirit behind celebration of March 23rd – Pakistan Resolution Day.

With our theme – **Gul Ahmed ka Pakistan**, the message of solidarity was shared and our aim to do better for the people and country became stronger.



Diversity and Inclusion

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.

Gul Ahmed has a broad strategy for diversity and inclusion, which includes two key points:

- Improving the representation of Females at workplace, with a goal of gender balance.
- Enabling the inclusion of differently able individuals at our workplace.

Gul Ahmed dedicatedly work towards the improvement of Gender Diversity by endorsing equal employment opportunities and ensuring a conducive environment for everyone. A sustainable development path that involves a strong commitment to gender equality and aims to boost women's skills, ensure respect, and preserving their rights, are an important aspect of our Sustainability Challenge.

In order to meet the challenges of the fast-paced environment, technology and rapidly changing trends of the textile sector we along with all others must diversify our talent pool and leadership, to seize the opportunity to boost business performance.

Keeping in line with our diversity and inclusion strategy, we strive to ensure that no discrimination takes place on the grounds of race, color, gender, religion, political opinion, age or disability.

We have a formal mechanism of lodging complains regarding discrimination whereby employees can raise concerns over a confidential call, drop an email at bol@gulahmed.com or register their complains via our physical drop box. All complains that maybe received are guaranteed complete confidentiality. During 2022 no incident of any kind of discrimination was reported within the premises of the company.



Women Empowerment

Diversity is at the heart of Gul Ahmed's culture, and creating a Gender diverse workforce is our key focus. Through our endorsement of equal employment opportunities and ensuring that the work environment is conducive for everyone, we intend to strengthen our workforce more and more

With the diversification of our talent pool and including women at leadership levels, we aim to remain committed to the cause of gender diversity. By 2026 15% and by 2030 we aim to have a minimum of 20% female participation in our workforce based on merit.

Some initiatives and practices in place to promote Women Empowerment in the workplace include:

- Flexible work hours
- Door-to-Door Pick and drop facility
- Designated female cafeteria
- Future Leader's Program
- Training for unconventional Job roles
- Female Training Center
- Female workshops and development programs.
- Maternity Leaves as per law



Gender Sensitization

At Gul Ahmed we believe that the best way of converting any generally accepted wrong into a right thing takes a change of mindset as discussed above. People really need to believe in what is being preached to them, accept and practice it.

Men and Women when working together, must be sensitized in their attitude, behavior and actions in the workplace, for the same, gender sensitization workshops for our employees are conducted on regular basis. It helps to examine attitudes and beliefs, monitor our progress and question the 'realities' that all of us thought we know and believe. Gul Ahmed carries out such sessions with in-house trainers and in collaboration with third parties.

Breaking the Stereotypes

Working Women biasness still prevails. With our agenda of changing mindsets, we appreciate and acknowledge most of our female employees who are smashing gender typecasts and cultural barriers successfully. From female security officers, HSE officers, checkers, stitching machine operators, engineers to single mothers, we count each and every one of them a powerhouse in herself and an inspiration for us.

Specially-abled Individuals

At Gul Ahmed, we have incorporated an organizational culture and structure which promotes the inclusion of specially-abled individuals through identification of suitable job roles based on their abilities and strengths. As per our Equal Opportunity Employer and Diversity statement, we engage people with speech, hearing, or physical impairments and train them accordingly.

We access talent through a customized system that ensures their impairment or disability does not hinder their ability to meet our job criteria and by collaborating with various disability service organizations, we promote and pursue flexible working arrangements and conduct regular assessment interventions to support them with an enabling work environment. Gul Ahmed has conducted several in house sessions to facilitate the inclusion of such individuals.



Some of the other initiatives in place include:

- Availability of dedicated Facilities & Supportive Infrastructure at Workplace for specially-abled individuals is ensured.
- Collaboration with Employees to provide technical training to specially-abled individuals, to make them feel empowered.
- Employees volunteer to learn sign language in order to communicate to individuals with hearing impairment.
- Employees obtain Train the Trainer (certification) and qualify as a Certified In-house Trainer.
- Employees voluntarily devote their hours to provide trainings to specially-abled individuals (both technical and soft).



Our Community

Gul Ahmed Textile Mills Ltd. has seen more than 7 decades, with all shades of development and progression, changing trends, and its people have embraced constant change over the course of period.

With our vision “Enriching lives by inspiring change”, we aim to develop and nurture all the lives that we connect with directly or indirectly. Communities are one such connection that we have built over the years by playing our role in ensuring people wellbeing, supporting in times of need, giving back to the society and working towards making our community and country a better place.

During 2022, we contributed Rs.16.2 million through donations to various non-profit organizations for providing quality education, medical assistance, preserving our environment and supporting suitable living standards within the local community.

Purpose of Donation	Amount (Rs. In million)	Recipients of Donation
Medical Assistance	11.7	Nigahban Welfare Association (Civil Hospital), Karwan-e-Hayat, Leprosy Patients Welfare Trust and Afzaal Memorial Thalassemia Foundation
Providing Quality Education	1.7	The Citizens Foundation, Family Education Services Foundation and Anjuman Behbood-e-Samat-e-Atfal
Environment Protection and Improving Living Standards	2.8	Pakistan Environment Trust, Dhoraji Youth Services Foundation and Karachi Down Syndrome Program

In addition to our donations we have also conducted the following initiatives:

Blood Donation Drive

Working in collaboration with Afzaal Memorial Thalassemia Foundation (AMTF) to play our part in saving lives of the underprivileged. Blood Donation Drives are set up across various units of Gul Ahmed Textile Mill and employees are encouraged to participate. In 2022, 251 of our employees volunteered to donate blood which was equivalent to 189 blood bags.



Collaboration with Deaf Reach

Gul Ahmed's collaboration effort with Deaf Reach School aims to provide learning and development opportunities to the underprivileged youth. Gul Ahmed has collaborated with Deaf Reach Pakistan to provide training and employment opportunities to individuals with disabilities.



Plantation Drive

In efforts to make a positive contribution to society, Gul Ahmed partakes in regular plantation drives for promoting a greener environment. Between 2019 to 2022 we have planted approx. 275,379 trees/plants in our local community as a part of our million trees project. We will continue to play our part in the future as well as we plan to complete our 1 million trees target by 2030. With our consistent efforts we hope will play a small yet pivotal part in reversing climate change and its impact on the society.



World Children's Day Celebration

World Children's Day is celebrated worldwide on November 20th, 2021. Gul Ahmed's employees collaborated with ChildLife Foundation Pakistan to celebrate World Children's Day at various ChildLife Foundation centers located across Karachi. Our employees volunteered to spend a soul-enriching day with the children at the centers while sharing toys, happiness and joyful moments with them – uplifting their mood and spirit.

