

PEOPLE, PLANET & PROGRESS



**SUSTAINABILITY
REPORT 2024**

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Our Vision

To be a leading global producer of textile products by delivering the highest quality and service to our customers. We aspire to achieve excellence through integrity, honesty, teamwork, and innovation, while upholding strong ethical values as a respected corporate citizen. Our vision is to create lasting impact in the social and environmental spheres, develop a highly skilled and motivated workforce, and drive sustainable growth through innovation, renovation, and continuous improvement—ensuring enduring value for all stakeholders.



3.5x

VALUE ADDED SERVICES

Building enduring partnerships by
delivering value-added services.

35%

LOWER CARBON FOOTPRINT AND RESOURCE CONSUMPTION

Pioneering responsible manufacturing by upholding
the highest environmental and social standards.

OUR MISSION



Mission

Our mission is to remain a dynamic and growth-oriented company that creates sustainable value for all stakeholders. We are committed to delivering superior returns to our shareholders and investors, offering high-quality products to our customers, and fostering a safe, inclusive, and empowering workplace for our employees. At the same time, we aim to represent Pakistan on the global stage as a responsible and innovative textile manufacturer, recognized for integrity, sustainability, and excellence.



OUR Ambitions

At MTM, we are committed to creating meaningful impact across Communities, Environment, and Growth. Our sustainability targets for FY 2021–2026 reflect our dedication to supporting communities, preserving natural resources, and fostering long-term economic development. We aim to achieve these goals through innovative solutions, adoption of advanced technologies, effective policies, and collaboration with industry leaders to share best practices.

What sets MTM apart:

- Leveraging structured strategies and advanced systems to ensure our objectives are met.
- Integrating sustainable practices throughout operations and across the supply chain.
- Maintaining transparency by reporting our social and environmental performance annually.

ABOUT THIS REPORT

This is MTM’s first annual sustainability report, covering FY 2024, and highlighting our commitment to environmental stewardship, social responsibility, and sustainable growth. As a vertically integrated industry, MTM carefully monitors and manages its GHG emissions, reporting them annually through the WORLDLY FEM framework. We are fully aligned with ZDHC standards, ensuring responsible chemical and environmental management, and follow IFRS S1 & S2 to maintain transparency in climate-related financial disclosures.

MTM’s sustainability initiatives also align with the Sustainable Development Goals (SDGs) and broader ESG commitments. We have achieved ‘A’ grading in GTW, reflecting operational excellence and workplace leadership. The report highlights key initiatives such as women empowerment programs and regenerative farming projects, which demonstrate our efforts to foster social and environmental impact.

The report covers MTM’s activities from July 1, 2023, to June 30, 2024, focusing on our Apparel Products and Vertical Setup Products divisions. All data is based on actual records, with any estimates clearly indicated. It does not include information from affiliated companies or supply chain partners. This report reflects our progress, achievements, challenges, and ongoing programs during the reporting period.

MESSAGE FROM CEO

Masood Textile Mills (MTM) envisions a textile future defined not only by quality and innovation but also by its positive impact on people and the planet. Our ambition is to lead the industry toward climate resilience, circularity, and inclusive growth, setting new benchmarks for responsible manufacturing in line with the **EU Green Deal** and **ESG Reporting**.

In FY 2025, we will be installing a 6.2 MW solar plant, expected to offset 6,800 metric tonnes of Scope 2 CO₂ emissions. We are also setting up a 15-ton multi-fuel biomass boiler, enabling year-round flexibility to use different types of biomass fuels based on availability. In FY 2024, we achieved a 90% biomass-to-energy mix ratio in steam production, marking a significant milestone in our transition to renewable energy.

Our journey extends beyond operations. We strengthened recycling initiatives, expanded regenerative cotton farming with **RegenAgri® certification**, and enhanced supply chain traceability. Through **Rabia Trust**, we uphold worker rights and community wellbeing, while **WE**—our inclusion program with GIZ—creates opportunities for women and differently-abled colleagues.

These achievements are made possible by the dedication of our people and the strength of our partnerships. Together, we are shaping a sustainable future that delivers shared prosperity, protects natural resources, and uplifts communities for generations to come.



