

# Report on Corporate Social Responsibility

## For the Year Ended September 30, 2021

Dear Members,

Being the Country's responsible corporate citizen, Sanghar Sugar Mills Limited (the Company) gives back to society to help and build a sustainable tomorrow. The Company is playing an active role in supporting sustainable community and social development of Pakistan and its people. The Company believes in the creation of shared economic and social value across the country. This following Report updates the stakeholders about the steps taken by the Company to ensure compliance:

### **EDUCATION:**

#### **Sustainable Development Goal:**

- **Gender Equality**
- **Decent Work & Economic Growth**
- **Quality Education**

The Company ensures that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes and also ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.

With the aim of paving the way for a brighter future and to alleviate illiteracy in the rural areas of the Country, the Company has launched education program through Al-Qalam Education Systems, Sanghar established in 2008 and is providing education facilities at the premises adjacent to the Mills' Employees' Colony by upgrading education facilities and provide safe, non-violent, inclusive and effective learning environments for all by the qualified staff on concessional basis to the children of the factory employees and persons living nearby in rural areas.

The Education started from a single class room of Kindergarten with admission of 10 students. Now, grows up-to class 8th having total strength of 248 students in which 143 male and 105 female students and having strength of 14 teachers and staff appointed for the purpose of education in which 2 male and 12 female teachers. Out of 248 students, 85 students belongs to the Employee's families and rest are from families living nearby areas. The premises of education is having beautiful infrastructure, neat and clean environment with availability of all basic facilities within covered premises viz large size ventilated class rooms, computer lab, laboratory, playground, tuck shop and uninterrupted power supply. Main emphasis to run the school is to help poor people of the area, to encourage girl's education, to inspire students to internalize Islamic education in their social growth, attaining self-actualization. Education in remote areas is a big challenges specially those who are not able to afford the expenses of such a qualitative, modern education nearer to their door step. In addition to above, various events are being organized like Annual Sports Day, Parent's Day etc.

### **MEDICAL & HEALTH CARE:**

#### **Sustainable Development Goal:**

- **Good Health**

The Company has made a significant contribution in Medical & Health Care. In this regards, physical along-with financial support was extended towards the treatment of eye diseases and treatment of blood diseases etc.

The Company is responsive to make efforts to minimize the accidental risks, have necessary medical facilities and continuously shrine to improve greenery and maintain clean and safe environment around the Mills, better housekeeping, safeguarding the health of employees and application of the principles of safety in its operations, the consumers and public at large by following the rules and regulations in this regard. The Company is running dispensary through a qualified and experienced doctors for its employees and for persons living in adjoining areas.

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The Management has conducted "Annual Free Eye Camp" for two days. The Camp was held on February 01, 2021 and February 02, 2021 on the premises of the Factory. In free camp, checkup of over 1,200 outpatients were conducted and operations of 470 patients were conducted, in which 4 patients were Company's Employees and 466 patients were belongs to the nearby areas. The Operations were satisfactorily done including lenses replacements and fixation as per our past practice by the famous eye surgeons and their technicians. Before the launch of camp, an advertisement campaign was made through radio, cable, social media & pamphlets for the information of needy persons. Free pick and drop arrangement was made for the patients and caring persons from the areas of Sanghar, Perumal and Mirpurkhas division. Free arrangements of accommodation and food was arranged for patients, care takers, doctors and their staff. The whole camp was financed by the Company and as well as by the Executives personally.

Further, the Company is contributing through donations to the "Kidney Dialysis Centre - Sanghar" as and when seems necessary.

#### **PURIFIED DRINKING WATER:**

##### **Sustainable Development Goal:**

###### **– Clean Water & Sanitation**

The Company continues to engage in supporting initiatives for water and environmental sustainability, both at business and at community level. The Company endeavors to continuously improve its processes and systems to reduce its water usage and also engages with the community and external institutions to support water and environmental initiatives. The Company focuses on water and environmental sustainability with;

- a) Continuous improvement in our processes and systems to reduce our water usage - each year has to be better than the previous.
- b) Community clean water supply schemes - Water filtration plants for communities living around us.

The Company has achieved universal and equitable access to safe and affordable drinking water for all, ensures supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity and strengthen the participation of local communities in improving water and sanitation management.

Therefore, the Company have made arrangement for the Reverse Osmosis Plant having capacity of 5000 Gallons per day for Mills and surrounding area residents to provide clean and purified drinking water.

#### **COMMUNITY & SOCIAL DEVELOPMENT:**

##### **Sustainable Development Goal:**

###### **– Zero Hunger**

The Company's efforts have primarily on improving the social conditions of the Communities and employees related to the Company by establishing fair working conditions, ensuring occupational safety, setting social standard, establishing minimum wages, zero tolerance on child labor and forced labor etc.

To support the sugarcane growers of the area and provide better quality seeds and fertilizers to achieve improvement in quality of sugarcane and enhance its quantity and productivity in order to have regular, constant and better supply in future the major basic raw material for sugar mills.