Flood Donation

Gul Ahmed's actions are always in line with our vision of enriching lives by inspiring change. We extended support for the relief measures to be carried out in the affected areas. Partnering with few organizations and groups such as: Million Smiles Foundation, Rangers Pakistan, Custom Department, LATI, and APTMA for proper execution of relief program, and ensuring rightful distribution to the flood hit area. Moreover, the management, under the GUL AHMED Care Program, continues to extend support by all possible means. The relief package and its distribution done directly include:



Covid Response

Managing the COVID-19 Challenge.

Throughout the COVID-19 pandemic, Gul Ahmed embraced the challenges that COVID-19 brought in its wake. Whether it be ensuring 'Employees Health & Well-being' or it be ensuring 'Business & Operations Continuity'. We navigated all challenges through responding with compassion and agility while keeping a resilient focus on our goals.



Securing the livelihoods of our people

Our top concern was and has always been to look after our 15,000+ Employees and their families, securing their livelihoods and ensuring that they continue to get the benefits for as long as possible, in a fair and equal manner.

Ensuring safety & wellbeing

- As we embraced the new normal, Employees' health & well-being remained the top-most priority for us and took several interventions for the same.
- We proactively developed, shared and implemented the Safety SOPs & Protocols to enable our employees to safely conduct our day-to-day operations.
- Dedicated HR Business Partners, Safety Partners, and Admin Partners were assigned to respective departments to continuously coach, train all the concerns on the same and keep vigilance over its 100% compliance.
- The digital collaborations, meetings, live- lunches, and online recreational programs are now more frequent than ever to keep employees connected together and to keep them up beat.

Caring for our community

We have collaborated with Government of Sindh to have an in-house government approved vaccination center at Gul Ahmed and get all our employees and their families vaccinated.

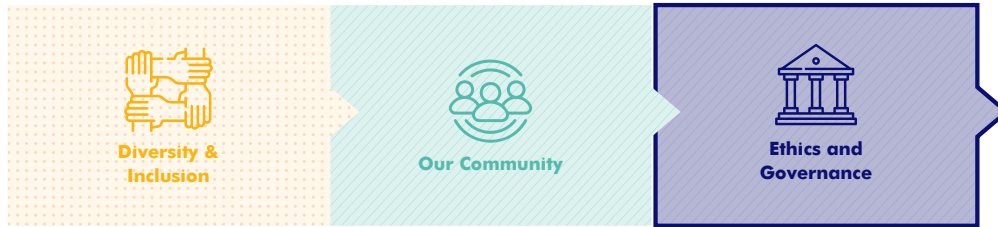
- So far, we have vaccinated all 15,000+ employees and we are aiming to fully vaccinate their families as well.

- Gul Ahmed is contributed to enriching lives of our people through facilitating medical equipments and supplies to Pak Rangers for helping people in community who were affected by COVID-19.

Ensuring Business & Operations Continuity

Besides measures for employees' health and well- being, we took several interventions to ensure all important business and operations continuity.

- Team-members were provided required flexibility and facilitation to continue to work remotely
- Online Meetings Culture
- Innovation & Collaboration brought fresh ideas and enable synergy across different teams to meet new challenges.
- The learning and development journey continued online.
- COVID Preparedness & Emergency Response



Ethics and Governance

Conducting business with Integrity

Code of Business Conduct ("COBC")

Doing business responsibly, in compliance with laws and with integrity is the foundation of our culture, reflecting our core values, inclusiveness and our ethical standards. As stated in our COBC policy, all employees contribute to Gul Ahmed's reputation, therefore, it is vital that all employees adhere to company's ethical guidelines since the time of joining.

Compliance with Laws

Gul Ahmed's business is conducted in compliance with all applicable laws and regulations. Every employee is aware of the legal requirements at the time of joining that apply to his or her job and are liable to follow those laws strictly. Gul Ahmed doesn't tolerate

any illegal activity conducted for personal gain or on Company's behalf. During the reporting period, no non-compliance of applicable laws and regulation was noted and no fines or penalties were imposed on the company.

Agent, Distributors, Customers, Suppliers & Contractors:

All third parties should be made aware of the terms of the company and of their obligations to comply with it. All arrangements with third parties should be subject to clear contractual terms including specific provisions requiring them to comply with minimum standards and procedures in relation to bribery and corruption. Whatever the document is shared with the Customers should be transparent, reliable and correct. Company must not engage any third party who they know or reasonably suspect of engaging in corruption.

Conflict of Interest

It is always expected from every director/ employee to act in the best interests of the company. This means that business decisions should be made free from

any conflict of interest. They should also appear impartial.

As per Gul Ahmed's Conflict of Interest Policy, every employee should avoid business, financial or other direct or indirect interests or relationships which conflict with the interests of the company, or which divides their loyalty to the company. Any activity which even appears to present such a conflict must be avoided. A conflict of interest exists when the customer staff and/or their immediate families have direct or indirect personal interest or derive benefits from transactions to which Gul Ahmed is also a party. Therefore, it must always be avoided. Similarly, a conflict of interest also exists when Gul Ahmed staff and/or their immediate families have direct or indirect personal interest or derive benefits from transactions to which Gul Ahmed supplier is also a party.

For further details refer Annual Report.

Anti- Corruption Principles

Corruption is inherently wrong. It is the misuse of power and position and has a bad impact on the society and business. At Gul Ahmed, corruption in all its form including extortion and bribery are not acceptable.

We are committed to conducting business ethically and leading by example. Through our internal security controls function we regularly monitor our anti-

corruption incidents, and for Gul Ahmed there have been no significant findings during fiscal 2022.

Our approach provides a baseline of training to all Gul Ahmed Employees, including any part-time employees and contractors.

Individuals in higher-risk roles receive additional anti-corruption and other compliance training

Workers Right to Freedom of Association

Gul Ahmed respects the workers' right to freedom of association and awareness is given in this regard as a general practice. We also encourage our external parties to respect the workers' right to freedom of association as per applicable laws and regulations.

Collective Bargaining Agreement

The company is keenly engaged in compliance with all applicable laws since the right of formation of unions, trade associations, and collective bargaining are guaranteed under the constitution of Pakistan therefore employees working at the company have full liberty to exercise their rights as secured under the statute. There is a uniform policy across the employees for the redressal of their grievances and a free and fair mechanism is provided to safeguard their rights.

We have a total 2,950 employees covered under our Collective Bargaining Agreements.

For employees not covered under the Collective Bargaining Agreements there are similar benefits. The company is continuously engaged in providing the best work environment without any discrimination.

