

Baba Farid Sugar Mill Limited

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Corporate Social Responsibility Report 2022



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Executive Summary

Corporate Social Responsibility (CSR) means choosing to put people and the planet first by operating in a way that is economically, socially and environmentally sustainable. It can take many different forms — from eco-friendly office practices to charitable volunteer giving's. CSR is about giving back and helping find solutions to everyday issues – locally, nationally and globally.

This is the first CSR report of Baba Farid Sugar Mill Limited (BFSML). The report contains details about initiatives by BFSML for sustainable supply chain of sugar cane, Farmers Support Program (Farmers Literacy and Microfinancing through interest free loans, Health and Safety of Employees and Community, Education and contribution to national disaster/calamities. As BFSML was acquired in 2019 and before acquisition, there were no initiatives of CSR and after acquisition of this sugar Mill, the new management has planned to make it a role model for the other sugar Mills. BFSML management has conducted various surveys to find out issues environment, employees and the community as well as its all stake holders.

When creating and/or ramping up a CSR strategy, there are four pillars to consider:

- Environment
- Employees
- Community
- Clients

BFSML was acquired by the management of Almoiz group which is a well known name in sugar industry and has a vast and diversified experience. Almoiz group has also planned to implement its CSR strategy at BFSML which will not only help to uplift the socioeconomic status of a common man but also help for a neat and clean environment.



Message from Chief Executive Officer

Global business landscape is changing impulsively especially after the COVID-19 pandemic which has changed the dynamics of consumer behavior. Recent pandemic waves have realized employers, employees and customers that the world needs a different approach for survival now and that approach leads to fulfilling the responsibility towards our environment, relationships, employees, and customers which means that we have to take care of everything which is linked with our business directly or indirectly.

After the acquisition of BFSML in 2019 by Naubahar Bottling Company (NBC), we are working day and night to make this Mill among the best sugar Mills in Punjab just like Almoiz Sugar Mills. We are ensuring that latest technology is being adopted by the BFSML so that cost can be reduced with the increase in overall efficiency. BFSML is focusing on fulfilling its corporate social responsibility by taking various initiatives.

I am delighted and satisfied that BFSML is now on the path of progress as compared to last tenure. BFSML will not only contribute in the progress of our country through diversified and environment friendly business approach but it will also fulfill its corporate social responsibility by investing in its own people, community and the customers. We have initiated various programs for community welfare. We know that this is not sufficient but we also believe that together we can make a sustainable change in our country where every human being can breathe in clean air, can drink clean water and live a happy and prosperous life. In Sha Allah.

Adnan Ahmed Khan



CSR Overview by

Senior Vice President, CSR

Progress of an organization means it is making profits but success of an organization means it is doing business, earning profit by not compromising its values. The idea of corporate social responsibility (CSR) came into existence in 1953 by an American economist. Till year 2000, CSR term was not so much famous in the corporate world but climate changes which have led our planet to global warming and the poverty, hunger, low literacy rates and compromised healthcare systems have compelled the whole system to review their business strategies into welfare - oriented pursuits around the world. It became inevitable to consider the environment and the community. Now, it has become compulsory for organizations to contribute towards environment and the welfare of the community where it is operating.

I feel privileged that I heading a department which is working day and night for the holistic benefit for whole community. We at BFSML are operating and practicing environment friendly best practices. Our CSR projects have started uplifting the socio-economic status of a common man without any discrimination. Employees of an organization are the backbone and BFSML is taking care of its backbone by maintaining work life balance among the employees. BFSML is taking care of the community around its sites like its own family. Inclusive approach in the CSR projects has made BFSML an important stakeholder in the society. I feel thankful to Allah Almighty to be part of such a socially responsible organization.

Syed Iftikhar Hussain Babar



Company Profile

The Company was incorporated in Pakistan in 1978 as a Public Limited Company It is principally engaged in the manufacturing and sale of sugar including its by-products. The company has head office at Lahore.

Baba Farid Sugar Mills Limited is located in Okara. The Mill is named after the well-known Sufi of Pakpattan Baba Farid Shakarganj Rehmatullah Alleh). Its shares are quoted on the Karachi, Lahore and Islamabad Stock Exchanges. It's also a member of Karachi, Lahore and Islamabad Chamber of Commerce and Industry, and Pakistan Sugar Mills Association. Crushing capacity on the basis of operating days 560,000 Metric tons.

Baba Farid Sugar Mills has been continuously striving to maximize the potential of sugarcane and this focused and continuous effort has resulted in Baba Farid becoming one of Pakistan's leading integrated sugarcane processing companies.

Vision Statement:

Efficient organization with professional competence of top order is engaged to remain a market leader in the sugar industry in manufacturing and marketing of white sugar and to ensure attractive returns to business associates and shareholders as per their expectations.