Shahid Nazir
CEO Masood Textile Mills Ltd

Commitment of Management

Masood Textile Mills is dedicated to shaping a better tomorrow through integrity, innovation, and sustainability. Our people strive each day to ensure that our business not only delivers excellence to stakeholders but also contributes meaningfully to the wellbeing of society and the environment.

Our purpose-driven culture empowers us to attract and nurture exceptional talent. At MTM, we place people at the heart of progress, investing in a tailored development framework that strengthens technical expertise, builds behavioral excellence, and fosters leadership. This commitment extends beyond our workforce—driving sustainable practices, uplifting communities, and creating long-term value for all stakeholders.

At Masood Textile Mills, our Training & Development initiatives continue to strengthen the skills and capabilities of our people. Through structured programs at our Technical Training School, thousands of hours of training have been delivered across multiple trades, preparing our workforce for the future of textiles. We are committed to equipping a majority of our employees with essential technical and behavioral skills by FY 2026. To further this vision, MTM has launched its flagship leadership development program, designed to nurture the next generation of leaders who will drive business growth and long-term sustainability.

Masood Textile Mills continues to advance its commitment to an inclusive and equitable workplace, where diversity is embraced and every team member has the opportunity to thrive. This year, we introduced WE—our inclusion program in collaboration with GIZ for woman & differently-abled individuals. The initiative focused on creating awareness, training supervisors in sign language, and ensuring workplace accessibility. Through these efforts, we have taken meaningful steps to expand opportunities and increase representation of differently-abled colleagues across our workforce, reinforcing MTM’s vision of equity and shared progress.

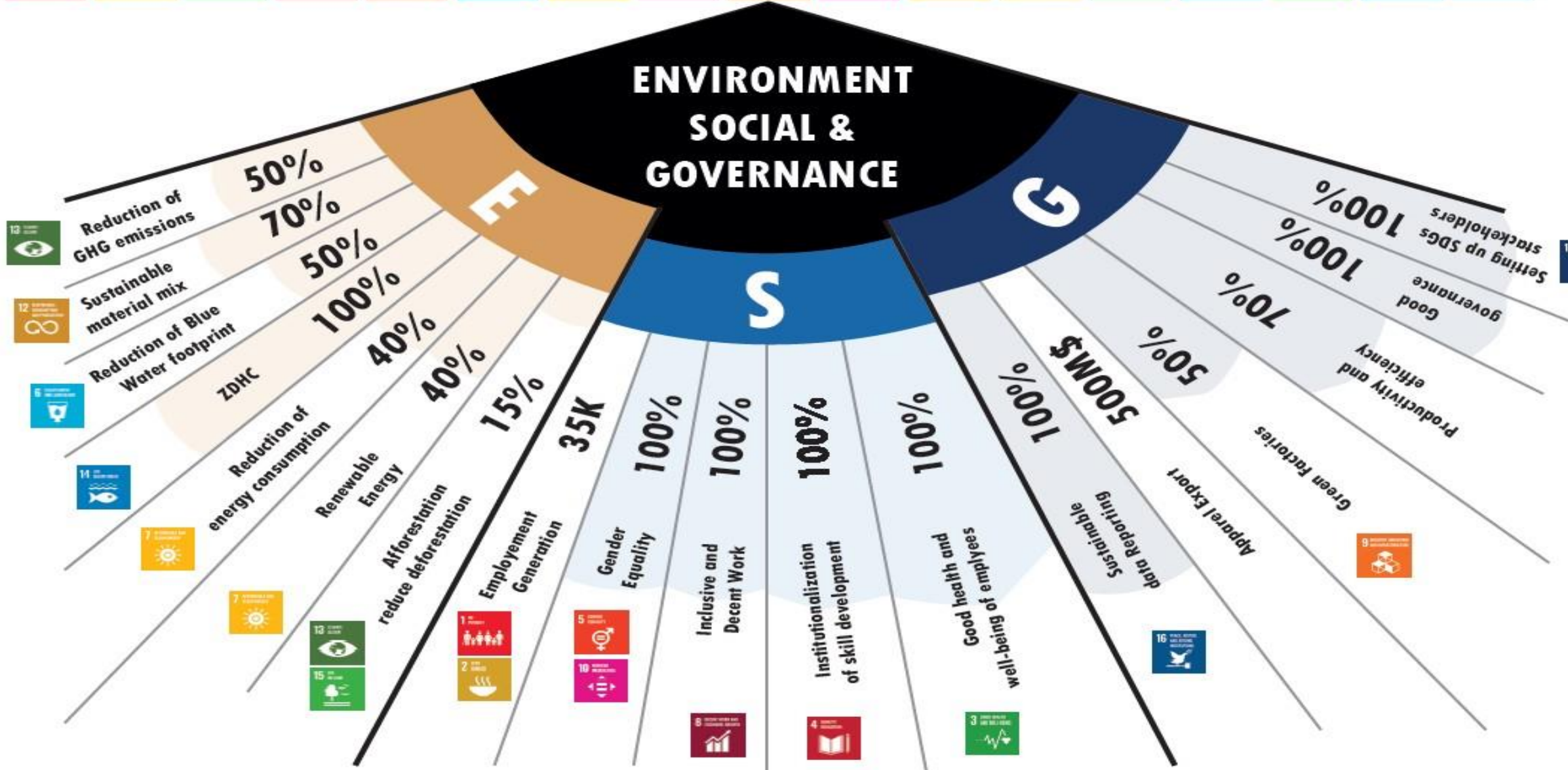
MTM is actively working on the EU’s CSRD and CSDDD by integrating due diligence into its operations and supply chain. Through stronger supplier assessments, human rights monitoring, and risk management, we aim to ensure transparency, accountability, and responsible growth in line with global sustainability standards.