Business Code of Ethics

Our commitment to ethics, human rights and strong corporate governance is a key driver of our business strategy and is essential to safeguard our people, clients, brand and financial performance. It is the foundation on which we build trust which is evident in our long-term relationships with our clients. In today's environment, we go beyond mere compliance; we innovate with integrity by using our understanding of technology and its impact on people to develop inclusive, responsible and sustainable solutions to complex business and societal challenges. To get this right, we must empower our people to make good decisions, act responsibly and speak up with confidence. Through our Code of Business Ethics, we aim to help our people make ethical behavior a natural part of what we do every day—with each other, our clients, our business partners, and our communities.

The company assures to provides appropriate training regarding anti-corruption, transparent career growth opportunities and competitive remuneration packages including benefits that are also in compliance with the employment-related laws and regulations of Pakistan as well as other relevant countries.

We ensure that all ethical values and standards required by our business practices are communicated to each employee.

Child Labor & Forced Labor

Gul Ahmed Textile is committed to respecting, protecting and championing the human rights of all those who come into contact with our operations, including employees, stock and non-stock supply chain workers, customers and local communities. We accept our responsibility to support transparency and honesty therefore all policies and practices at Gul Ahmed are as per laws and regulations of the country and international charters. We ensure that human rights are respected and followed by all our employees equally. Gul Ahmed believes in fair treatment and does not promote or up-holds any kind of forced, compulsory or child labor.

Due Diligence Process for Child Labor & Forced Labor

As part of our initiative to identify and mitigate risk we conduct due diligence checks based on the OECD Due diligence guidance for Responsible Supply Chains in the Garment and Footwear Sector. In addition to this, Gul Ahmed Textile makes use of several analyses such as the Fair Wear Foundation (FWF) Country Study. Gul Ahmed is well aware of the fact that it is not uncommon in the garment industry that factories (partly) outsource their order to homeworkers. In general, Gul Ahmed prohibits subcontracting to homeworkers. Thereto, we ensure that we are aware of the capacity at the factories ahead in order to reduce the chance of subcontracting and include homeworkers in the due diligence check, which is performed on seasonal basis, based on the products that Gul Ahmed sources. We have systems in place to:

- Identify and assess potentials risks areas in our supply chains.
- Mitigate risk of child labor and forced labor occurring in our supply chains. Monitor potential risk areas in our supply chains.
- Conduct awareness session for suppliers. (Supplier assessment)
- Risk assessment to analyze risk of severe suppliers and take initiatives on it.

Human Rights

Gul Ahmed is a strong believer of upholding the human rights of all lives that we connect with directly or indirectly. Our aim is to treat all people with due respect, starting with our employees.

In addition to our commitment to UN SDGs we support our actions in compliance with ILO standards, as committed to by our CEO, by actually providing equal opportunities for women and men to get access to decent work in conditions of freedom, equity, security, and dignity. We have a zero-tolerance policy against all human rights violations, and we recorded no incidents relating to human rights violations in 2022 or any of the comparative periods.

Anti-Competitive behavior

We ensure that our management have a clear understanding regarding Anti-competitive behavior and our business operations and have zero tolerance for indulgence for any such actions that may be considered as Anti-competitive behavior. We confirm that in the current reporting year no incident has come to our attention that may be categorized as anti-competitive.

Health & Safety

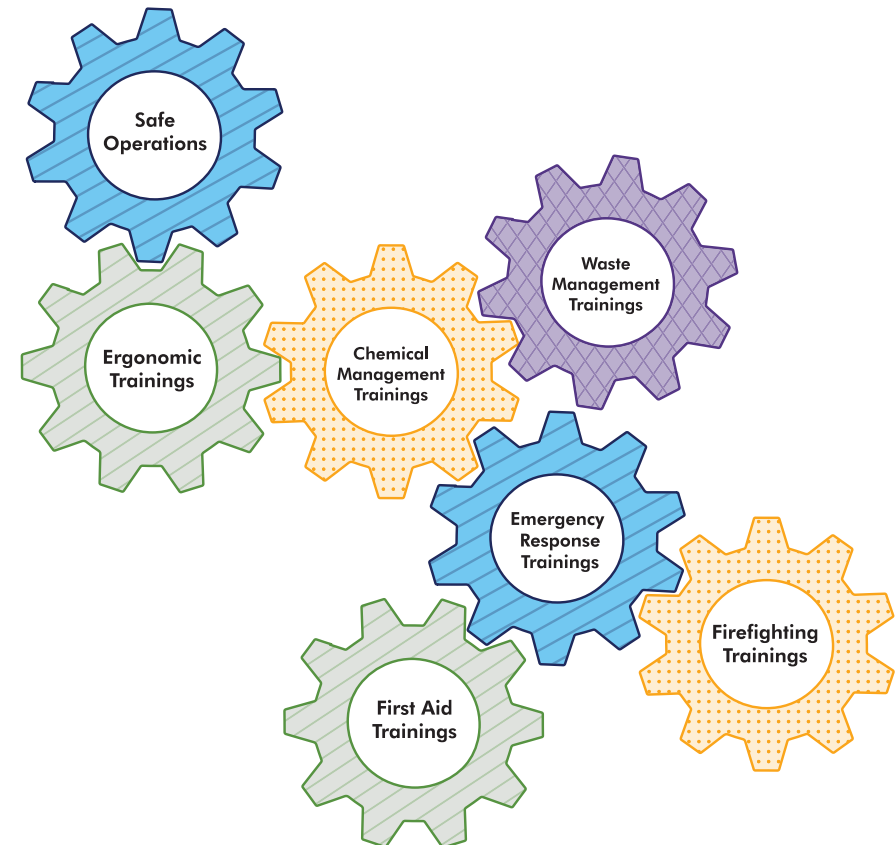
Safety first for a healthy, proactive and productive business

Our established occupational health and safety management system is designed to include our complete organization and everyone in it. A Health and Safety (H&S) policy, duly endorsed by the top management is communicated to all who are part of us and all facilities that come under our control.

Our leadership remains committed to have a well-defined and proactive approach to secure the health and general safety from the top management to all organizational spheres from prevention of work-related injuries and ill-health to the provision of safe and inclusive working environment to all the workers and all facilities. We have a dedicated HSE committee to deal with H&S issues along with other platforms like the workers' council. Besides this, a complete HSE organization exists that has Occupational Health and Safety ("OHS"), Process Safety, Fire Safety, Emergency & Fire Management professionals.