Mission Statement:

Quality objectives are designed with a view to enhance customer satisfaction and operational efficiencies and to be a good corporate citizen to fulfill the social responsibilities. It has a commitment to building Safe, Healthy and Environment friendly atmosphere. We value the social and economic well-being of our partners and strive for a harmonious environment conducive to team performance. The quality policy also encompasses our long-term strategic goals and core values, which are integral part of our business.



Company Profile

Strategic Goals:

Providing Customer Satisfaction by serving with superior quality production of white sugar at lowest cost. Ensuring security and accountability by creating an environment of security and accountability for employees, production facilities and products. Ensuring efficient resource management by managing human, financial, technical and infrastructural resources so as to support all our strategic goals and to ensure highest possible value addition to stakeholders.

Core Values:

Striving for continuous improvement and innovation with commitment and responsibility; Treating stakeholders with respect, courtesy and competence; Practicing highest personal and professional integrity; maintaining teamwork, trust and support with open and candid communication; and ensuring cost consciousness in all decisions and operations.

Core Strategy:

After the sugar is farmed and milled, we then refine it to make our premium sugar products. Baba Farid's policy is to proactively minimize the impact of our operations on people and the environment by implementing further best management practices, including pollution prevention, material substitution, waste minimization, material recovery and recycling and engineering controls. We have continuously made strides in reducing our refineries' water and energy usage and in decreasing our waste. Using advanced technologies and engineering methods, we have reduced our fossil fuel usage by 10 percent per 100 pounds of sugar over the last five years. In addition, we have attained a 96 percent recycling rate for non-product materials produced at one of our facilities. Currently, Baba Farid Sugar Mills is taking each successful sustainable business practice and implementing its across our facilities.



CSR Initiatives

5A. Environment, Sustainability and Compliance:

BFSML management consider the environment the most important factor to be considered if we really care about our planet. Rest of the things are secondary because it is the environment which makes this planet suitable for living. If environment is affected by any means then ultimately this planet will not be able to accommodate humanity for living a healthy and prosperous life. Keeping in view this reality, BFSML management has decided to take various initiatives step by step. So it has started to collaborate various organization working for the environment so that capacity of its staff may be built. BFSML is taking following steps particularly:

- Participation in environmental events like earth hour etc
- Sustainability through systems
- Staff trainings

BFSML management assume that climate changes are one of the most important factors affecting the environment. So, BFSML has included the climate changes as its top priority and BFSML management has started to spread the awareness regarding climate changes and its effect on the environment through different platforms like celebrating Earth Hour Events.

BFSML believes that sustainability comes through the systems and systems come through joining various good reputed organizations through obtaining their certifications. BFSML has obtained all necessary certifications in this regard.

- **ISO 9001:2015**
- **ISO 14001:2015**
- **ISO 45001:2018**
- **FSSC 22000 v5.1 2018**
- **Halal PS 3733:2022**
- **Bonsucro (recently certified in 2022)**



CSR Initiatives

For Conservation of Water:

For in house water management, we are adopting 3R approach (Reduce, Reuse, Recycle). We are implementing these techniques in following ways.

Reduce:

Use of very high viscosity Organic and synthesized lubricant to reduce raw water intake for cooling of bearing for following:

- Elimination of environmental impacts
- Elimination of spills from asphaltic contamination
- No health and safety risk due to lead & zinc
- ✓ Use of raw water at wet scrubber was reduced to Zero by using in-house recycled hot water.
- ✓ Leakages of plant pumps were reduced and water going to drains was reduced. Task force was deputed to control and report the waste water
- ✓ Effective control on use of tube well and efficient use of raw water and raw water intake reduced.
- ✓ Raw water overhead tank overflow reduced to zero through level automation
- ✓ Over flows of hot water tanks at both mill tandems, process house & boilers feed water tanks have been stopped through automation
- ✓ Readjustment / redesign of vapor pipeline to reduce vapor condensation in pipeline and prevent waste water
- ✓ Overflow of hot tanks in process have been stopped through automation and control
- ✓ Raw water use at imbibition's has been stopped by using cooled surplus hot water.
- ✓ Installation of de-super heater for exhaust steam to reduce water wastage

Re-Use:

- ✓ Cooling water of cascade condenser going to drains was reused at wet scrubber of boiler. Water going to drain reduced.
- ✓ Cooling water of vacuum pumps was reused through cooling tower and use of raw water reduced.
- ✓ Overflow of condensate water was controlled by 100% by storing into a concrete pond. Showering system was installed to cool it down to reuse into spray pond. Addition of raw water into spray pond is zero.