The Company continuously is striving to improve greenery, maintaining clean environment around the mills and better house-keeping. The Company installed and maintained water filtration plant and tanks to purify the water used for drinking purpose.

#### **TREE PLANTATION:**

##### **Sustainable Development Goal:**

###### **- Sustainable Cities and Communities**

###### **- Life on Land**

Tree plantation is part of our main project of CSR activities. The Company has established green house at the premises of Factory where we have facilities to grow the plants and research on them based on the local atmosphere of Sanghar. We have planted several trees in the premises of Factory and nearby areas and distribute amongst the staff to plant them, at their living areas to make environment clean and green.

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**HUMAN RESOURCE MANAGEMENT:****Sustainable Development Goal:**

- **Decent Work & Economic Growth**
- **Reduced Inequalities**
- **Gender Equality**

**a. Employees:**

There are policies and procedures which demonstrate the Human Resource department, a philosophy of fair and transparent appointments on the basis of merit and give objective of performance evaluation, which ultimately results in the increments, promotions, bonuses and cash awards. Being social responsible, the Company gives importance on providing an opportunity with dignity to people with special needs who are trained to serve the Company as a valuable human capital. We have appointed some special persons as part of human resource. The Company treats all employees fairly and compensates them according to the industry practice. The Company provides the benefits such as perquisites, annual leaves, pick and drop, facility of mess, safe and healthy working conditions etc along-with group insurance, making payments to Employees Old Age Benefits Institution, Sindh Employees Social Security Institution. The Company is committed to maintaining the principles of integrity and trust with respect to privacy of the employees of the Company.

**b. Special Persons:**

The management of the Company encourages employment of workforce i.e. special person employees living in the rural areas in order to yield significant gain and uplift their living standard. Currently, the management has appointed 17 disabled persons as an employee of the Company which have disability like stammered, deaf & dumb, limp (accident), artificial foot, damage eye and polio cases.

**c. Women Empowerment:**

The Company is in the process to strengthen our policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all level and ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life. Currently, at the top position, one female has been appointed as Non-Executive Director and became the part of the Board.

**CONTRIBUTION TOWARDS ECONOMY & GOVERNMENT:****Sustainable Development Goal:**

- **Industry Innovation & Infrastructure**
- **Affordable & Clean Energy**

The Company is contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates, duties and other levies.

Pakistan is facing severe energy crises and efforts to increase power generation. This is resulting in load-shedding and power shutdowns in all sectors, whether industrial or residential. Considering the importance of energy, the Company has been heavily investing in power generation, which includes installation of equipment & machinery, with our manufacturing area for our in-house consumption and surplus energy are sold to Hyderabad Electric Supply Corporation (HESCO), to overcome the crises of power generation to some extent. Due to some approvals and other legal agreements, this year the Company has not supplied power to HESCO.

**CORONA VIRUS (COVID 19):****Sustainable Development Goal:**

- **Good Health**

As part of CSR activities, a comprehensive strategy by adhering to industrial SOPs were implemented. The Management has made plan to compensate the employees and gave them leave with pay during the tenure of lock

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down and no adjustments has been made from their available outstanding leaves. Only limited and required staff has been called for working with complete precautionary measures as per the requirements of Government. A strategy of work from home with optimal staffing at the factory and head office for safe operation and maintenance was devised and implemented. A regime of disinfecting the offices has been established, rigorously implemented and continuously monitored. Information regarding COVID-19 was shared with staff and contractors regularly at Head Office and Factory.

During the year, the Company has made arrangements for the COVID Vaccine Camp for both doses at mills premises in collaboration with Government Health Organization for implementation of Government Directives and Health & Safety of our employees and their families.

#### **ASSISTANCE TO FAMILIES:**

##### **Sustainable Development Goal:**

- **No Poverty**
- **Zero Hunger**

The Company has always been active in supporting and providing humanitarian assistance to communities in natural calamities by providing food, where staff also participates as volunteers in delivering the relief goods. These relief packages are donated directly by the team's of the Company.

#### **CORPORATE SOCIAL RESPONSIBILITY PLANS:**

##### **Sustainable Development Goal:**

- **Responsible Consumption**
- **Good Health**
- o The Company is in the process of developing water and sanitation related activities and programmes, including water harvesting, desalination, water efficiency, waste water treatment, recycling and reuse technologies, therefore, in the previous year, the Company has finalized arrangement for the treatment of waste-water. The project work has been completed and running in the season 2021-22.
- o In coordination with the Government Health Organizations, the Company has plan to operate the COVID Vaccine Camp for new employees and families living surrounding / adjoining areas of mills premises.
- o The Company has plan to conduct a two days free eye camp in the month of February 2022 for persons living nearby.

#### **EXPENDITURES INCURRED:**

The expenditures incurred on Corporate Social Responsibility activities are disclosed in notes to the financial statements under the heading of "Other Operating Cost".

**Ghulam Dastagir Rajar**

Chairman

Corporate Social Responsibility Committee

Karachi : January 01, 2022

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