Our H&S policy framework is supported by specific procedures, OHS capacity

development, risk assessments and controls. Our Health & Safety Management System is designed in compliance with the legal regulations (Sindh Occupational Safety & Health Act 2017) including international standards such as Sustainable Textile Production (STeP) and buyers specific CoCs that are communicated and implemented across the organization. We have a zero-tolerance policy towards un-safe work, every worker is fully independent and empowered to follow necessary protocols whenever and wherever a situation arises. This coupled with integrated hazard management profiles such as machine safety, ergonomics, chemical safety, mitigation plans for potential risks and hazards and extensive and laborious capacity development interventions in the form of orientations, trainings, seminars and workshops into our operations has up till now delivered productive and secure operations and added tremendous value to us in the form of reduced work related injuries and ill health cases and has catered to the trust our stakeholders have on us especially our export partners.



Safety – Our Workers and Our Systems

Our leadership has a constant focus on upskilling our workforce to adapt as the systems upgrade and evolve. We do realize that our workers also need grooming for adaptation to the existing and upgraded systems, processes and controls relating to safety and all risks and hazards related to it.

Our training process starts from the very first day a worker enters our premises through a safety induction training and we continuously impart all necessary upskilling as the worker matures with his or her role within Gul Ahmed and becomes part of safety eco system, where each step becomes a connected output for the other to succeed.



During the reporting period monthly mock evacuation drills were held in order to familiarize all employees with evacuation procedures and safety exits. Furthermore, all employees are provided first aid training and fire fighting training as part of their onboarding process. In case any new fire fighting equipment is installed within the company, a tutorial video regarding its use is communicated to all employees through email.

Safety & Emergency Management

We generally categorize our processes as wet processes and dry processes and all these processes contain occupational health and safety risks that are required to be controlled and mitigated at the first instance as we do not have the luxury of a second chance when dealing with health and safety related potential hazards. To manage workplace related hazards, we have worked extensively to develop the organization with a hierarchy of controls regarding occupational health and safety that allows us to maintain a safe workplace for our employees. In 2022, we did not have any fatality due to injury or ill health at workplace and similar is the case

with 2021 and 2020. However, there have been instances of first aid cases (FACs) and minor safety incidents that have been immediately catered to, with Root Cause Analysis (RCA) and necessary corrective actions.

Fire Safety is an integral part of our OHS management system as we prioritize in keeping our workers protected and can take the challenge to successfully handle fire hazards. We have a fully functional emergency control room, with trained firefighting staff who are professionally trained to handle fire emergencies. We have

installed a UL listed fire pump set of 1250 GPM capacity. Further, to cater to the emergency needs of our operations we have a fully functional emergency intervention fire vehicle which is equipped with the state-of-the-art firefighting and emergency equipment to effectively respond to any fire emergency. This is in addition to a smoke detection system and other early warning systems for fire detection.

We have also installed automated fire detectors and extinguishing systems which include Argus system, combo shield, fire shield and other sprinkler systems.

Workplace Fatalities and Major Injuries	2020		2021		2022	
	Gul Ahmed	Con-tractor	Gul Ahmed	Con-tractor	Gul Ahmed	Con-tractor
Workplace Fatalities	-	-	-	-	-	-
Workplace Major Injuries	-	-	-	-	-	-

Note 1: Major Injuries are defined as injuries that require medical attention to such extent that the worker need to be absent from work for the purpose of recovery and rehabilitation

Workplace Ill-Health Incidents	2020		2021		2022	
	Gul Ahmed	Con-tractor	Gul Ahmed	Con-tractor	Gul Ahmed	Con-tractor
Workplace Ill-Health	02	01	03	02	01	-

Emergency Management

Onsite Emergency Services

a. First Aid Rooms & Competent Paramedics

Well-equipped First Aid Rooms are available with trained, competent & experienced paramedical officers/first aiders at each facility which entertain the minor injuries & sickness cases. Whereas other cases which cannot be treated at the first aid rooms are referred to hospital.



b. Ambulance Service

A well-equipped ambulance service is available covering all GTM units round the clock. The ambulance service is fully equipped with all emergency medical equipment.



c. Emergency Intervention Vehicle or Fire Vehicle

Gul Ahmed has arranged emergency intervention or fire vehicle which remains at ready response to handle any fire incident /emergency situation in the scope of GTM.



d. Emergency Drills

Periodic mock evacuation drills are conducted by our in-house HSE department in order to familiarize our employees with exits and evacuation procedures in event of any emergency. Our HSE department also keeps track of the response times of various department in order to provide relevant feedback where necessary.



Hazards identification, Risk Assessment & Investigation

Gul Ahmed HSE always focuses on the Risk Assessments of the workplace including Machineries, Plants, Boilers, Vessels, Warehouses, Powerhouse & other facilities installed in the company. Our risk assessment processes include job safety analysis, safety audits and departmental meetings which are performed by our qualified HSE staff. The results of these process are routinely communicated to the Head of HSE and other senior management for review.

Additionally, people of Gul Ahmed are also encouraged to highlight and raise concerns regarding hazards in a positive manner so as to eliminate workplace accidents/incidents without the fear of reprisals. The procedure for highlighting such concerns is communicated to all employees during their induction process as per the company's policy.

In case of any accidents/incidents, investigation teams are formed by the HSE department. In addition to the HSE team, at least, supervisor level employees are encouraged to participate in the investigation for minor incidents while top management also show their participation for severe incidents. This is done to avoid reoccurrence, and to provide a hazard free workplace.



Economic Prosperity

The economic aspect of sustainability is crucial for any business to survive, as it must be financially sustainable. However, as a responsible business leader striving for sustainability, we acknowledge that profitability is just one aspect of a company’s overall strategy. We believe in cultivating a well-rounded culture where social and environmental factors are also given equal consideration alongside profitability and economic sustainability

Management Approach

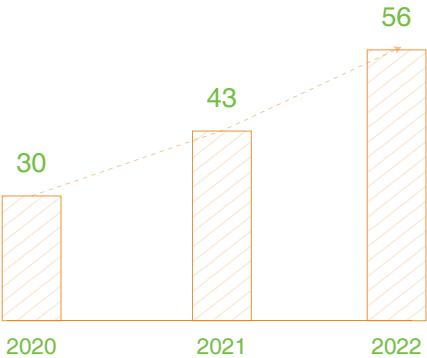
With a proud legacy dating back to 1953, we are one of the leading names in Pakistan’s textile industry. We take great pride in our manufacturing and quality assurance departments, which assume responsibility for producing top-quality textile products that deliver shareholder value and ensure customer safety. In 2022, our contributions to Pakistan’s economy were significant through taxes, duties, and exports. In addition, our presence in the industry generates direct and indirect economic impacts through local procurement, community spending, and capital investment. We are also proud to have created a multitude of employment opportunities, both directly and indirectly, through our business practices and targeted economic uplift interventions. Throughout the Covid-19 pandemic, we remained steadfast in our commitment to the industry’s growth, and we are pleased to have contributed to the 21% growth observed in the textile sector from 2020 to 2022, as the world recovered from its impact

Generating Economic Value

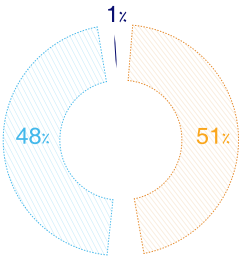
Our sales have demonstrated a consistent growth trend over the past three years with our net revenues increasing to Rs.100 billion in 2022 as compared to Rs.78 billion in 2021. Out of which approx. Rs.56 billion were direct export sales, in this way Gul Ahmed has contributed more than \$300 million in exports during 2022 paving a way for us addressing the issue of balance of payment, which remains a material concern for Pakistan’s economy.