CSR Initiatives

- ✓ cleaning and hydraulic testing of vessels, evaporators, pan been connected with recirculation system.
- ✓ Installation of heaters to recover heat from surplus hot water for RO water and reuse it as make up

Recycle:

- ✓ Water used at wet scrubber is recycled after screening.
- ✓ Drain water useable for irrigation has been segregated from effluent water and being used for irrigation of crops.
- ✓

For Waste Management at Mill:

Category	Reused / Recycled/ Disposed	Remarks
Fiber	Reused	Burnt at boiler
Metal	Recycled	Recycled at AL-Moiz Steels
Rubber	Reused	Reused for insulation mats under panels
Wood	Reused	Burnt at boiler
Glass	Recycled	Sold to Vendor
Plastic	Reused	Used as planters, waste bins, feeders, sand storage, etc.
Oil & Lubricants	Reused	Reused at mills plant
Electronics	Refurbished	Refurbished through vendor



CSR Initiatives

For Waste Management at Farms:

Category	Material	Management Plan	Reused/ Recycled/ Disposed
Fiber	• Paper cartons of agrochemicals	• Paper cartons of agrochemicals are dumped in soil.	Disposed
	• Top trash residues	• Top trash residues used as animal fodder	Recycled
Metal	• Old / rusted machinery parts	• These are sold out at different scrap shop, from where these are sold to recycling vendor.	Recycled
Plastic	• Fertilizer bags	• After washing, fertilizer bags are used to collect and cover harvested crops in the field. • Used to create shade for domestic animals. • Fiber of these bags is also used for fabricating synthetic ropes and cot nettings.	Reused
	• Plastic bottles of agrochemicals	• Plastic bottles of agrochemicals are dumped in soil as per manufacturer recommendation.	Disposed
Oil & lubricants	• Oil & lubricants	• Engine oil is changed at workshop from where it sold to recycling vendor.	Recycled
Electronics	• Tractor batteries	• These are sold out at different scrap shop, from where different batteries manufacturers purchase for recycling.	Recycled
Rubber	• Rubber tires	• Rubber tires are reused as animal feeding stalls and water tanks.	Reused
Wood	• Wood logs from trees cutting	• Used for fencing for identification of farm boundaries and livestock pens	Recycled

Occupational Health and Safety Implementation Plan:

BFSML considers its employees the most important assets of the group. Therefore, their health & safety is the foremost priority of the management.

A dedicated team of HSE professionals is working in each unit of the group, whose main responsibility is to develop and monitor the Occupational Health & Safety (OHS) implementation plan. It includes identification, mitigation and monitoring of all possible unsafe conditions and activities in all sections and processes at site. HSE team strives to implement the latest internationally recognized standards of health & safety to ensure that each worker goes back home safely after work.

In order to ensure the implementation of this plan, HSE team conducts awareness sessions at sites to make the staff realize that safety is everyone's responsibility, and it is not possible to achieve the company's HSE objectives without a collective effort of all the employees from top to bottom. It is a target of the HSE team to ensure at least 90%



CSR Initiatives

man-hours have been imparted on HSE related trainings.

S. No.	Training Title	Training Manhours (Hours)
1.	Safe Work Practices	1,340
2.	Confined Space	192
3.	Material Handling	543
4.	Ladder Use	45
5.	Tool Handling	134
6.	Chemical handling	172
7.	Use of Electrical Equipment	468
8.	Effective use of PPE's	1,576
9.	First Aid	765
10.	House Keeping	259
11.	Document Control	120
12.	Ethical Trade Policy	395
13.	Work at Height	220
14.	Gas cylinder cutting and welding uses	435
15.	Fire Fighting	673
16.	Hand washing Practices	122
17.	Introduction to Health and safety practices	1,686
18.	Legal Requirements Awareness	1,128
19.	Peoples Management	336
20.	HACCP & TRACCP awareness	445
21.	Food Defense Awareness	96
22.	Halal Awareness	248
23.	Emergency response	1,490



CSR Initiatives

24.	IMS Standards Awareness	525
25.	Bonsucro standard Awareness	344
26.	Bonsucro calculator Awareness	344
Total		14,101

The above-mentioned trainings are done on regular basis through a well-established system.

