The Global Compact
Communication On Progress – 2018

STATEMENT OF CONTINUED SUPPORT

Seri Sugar Mills Limited the first company in Pakistan to embrace the philosophy of Global Compact has been actively involved in pursuing the ideals of human rights, labour practices, environment and anti-corruption in very difficult socio-economic environment of Pakistan.

Being a medium size organisation with sugar manufacturing facility located in rural area of province of Sindh, it employs people where employment opportunities are low for largely illiterate and unskilled population. The Mills directly employs about 400 persons and further about 650 seasonal workers. Global Compact principles has resulted in motivation for our employees, to better relationship build with our all kind of suppliers, particularly cane growers in our areas, Specially networking and high growth farming tips opportunities in business circles.

We are committed to continued adherence to the principles of Global Compact in our business affairs. We strive to propagate these principles to our immediate contacts and at wider level of society by advocacy at business associations and different kind of others forums.

March 15, 2019

DIRECTOR
Mohsin Ashraf Tabani
Seri Sugar Mills Limited
The Global Compact
Communication On Progress – 2018

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

We are committed to uphold human rights in our organisation, involving permanent employees and seasonal workers and further in areas of influence covering our suppliers particularly sugar cane all types of growers and local peoples.

Being agro based industry we care that our main suppliers i.e. sugar cane farmers are made aware and fully facilitated in modern farming practices through good training provided, and paid competitive market based price and have minimum waiting time to deliver the best quality sugar cane to mills. Right from the time of sowing to harvesting our field staff keep close liaison and advises the farmers and there labour for good variety at every step, so that with maximum high recovery for benefit can be achieved every year.

Our management has open door policy; all employees are free to approach top management with their concerns and good suggestions & grievances.

Measurement of outcomes.

By Nature of the Sugar Industry, our mid and senior level staffs are aware of the principle of the human rights and we have yet to see any issues with fairly & honesty. Furthermore, we expect that in case of any violations, they would be recorded and properly and quickly resolved.
The Global Compact
Communication On Progress – 2018

Labour Principles

| Principle 3: Businesses should uphold the freedom of association and the effective Recognition of the right to collective bargaining; |
| Principle 4: the elimination of all forms of forced and compulsory labour; |
| Principle 5: the effective abolition of child labour; and |

Seri Sugar Mills Ltd., respect the rights of employees to join trade unions and to collective bargaining. Commitments in respect of agreements with Collective Bargaining with Agents are carried out in letter and spirit.

We have merit based appointment policies and offer clear terms of appointment to prospective employees. Compensation is fair and competitive according to the type of work and equitable with in organisation.

Our policy against hiring of child labour is strictly adhered to.

Seri Sugar Mills Ltd. is an equal opportunity employer. We do not allow discrimination based on religious beliefs, ethnicity, gender, political affiliations or social background of employees.

Measurement of outcomes:

Being a rural based our sugar organization, the worker's rights issues & discrimination in respect of political affiliations or social back ground is virtually nonexistent.

However, if a labour issue were to arise, it would be addressed by the senior management and the outcome formally recorded.
The Global Compact  
Communication On Progress – 2018

Environmental Principles:

| Principle 7: Businesses should support a precautionary approach to environmental challenges; |
| Principle 8: undertake initiatives to promote greater environmental responsibility; and |
| Principle 9: encourage the development and diffusion of environmentally friendly technologies. |

Due to the very nature of our business most of our energy is renewable with little reliance on fossil fuels. We use bagasse (residue of sugar cane after extracting juice) for most of our energy needs. Further molasses is sold to distilleries, which is converted to ethanol, mostly for blending as bio fuels. In fact we are working on to produce and export electricity to the national grid by using bagasse (a renewable energy source) hence saving fossil fuel.

We keep ourselves aware of environmental issues and emerging technologies to minimise environmental impact. We continuously monitor manufacturing processes and machinery and make improvements to keep adverse environmental impact to minimum.

We closely coordinate with sugar cane growers and labours at all stages of cultivation and provide technical advice through farm experts. We also provide tools and small machinery to farmers free of cost so as to promote goodwill amongst them.

Measurement of outcomes.

We are continuously reviewing and monitoring our systems for improving the environment. Targets have been established to further improve our systems to a more environmentally friendly environment.
The Global Compact
Communication On Progress – 2018

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Seri Sugar Mills Ltd firmly believes that corruption and disregard of laws in all forms is counter productive for the country in general and businesses in particular, thus resulting in distortions in social and economic environment.

Seri Sugar Mills Limited are committed that it will not be part of any corrupt practices and work against corruptions in all its forms including extortions and bribery by taking part in various industry and business associations' initiatives.

Measurement of outcomes.

Very strict checks and balances are part of the system to keeping the business corruption free.

Should any breach were to occur, it would be taken extremely seriously, and corrective action initiated accordingly, with the outcome formally recorded.
The Global Compact
Communication On Progress – 2018

Conclusion:

We are aware of continued challenges in a hostile working environment, more so as our manufacturing facilities are located in backward rural area of the province of Sindh. Extremely adverse political and economic situation particularly lawlessness have increased our resolve to stay on course.

We are aware of our Corporate Social Responsibility. We act as responsible corporate citizen. We care that sugar cane farmers are provided all technical assistance, education and that they are facilitated properly. Our employees are trained and motivated, so they can input their best efforts and are rewarded accordingly. We contribute to the society where we operate by advocacy and by direct donations as well.

The management of Seri Sugar Mills Ltd., has open door policy. All our employees and other concerned persons can approach top management at any time.

Adoption of Global Compact principles has raised image of our company in business circles and society in general, we maintain good relation with our supply chain and have motivated employees.

Seri Sugar Mills Ltd upholds Global Compact principles in conduct of our business and propagates these principles in our spheres of influence and continuously strives and raises the bar further.

We will make this COP available to all stakeholders through distribution of handouts.