	2020	2021	2022
Export Sales (USD in Million)	191.0	270.8	314.4

Export Sales (in Rs. billion)

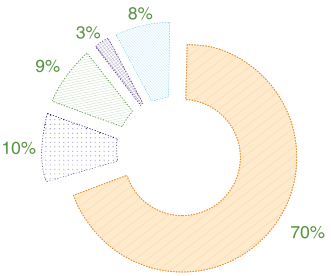


Value Generated in 2022



■ Export Sales ■ Local Sales ■ Other Income

Value Distributed in 2022



■ Cost of Sales (excluding Salaries) ■ Employee Salaries & Wages
 ■ Government ■ Finance Cost to Lenders ■ Values Retained

In addition to our impressive sales figures, we are proud to have made significant contributions to Pakistan's national economic activities. Our material purchases and other costs to suppliers amounted to Rs.76 billion in 2022, compared to Rs.61 billion in 2021. This shows a 14% increase in economic value generated through our material purchases compared to the previous year. We prioritize generating economic value to society by preferring local procurement over imports whenever and wherever feasible for business.

As of 2022, our dedicated workforce comprised of 15,493 individuals. The company has contributed a sum of Rs.11 billion in the form of wages and benefits which helps our employees to maintain social and economic life standards.

We are committed to supporting our employees not just during their active employment but also in their retirement. Accordingly, we operate two retirement benefit schemes for eligible employees:

- A recognized provident fund scheme to which both the company and employees contributes an equal monthly amount equivalent to 8.33% of the basic salary.
- An unfunded gratuity scheme for all its eligible employees who are not part of the provident fund scheme. Benefits under the scheme are vested in employees upon completion of the prescribed qualifying period of service, and the company's obligation is determined through periodic actuarial valuations.

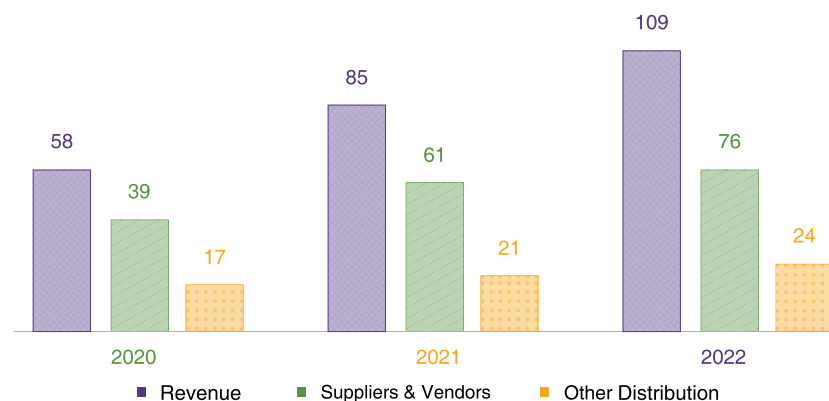
The company's contribution to staff retirement funds is as below:

Staff Retirement Benefits (in Rs. Million)	2020	2021	2022
Provident Fund Contribution	204	212	236
Defined Gratuity Plan Contribution	132	91	126

Gul Ahmed, being an export-oriented company, is eligible to avail of subsidized financing from the Government in the form of various schemes, such as Long Term Financing Facility ("LTFF"), Temporary Economic Refinance Scheme Facility ("TERF"), etc. In 2021 and 2022, the company has availed, net of repayments, Rs. 7.4 billion and Rs. 2.7 billion, respectively, from the Government in the form of subsidized loans, which it utilizes for necessary capital expenditure and working capital requirements to generate more export sales for the national economy. For further details regarding quantity of goods produced, total assets and its segmental breakdown please refer Annual Report.

Description	2020	2021	2022
	amount in Rs. Billion		
Value Generation			
Revenue	58	85	109
Value Distribution			
Suppliers & Vendors	43	61	76
Employees	9	10	11
Government	5	7	10
Finance Cost	2	2	3
Community	0.02	0.03	0.02
Dividend	0.89	0.43	-
Total Distribution	60	81	100
Retention	(2)	4	9
Capital Expenditure	2	6	9

Comparative of Value Generation and Distribution (Rs. in Billions)



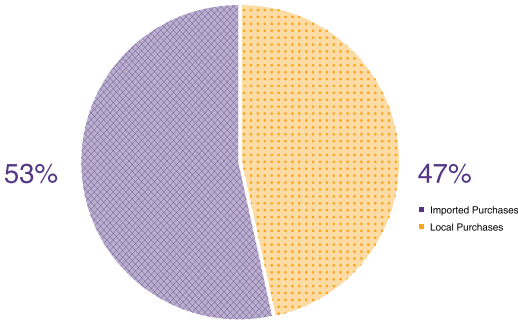
Procurement & Sustainable Supply Chain

Our procurement department is responsible for ensuring the timely availability of quality materials as per requirements. Our corporate cost optimization roadmap primarily aims to achieve quality and cost-efficiency while making concrete and differentiated ethical and sustainable business commitments as part of the procurement process. We have implemented a responsible buying strategy that focuses on managing environmental and social paradigms that can impact the overall sustainability of our supply chains. Our procurement policy and procedures outline the environmental and social factors that our supply chain stakeholders must adhere to, ensuring that they meet our desired criteria and limit any negative environmental or social impacts within our supply chain. In 2022, we screened approx. 120 suppliers in our accessories and packaging procurement segment using the E&S criteria which represents nearly 80% of total suppliers. We intend to be partners and collaborators for our supply chain stakeholders, helping them to uplift themselves to cope with our responsible buying strategy and its requirements.

