

JKSML	JK Sugar Mills (Pvt.) Limited.	DOC# JKSM/Polices/HR/001 Effective Date: June 01, 2023 Revision: 01
	Sustainability Policy	

### Purpose

JK Sugar Mills (Unit-1) is committed to ensuring sustainable practices across the entire sugar supply chain in accordance with the Bonsucro Production Standard V5.2. Our goal is to integrate social, environmental, and economic sustainability into every aspect of our operations, while aligning with global standards, respecting human rights, and promoting ethical conduct throughout our supply chain.

### Scope

- JK Sugar Mill Site and all its activities/operations
- Registered Growers
- Catchment areas where certain activities can be managed by the mill

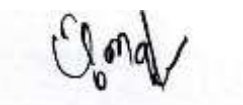
### Terms and Definitions

- **Sustainability:** The practice of meeting our own needs without compromising the ability of future generations to meet their own needs. This includes the conservation of natural resources as well as the protection of social and economic resources.
- **Human Rights:** The basic rights and freedoms that belong to every individual, as outlined in the Universal Declaration of Human Rights and the Constitution of Pakistan. These include, but are not limited to, freedom of speech, freedom of assembly, and freedom from discrimination.
- **Discrimination:** The practice of unfairly treating people differently based on race, color, religion, sex, gender identity, age, disability, nationality, or other irrelevant factors.
- **Harassment:** Any unwelcome behavior that intimidates, offends, or belittles another individual.
- **Child Labour:** Any work that deprives children of their childhood, potential, and dignity, which is harmful to their development.
- **Forced Labour:** Work that is performed involuntarily, under threat of punishment.
- **Ecosystem Services:** Outputs, conditions, or processes provided by natural systems that benefit humans or enhance social welfare.
- **High Conservation Values (HCVs):** Areas with significant environmental, social, or cultural importance, including biodiversity, ecosystem services, and cultural heritage.
- **Biodiversity:** The variety of life in a given area, including plants, animals, fungi, and microorganisms, and their interactions within ecosystems.
- **GHG Emissions:** Greenhouse gases that trap heat in the atmosphere, contributing to global warming and environmental pollution.

### Management Commitments

The management of JK Sugar Mills (Unit-1) is committed to implementing sustainable practices across the entire supply chain, ensuring that our operations respect human rights and contribute to the well-being of communities, ecosystems, and future generations. Our sustainability efforts align with the UN Guiding Principles on Business and Human Rights (UNGPs) and extend beyond environmental considerations to social and ethical responsibility.

- **Respect for Human Rights:** We respect and support the fundamental human rights of all employees, contractors, and communities in our supply chain. This includes the rights to fair wages, safe working conditions, and the freedom from discrimination, forced labor, and child labor.
- **Equal Employment Opportunity:** JK Sugar Mills provides equal opportunities in all aspects of employment, ensuring that decisions are made based on merit and qualifications, and without



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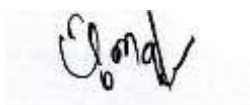
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discrimination based on race, religion, gender, age, disability, or any other protected characteristic.

- **Freedom of Association:** We support our employees' right to freely form, join, or refrain from joining labor unions without fear of retaliation.
- **Commitment to Collective Bargaining:** We foster an environment where workers are able to engage in collective bargaining and have their voices heard.
- **Anti-Corruption and Anti-Bribery:** JK Sugar Mills is committed to operating with the highest levels of integrity and transparency. We do not tolerate corruption, bribery, or money laundering in any form and adhere strictly to local and international anti-corruption regulations.
- **Indigenous Peoples' Rights:** We respect the rights of indigenous peoples and local communities, ensuring that their land rights and cultural heritage are preserved and protected. Our operations shall not infringe upon these rights and we are committed to engaging with indigenous communities in a manner that is respectful, fair and culturally appropriate.
- **Community Engagement and Land Rights:** We are committed to ensuring that our business operations do not encroach on or damage land owned by indigenous communities or local populations. We engage in regular dialogue with affected communities and respect their rights to free, prior, and informed consent (FPIC) before beginning any activities that may affect their land or livelihoods.
- **Ethical Conduct:** JK Sugar Mills requires all employees, contractors and partners to adhere to ethical standards in all business practices, ensuring fair treatment of all stakeholders and preventing any form of exploitation, discrimination, or unethical conduct.

#### Procedure

1. **Sustainability Integration:** General Managers will develop clear sustainability guidelines, incorporating environmental and social practices into daily operations. All employees will be trained on these practices to ensure compliance.
2. **Monitoring and Compliance:** Department Heads and farm owners will take immediate action to rectify incidents that pose a threat to human health, safety, or the environment, and report these incidents to relevant authorities.
3. **Waste Minimization and Resource Conservation:** HODs and farm owners will work to minimize resource usage, reduce waste, and prevent pollution. This includes the efficient use of energy and water and ensuring the safe disposal of waste.
4. **Environmental Impact Management:** The management will prioritize renewable energy sources, reduce GHG emissions, and protect biodiversity through responsible land and resource management practices.
5. **Indigenous Rights:** HODs and farm owners will ensure that indigenous land rights are respected, including through consultations and agreements based on free, prior, and informed consent (FPIC).
6. **Stakeholder Engagement:** Regular meetings will be held with stakeholders, including local communities, labor unions, and environmental groups, to discuss and address sustainability issues, community concerns, and labor rights.
7. **Reporting:** Progress against sustainability objectives will be documented and reported annually, including key performance indicators related to environmental impact, human rights, and community engagement.



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8. **Audits and Assessments:** The sustainability performance of JK Sugar Mills will be regularly assessed through audits and self-assessments, and corrective actions will be taken where necessary to improve performance.
9. **Anti-Corruption and Transparency:** JK Sugar Mills will maintain transparency in all business dealings, particularly with regard to financial transactions, procurement, and partnerships. Corruption, bribery, and money laundering are strictly prohibited.

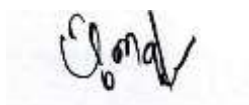
#### Due Diligence

JK Sugar Mills will regularly assess the sustainability of its operations and supply chain to ensure that its practices align with the commitments outlined in this policy. This includes:

- Conducting thorough reviews of suppliers and business partners to ensure they adhere to the same ethical, environmental, and human rights standards.
- Engaging stakeholders to understand the impact of operations and address any concerns related to labor rights, community relations, and environmental sustainability.
- Ensuring compliance with all relevant legal, regulatory, and international standards, including the UN Guiding Principles on Business and Human Rights (UNGPs) and local labor laws.
- Monitoring and mitigating any risks related to human rights, environmental impact, and supply chain transparency.

#### Review

This policy will be reviewed every three years, or as required, to ensure that it remains current, effective and aligned with legal, regulatory, and industry standards. JK Sugar Mills reserves the right to amend this policy at any time, with or without notice, to ensure continued alignment with best practices and evolving global standards.



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