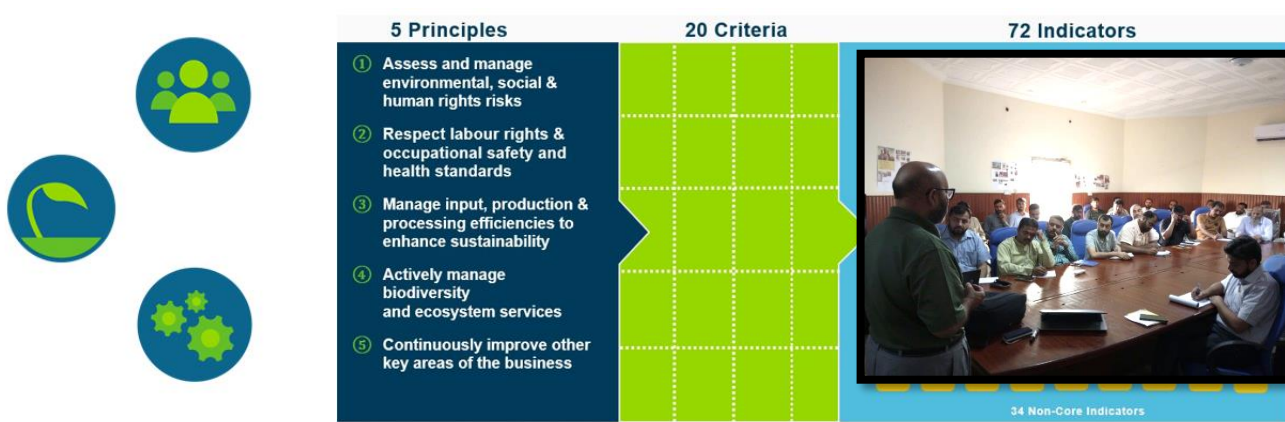
Bonsucro Project Initiatives (Sustainable Supply Chain Model of Sugarcane):

Bonsucro is a certification and a modal of sustainable supply chain of sugar cane.

Bonsucro supports a community of over 500 members in over 40 countries, from all elements of the sugarcane supply chain, including, farmers, millers, traders, buyers and support organizations.

With the guidelines of Bonsucro standard, BFSML adopted a more focused approach on the key indicators to improve the three pillars of sustainability, i.e.;

- People,
- Planet, and
- Profit.



- A comprehensive training program was launched for BFSML and farmers for implementation and certification Bonsucro Standards.

CSR Initiatives

- **Environmental Benefits:**
 - Efficiency of water use
 - Biodiversity loss and high conservation value areas.
 - Minimum use of agrochemicals
 - Green field expansion.
- **Social Benefits:**
 - Legal, land and labour rights
 - Implementation of minimum wage and contracts.
 - Health and safety benefits to employees and the local community.
 - Promotion of vocational training.
- **Economic Benefits:**
 - Management tool for improved performance.
 - Improved technical knowledge and capacity building.
 - Investment in Research and development.
 - Use of Bonsucro calculator.
 - Recovery of sugar
 - Industrial efficiency.

5B. Employee Well Bing:

BFSML believes that employees are the most important stakeholders of the business unit because mentally and physically healthy employees can perform better on their jobs and as well as in the social circle so BFSML management is working to create a good work life balance through various activities like sports galas, nature excursion and other healthy activities.

BFSML has also constructed homes for its outstation employees so that they can work peacefully. Marriage grants are also being given for the employee's daughters.



5C. Community Welfare:

of the back word areas of Pakistan due to its weak socioeconomic status. Uplifting the community around its vicinity is a big challenge. BFSML management believes that situation can be changed by uplifting the local community by engaging them in agricultural and other economic activities.

BFSML is taking various steps which will have a long run impact in the betterment of society. These initiatives of BFSML will not only improve the socioeconomic status of local population but also working for their next generations. Following is the detail of these Initiatives:

- 1) **Distribution of ration to reduce hunger**
- 2) **Distribution of ready to eat food to reduce hunger**
- 3) **Contribution in the Disaster Relief Activities**
 - a. **Contribution in rehabilitation of flood victims**
 - b. **Provision of free PPE kits for the medical staff during COVID-19**
 - c. **Donation to Earthquake Victims**
- 4) **Employment opportunities for local graduates**
- 5) **Provision of clean drinking water**
- 6) **Promotion of entrepreneurial activities**
- 7) **Upgradation of local infrastructure especially road infrastructure**
- 8) **Farmers Support Program:**
 - a. **Technical trainings to local farmers to increase per care yield**
 - b. **Complete technical guidance to sugar cane**
 - c. **First aid and safety kits to sugar cane growers**
 - d. **Regular visits for continuous support to farmers**
 - e. **Training of farmers on water stewardship plans**
 - f. **Farmer Trainings on Health & Safety, Appropriate Use of PPEs, First Aid & Emergency Response Plan**
 - g. **Microfinancing to local farmers through interest free agricultural loans**
 - h. **Use of modern gadgets for farmers like drone spray etc.**



Picture Gallery

BFSML ZERO HUNGER PROJECT



BFSML CONTRIBUTION FOR EARTHQUAKE VICTIMS OF TURKEY & SYERIA



Picture Gallery

Employment Opportunities



Infrastructure Project



Farmer Support Program



Picture Gallery

Farmers Training Program



Farmers Training Program



Picture Gallery

Training of Farmers on Water Stewardship Plan



Farmers Training Program



Picture Gallery

Farmers Training Program



Report End Here