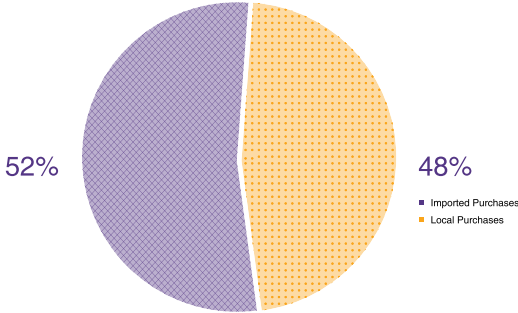
Local Suppliers and Our Contribution

While Gul Ahmed sources its supplies from various regions within and outside Pakistan, we prioritize supporting our local economy and suppliers whenever possible, while also maintaining our commitment to quality. Keeping in line with our sustainable procurement practices, in 2022, 52% of our total purchases were made locally. The company aims to minimize its imports where suitable local alternative is present, to help country’s economy to curtail the import bill and improve its balance of payment. To further reduce our environmental impact and benefit the local economy, we have also moved towards in-house facilities managed by vendors. This approach helps to minimize our carbon footprint and creates more job opportunities in the local community. In 2022, our procurement practices placed a strong emphasis on local purchases which has resulted in a more favorable procurement outlook. The most notable increase in local procurement was for yarn, which rose from 47.2% in 2021 to 67.2% in 2022. Additionally, local procurement for stores and spares increased from 83.2% in 2021 to 90.7% in 2022. Our local procurement for waste raw material also saw significant growth, increasing from Rs. 6.1 billion in 2021 to Rs. 9.2 billion in 2022.

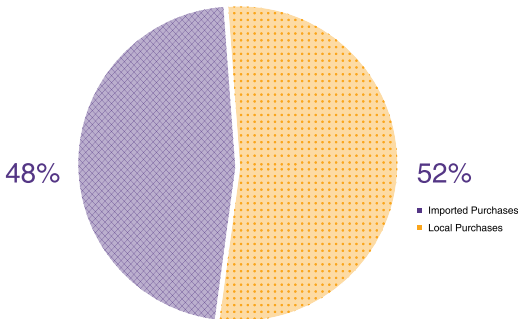
Procurement Comparison 2020



Procurement Comparison 2021



Procurement Comparison 2022



Sustainable Procurement Initiatives

Being a responsible entity, Gul Ahmed focuses on sourcing raw materials from sustainable sources so that it can contribute to the society wherever it can. Our procurement team who is sourcing stitching and packaging materials always looking for options that are sustainable in nature and don't harm the environment.

To support this cause, we are sourcing FSC certified paper board and GRS Global Recycled Standard certified fibers for packaging and filling.

Forest Stewardship Council (FSC):

FSC is an international organization that promotes responsible management of the world's forests through its 10 FSC Principles and associated FSC Criteria. Responsible Forest Management provides a way of using trees and non-timber forest products to meet people's ever-increasing need for lumber, paper and other products without degrading forest ecosystems.

The forest is well maintained under FSC certification guidelines to assure it remains healthy and productive. Trees are selected from FSC forests so as to not cause undue damage to the ecosystem. The effect foresting has on the land is mitigated to the greatest degree possible to avoid damage to the ecosystem. Harvested areas are replanted and maintained to keep the forest and surrounding lands healthy, vibrant and productive.



Global Recycled Standard (GRS):

The Global Recycled Standard (GRS) is a voluntary product standard for tracking and verifying the content of recycled materials in a final product. The standard applies to the full supply chain and addresses traceability, environmental principles, social requirements, chemical content and labelling. The GRS covers the processing, manufacturing, packaging, labelling, trading, and distribution of all products made with a minimum of 20% recycled material.



Reuse of Plastic:

In order to continue our commitment towards sustainability we have initiated a project in which we have started to return our used sewing thread plastic cones to our business partner for the purpose of reusing them in rewinding our ordered thread. This practice has allowed us to reuse approx. 2,600 kgs of empty thread cones between 2020 and 2022.

Climate Change And Its Economic Impact

In addition to our focus on uplifting our local suppliers, Gul Ahmed is also keen to contribute to the environment through our sustainable procurement practices. We understand that our supply chain operations and manufacturing facilities are vulnerable to material risks of climate change, and thus, we consider raw materials & water security as primary factors that shall have significant financial impacts on our business in the current and near future. We have initiated collective dialogue process on ways and means to convert these Climate Change risks to social and financial opportunities for the future, and we have already started to act upon both mitigation and adaptation interventions.

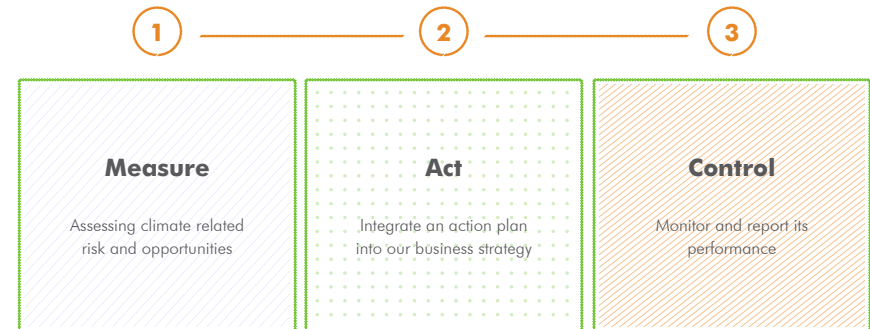
Our approach to Climate Change impact revolves around assessing and measuring the potential negative impacts of climate change on our operations and supply chain. Devising and implementing a plan to eliminate or mitigate these negative impacts and monitoring the steps that we take to ensure that desired results are achieved.

In terms of resources, cotton remains our fundamental raw material in the near future and thus its availability shall also remain our top priority. However, climate change can adversely impact cotton cultivation, which is why the company is investing over Rs.156 million to secure its cotton supply chain. One of the significant interventions launched is the **Organic Cotton Farming Initiative**, which involves dedicating 8,000 acres of farmland in one of Pakistan’s remotest regions to grow organic cotton. The first harvest was used in April 2022, and with expected production increases, the initiative is anticipated to save approximately 3,000 tCO₂e GHG emissions/year, 46 tons of SO_x, and 4.2 million m³ of water per year. Further information can be found in the Environment section of this report.

In addition to sustainable cotton cultivation, recognizes the critical importance of addressing water scarcity and its potential impact on our business operations. As such, we have made it a priority to establish an efficient wastewater recycling system to reduce our reliance on natural water resources. One of our key commitments towards achieving this goal is implementing a Zero Liquid Discharge (ZLD) system by 2027. We have already made significant progress towards this objective, having installed water recycling mechanisms that enable us to recycle

approximately 60% of our total process water discharged to the Effluent Treatment Plant. By implementing these measures, we hope to minimize the risk of water scarcity and support the sustainability of our business operations in the long run.