At Masood Textile Mills, we extend our purpose-driven approach beyond our operations into the communities we serve. Through our sustainable cotton initiatives, we engaged over 3000 farmers cultivating 6000 acres of land, enabling them to adopt regenerative practices that strengthen soil health, conserve water, and enhance economic resilience. In FY 2024, MTM achieved RegenAgri® certification for cotton farming, a milestone in our journey toward climate-smart agriculture and biodiversity protection. Innovation remains at the heart of our progress.

By deploying digital traceability systems, we have enhanced transparency across 90% of our supply chain, ensuring that cotton is traceable back to its origin. We are also onboarding sustainable raw material suppliers and streamlining compliance through dynamic document management systems. These advancements reflect the ingenuity of our people and strengthen the resilience of our business. I am proud of the strides our team has made, but even more inspired by the impact we will continue to create through creativity, collaboration, and our unwavering commitment to sustainability. Together with our people, partners, and communities, MTM is shaping a future of shared prosperity and positive change.



Nasir Ali Zia
Director IM, HR & Sustainability



Impact at a Glance

PEOPLE



Woman Ratio of total employee

25%



Technical Training Hours

1.83 Million+

PLANET



GHG Emissions Reduced since 2021

15250 TONS



Water Conserved since 2021

20182 m³

PROSPERITY



Revenue Growth

13%*

Year-on-Year



Leading Textile Exporter

\$172*

Million

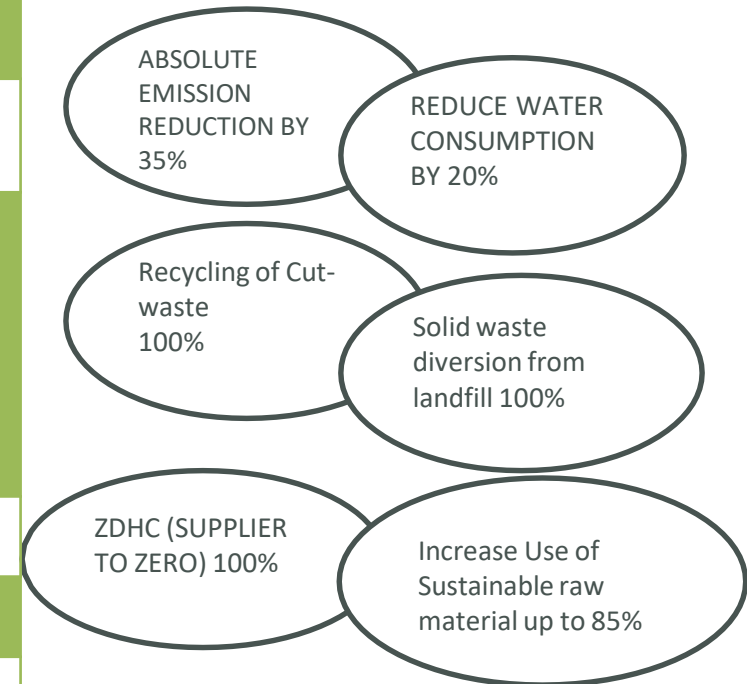
* Net sales

** Export sales

Change Drivers	Commitments 2024	Accomplishments 2024
GHG EMISSIONS (KG CO ₂ e/KG)	-30%	-25%
WATER (LITERS/KG)	-20%	-15%
SUSTAINABLE MATERIAL (% OF TOTAL MATERIAL PROCURED)	70%	70%
SOLID WASTE <u>(DIVERSION FROM LANDFILLS)</u>	85%	85%
CHEMICAL MANAGEMENT	ZDHC (Supplier to Zero) Progressive Level Compliant Facilities & The BHive Chemical Management	Achieved
Air Emissions	-15%	-15%
Green To Wear Certification	Compliant facilities	Achieved Grade "A"
Recycling of Cut-waste	100%	Achieved
Oekotex 100 & Made with Green	Comply with the standards	Achieved

Environmental & Social Goals 2025
Driving responsible manufacturing by upholding the highest standards of environmental stewardship and social responsibility.