We have also kept ourselves at pace with the global commitments of our customers and our own beliefs of decarbonization. We plan to follow the net zero pathway and to achieve this we have invested in partnerships for decarbonization of our operations and our supply chain Our 10-year plan involves investments in energy efficient and renewable technologies, which will enable us to achieve our NET ZERO targets. Our present interventions and initiatives along with future roadmap encapsulate all material topics of our operations. The core purpose of these actions is to minimize our GHG footprint while providing quality products through sustainable business operations.



Assurance Report

Independent Limited Assurance Report To Gul Ahmed Textile Mills Limited On The Sustainability Report

Introduction

We, Yousuf Adil Chartered Accountants, were engaged by Gul Ahmed Textile Mills Limited (the Company) to provide limited assurance on the Sustainability Report (the 'Report') for the year ended 30 June 2022.

Management's Responsibilities

Management is responsible for the preparation and presentation of the Sustainability Report in accordance with the Global Reporting Initiative (GRI) 2021 Universal and Topic Specific Standards as disclosed in the Report and the -information and assertions contained therein; for determining the Company's objectives in respect of sustainable development performance and reporting, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived

Management is also responsible for preventing and detecting fraud and for identifying and ensuring that Company complies with laws and regulations applicable to its activities.

Management is also responsible for ensuring that staff involved in the preparation and presentation of the Report are properly trained, information systems are properly updated, and that any changes in reporting encompass all significant business units.

Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the Institute of Chartered Accountants of Pakistan (ICAP), which includes independence and other requirements on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibilities

Our responsibility is to carry out a limited assurance engagement and to express a conclusion on the Report of the Company based on the work performed. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE 3000), "Assurance Engagements other than Audits or Reviews of Historical Financial Information Issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires that we comply with independence requirements, plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement.

Inherent Limitations

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the selected information and the methods used for determining and ascertaining such information Qualitative Interpretations of relevance, materiality, and the accuracy of data are subject to individual assumptions and judgments Furthermore, the nature and methods used to determine such information, as well the evaluation criteria and the precision thereof, may change over time.

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation, presentation of the Report, as the engagement has not been performed continuously throughout the period, and the procedures performed were undertaken on a test basis.

Limitations

Our limited assurance scope excludes:

- Data and information outside the defined reporting period (01 July 2021 to 30 June 2022);
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim or future intention and national or global socio-economic and environmental aspects; and
- Data and information on the economic and financial performance of the Company which, we are informed, are from the Company's audited financial records and/or statements.

Procedures Performed

The procedures performed in a limited assurance engagement vary in nature, and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, the procedures selected were based on our professional judgment and inter alia include making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other evidence-gathering procedures, as appropriate. Further, the procedures performed were:

- Inquired to gain an understanding of Company processes for determining the material issues for the Company's key stakeholder groups,
- Interviewed the selected key personnel of the Company to understand the current processes in place for capturing sustainability performance data, the Company's sustainability goals, and the progress made during the reporting period;
- Interviewed the relevant staff responsible for providing the information in the Report; Compared the information presented in the Report to corresponding information in the relevant underlying sources to determine whether information contained in such underlying sources is materially consistent with that included in the Report; and
- Read the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of the Company.
- Obtained written representation from the management regarding the

completeness and authenticity of the information contained in the report, management responsibility regarding preparation of Sustainability Report and underlying measurements and calculations and management confirmation that the sustainability report has been prepared in accordance with the GRI Standards.

Limited Assurance Conclusion

We have formed our conclusion on the basis of (and is subject to) the matters outlined in this report and believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Based on the procedures performed and the evidence obtained using the ISAE 3000 (Revised) 'Assurance Engagements Other than Audits or Reviews of Historical Financial Statements, we conclude that nothing has come to our attention that causes us to believe that the sustainability report of the company for the year ended 30 June 2022 is not presented, in all material respects, in accordance with the GRI Standards.

Restriction of Use of our Report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Gul Ahmed Textile Mills Limited for any purpose or in any other context. Any party other than Gul Ahmed Textile Mills Limited who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Gul Ahmed Textile Mills Limited for our work, for this independent limited assurance report, or for the conclusions we have reached.

Yousuf Adil
Chartered Accountants

Date: May 09, 2023
Islamabad

GRI Content Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GENERAL DISCLOSURES					
GRI 2: General Disclosures 2021	2-1 Organizational details	8			
	2-2 Entities included in the organization’s sustainability reporting	4			
	2-3 Reporting period, frequency and contact point	4			
	2-4 Restatements of information	4			
	2-5 External assurance	5			
	2-6 Activities, value chain and other business relationships	8 - 9 Annual Report 168	d	Not applicable	No significant change in the activities, value chain and other business relationships.
	2-7 Employees	46 Annual Report 171			
	2-8 Workers who are not employees			Not applicable	All workers of the company are employees irrespective of the employment type.
	2-9 Governance structure and composition	14			
	2-10 Nomination and selection of the highest governance body	15			
	2-11 Chair of the highest governance body	15			
	2-12 Role of the highest governance body in overseeing the management of impacts	15			
	2-13 Delegation of responsibility for managing impacts	18			
	2-14 Role of the highest governance body in sustainability reporting	18			
	2-15 Conflicts of interest	60			
	2-16 Communication of critical concerns	15			
	2-17 Collective knowledge of the highest governance body	15 Annual Report 30			
	2-18 Evaluation of the performance of the highest governance body	16			
	2-19 Remuneration policies	48 - 49 Annual Report 35			
	2-20 Process to determine remuneration	Annual report 35			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
	2-21 Annual total compensation ratio			Confidentiality constraints	This information is confidential.
	2-22 Statement on sustainable development strategy	21 - 24			
	2-23 Policy commitments	24, 61			
	2-24 Embedding policy commitments	24			
	2-25 Processes to remediate negative impacts	17			
	2-26 Mechanisms for seeking advice and raising concerns	17			
	2-27 Compliance with laws and regulations	60			
	2-28 Membership associations	10			
	2-29 Approach to stakeholder engagement	25 - 27			
	2-30 Collective bargaining agreements	60 - 61			
MATERIAL TOPICS					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	28	A grey cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	3-2 List of material topics	28 - 29			
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	67			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	67 - 68			
	201-2 Financial implications and other risks and opportunities due to climate change	71			
	201-3 Defined benefit plan obligations and other retirement plans	68			
	201-4 Financial assistance received from government	68 Annual report 142			
Market presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	48			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	48	c	Not applicable	All workers are hired based on a single standard minimum wage as per the regulatory requirements.
	202-2 Proportion of senior management hired from the local community		a,b,c and d	Not applicable	We are an equal opportunity employer. Our facilities are located in a large commercial city.

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Indirect economic impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	67			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	57 - 58			
	203-2 Significant indirect economic impacts	35			
Procurement practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	69			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	69			
Anti – corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	60			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	60			
	205-2 Communication and training about anti-corruption policies and procedures	60			
	205-3 Confirmed incidents of corruption and actions taken	60			
Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	31			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	32			
	301-2 Recycled input materials used	33 - 37			
	301-3 Reclaimed products and their packaging materials			Not applicable	We are tier 1 supplier to other multi-national and local companies and are not selling directly to end consumers.
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	38			
GRI 302: Energy 2016	302-1 Energy consumption within the organi- zation	38	d (energy sold by the company)	Not applicable	We do not sell electricity, heating, cooling or steam.
	302-2 Energy consumption outside of the organization		a,b and c	Not applicable	We do not consumer energy purchased from third parties outside the organi- zation.
	302-3 Energy intensity	38			
	302-4 Reduction of energy consumption	39			
	302-5 Reductions in energy requirements of products and services			Not applicable	Our product does not directly consumes any energy during its usage.

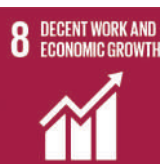
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Water and effluents					
GRI 3: Material Topics 2021	3-3 Management of material topics	41			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	41			
	303-2 Management of water discharge-related impacts	41	i,ii and iv	Not applicable	We comply with all the legal requirements for waste water discharge.
	303-3 Water withdrawal	41	ii,iii,iv,v b i, ii iii, iv and v c i, ii and d a ii,iii and iv b i, ii c i,ii	Not applicable	We use only fresh water for our operations provided by local authority.
	303-4 Water discharge	41			
	303-5 Water consumption	41	c	Not applicable	There is no significant change in water storage capacity.
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	40			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	40	c and d iii	Not applicable	We do not have biogenic fuel source.
	305-2 Energy indirect (Scope 2) GHG emissions		a,b,c,d,e,f and g	Not applicable	We do not purchase any type of energy other than fuel for our captive power generation.
	305-3 Other indirect (Scope 3) GHG emissions		a,b,c,d,e,f and g	Not applicable	Scope 3 emissions are not calculated as they are not included in the reporting boundary.
	305-4 GHG emissions intensity	40			
	305-5 Reduction of GHG emissions	40			
	305-6 Emissions of ozone-depleting substances (ODS)		a,b,c and d	Not applicable	We do not use any material that can cause ODS emissions.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	40		Information unavailable/ incomplete	The quantities of such emissions are negligible because of our fuel type i.e. Natural Gas. All these emissions are tested by third party laboratory and are in compliance with the legal requirements.
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	42			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	42			
	306-2 Management of significant waste-related impacts	42			
	306-3 Waste generated	42			
	306-4 Waste diverted from disposal	42	b i, ii and iii	Not applicable	All the hazardous waste is managed by approved third party that ensures disposal according to the legal requirements.
	306-5 Waste directed to disposal	42			

About the Report	Gul Ahmed at a Glance	Key Highlights	Sustainability Governance	Message from CEO	Sustainability Strategy & Resource Allocation	Stakeholder Engagement & Materiality	Environment & Planet	People, Community & Social Responsibility	Economic Prosperity	Assurance Report	GRI & UN SDG Index
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION								
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION						
Supplier environmental assessment											
GRI 3: Material Topics 2021	3-3 Management of material topics	69									
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	69									
	308-2 Negative environmental impacts in the supply chain and actions taken	69									
Employment											
GRI 3: Material Topics 2021	3-3 Management of material topics	45									
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	46 - 47									
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	48 - 49	a iv	Not applicable	The company does not have a policy to offer stock ownership to employees.						
	401-3 Parental leave	49									
Labor/management relations											
GRI 3: Material Topics 2021	3-3 Management of material topics	47									
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	47									
Occupational health and safety											
GRI 3: Material Topics 2021	3-3 Management of material topics	62									
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	62 - 63									
	403-2 Hazard identification, risk assessment, and incident investigation	65									
	403-3 Occupational health services	64									
	403-4 Worker participation, consultation, and communication on occupational health and safety	62 - 64									
	403-5 Worker training on occupational health and safety	62									
	403-6 Promotion of worker health	62 - 63									
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	62 - 64									
	403-8 Workers covered by an occupational health and safety management system	62	b	Not applicable	All type of workers are covered in Health and safety management system.						
	403-9 Work-related injuries	63	f	Not applicable	All type of workers are covered in Health and safety management system.						
	403-10 Work-related ill health	63	d	Not applicable	All type of workers are covered in Health and safety management system.						

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Training and education					
GRI 3: Material Topics 2021	3-3 Management of material topics	49			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	52	a- i	Not applicable	Mandatory trainings are provided to all the workers without any gender discrimination.
	404-2 Programs for upgrading employee skills and transition assistance programs	51 - 53			
	404-3 Percentage of employees receiving regular performance and career development reviews	53			
Diversity and equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	55			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	15 Annual Report 30			
	405-2 Ratio of basic salary and remuneration of women to men	48			
Non – discrimination					
GRI 3: Material Topics 2021	3-3 Management of material topics	28			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	55			
Freedom of association and collective bargaining					
GRI 3: Material Topics 2021	3-3 Management of material topics	58			
GRI 407: Freedom of association and collective bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	58			
Child labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	61			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	61			
Forced or compulsory labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	61			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	61			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Security practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	51			
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	51			
Supplier social assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	69			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	69			
	414-2 Negative social impacts in the supply chain and actions taken	69	e	Not applicable	No case of negative social impact within the supply chain has been reported during the period.

UN Sustainable Development Goals Index

SDGs		Page No.	GRI Standard Disclosure
	Gender Equality: Building a diverse and empowered workforce and improving overall employee wellbeing	51 - 53, 55 - 57	GRI 401, GRI 404-3, GRI 405, GRI 406
	Clean Water and Sanitation: Ensuring access to clean water by reducing pollution, increasing emphasis on water recycling and efficient use of water across all sectors	41	GRI 303
	Affordable and Clean Energy: Substantially increasing the share of renewable energy within the company's energy generation mix	38 - 39	GRI 302
	Decent Work and Economic Growth: Ensure provision of decent work conditions and promote economic growth for our employees and their communities.	45, 48 - 51, 57 - 59, 67 - 69	GRI 2-7, GRI 2-30, GRI 201, GRI 203, GRI 204, GRI 401, GRI 402
	Responsible Consumption and Production: Achieving sustainable management and efficient use of natural resources by way of circularity and reduction in waste generation	31 - 37, 42 - 43, 69 - 71	GRI 204, GRI 301, GRI 306
	Climate Action: Taking steps to ensure that the energy consumption within the Company and its resultant emissions are reduced in order minimize our impact on climate change	38 - 40, 71	GRI 201-2, GRI 302, GRI 305

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