Environmental Targets 2025



COMMUNITY & PRACTICES

Ensuring equitable and inclusive opportunities that strengthen community well-being.

SOCIAL Initiative 2024



- ❖ 5000+ children educated in TCF schools
- ❖ 1500+ scholarships for higher
- ❖ 19000+ Women & 18000+ men trained under technical education program in collaboration with NAVTTC



- ❖ 3000+ people benefited from technical and cultural events
- ❖ Implementing ILO Frameworks for Fair Labor Practices
- ❖ The ILO's Better Work Programme: improving compliance with labor standards, occupational safety and health, nature of employment, discrimination, strengthening employer-worker dialogue etc.
- ❖ "Labor Wellbeing" programs: enforcing no child labor, improving safety, inclusion of differently-abled people, adult literacy, worker health & safety



- ❖ GIZ Mentorship programs
- ❖ Project launched with the name of Mom's Tribe
- ❖ Empowering Women Through the LUMS-GIZ Collaboration
- ❖ OSH Program in collaboration with GIZ
- ❖ Vulnerable training program in collaboration with GIZ
- ❖ Water Stewardship program in collaboration with WWF



- ❖ 20000 employees' biannual HIV and health testing
- ❖ Free Vaccination camps (HIV, Polio, cervical cancer) for employees & their families
- ❖ OPD facilities for the employees and families.
- ❖ Health awareness sessions (e.g. tobacco, breast cancer, global handwashing) and blood donation drives

INVEST IN COMMUNITY WELL-BEING



OF PROFIT

GROWTH & PROSPERITY

DIRECT ECONOMIC VALUE GENERATED	FY 2024 PKR MILLION	FY 2023 PKR MILLION
REVENUE	60,931	65,241





TCF-MTM SCHOOLS

From Classrooms to Playgrounds – MTM
Stands with Every Child.

EDUCATION

PRIMARY & SECONDARY EDUCATION

In May 2005, MTM Welfare Trust partnered with The Citizens Foundation, Pakistan's largest non-profit organization focused on providing quality education to the less privileged, and has so far established 36 school units. These include 17 primary, 16 secondary, and 3 higher secondary schools, with separate campuses for boys and girls.

Managed by an all-women staff, these schools provide quality formal education to over 5000 underprivileged children, 50% of whom are girls, in an environment that promotes intellectual, moral, and spiritual development. We also support the lifetime operational costs of these schools through an endowment and direct funding.

In 2024, we contributed an additional PKR 70 million to the Trust Fund.



Environment



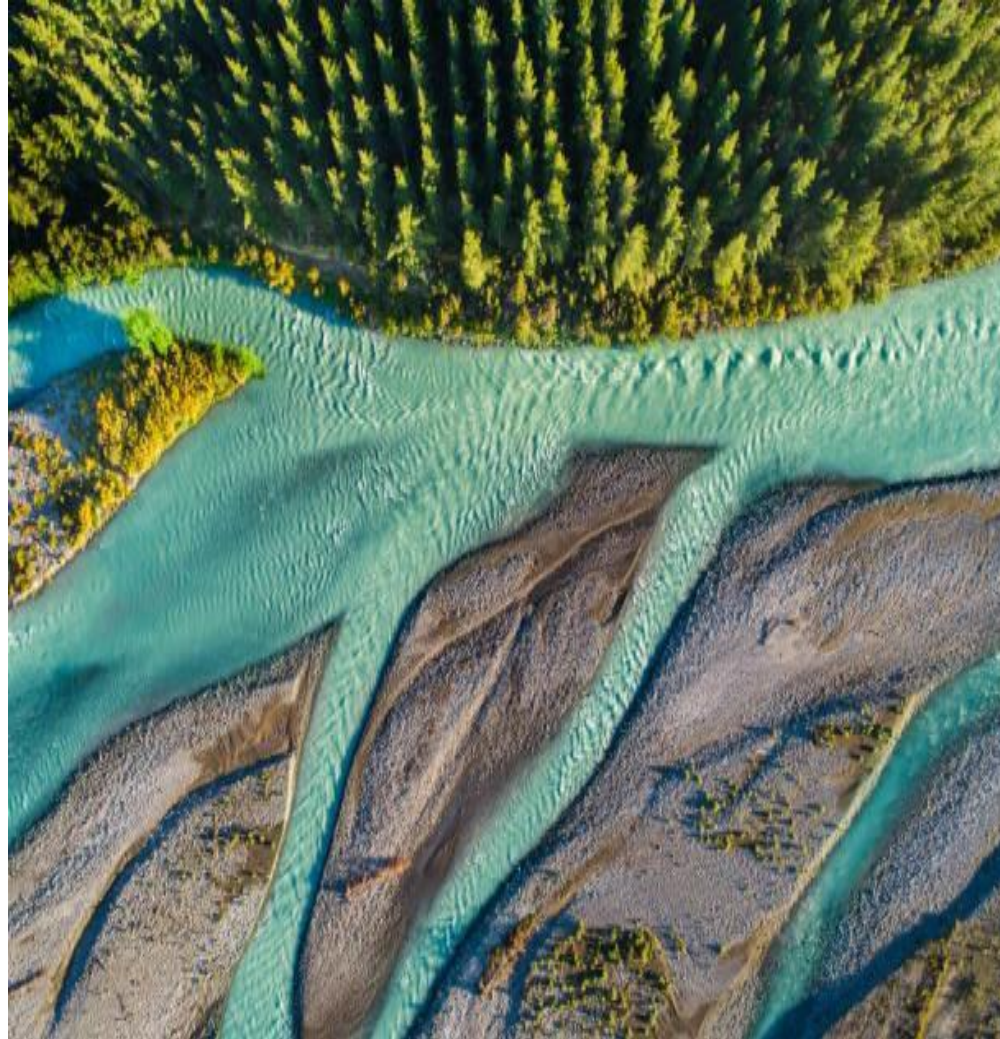
At **Masood Textile Mills (MTM)**, we are reshaping the way we operate by embedding sustainability into every stage of our value chain. Our focus on renewable energy, smart technologies, and eco-conscious infrastructure enables us to cut down on emissions while improving efficiency. By advancing circular solutions, we give materials a second life, reduce dependency on virgin resources, and protect the environment for future generations.

WHAT DRIVES US

Climate change is reshaping lives and landscapes across the globe, and Pakistan is among the most vulnerable. Rising temperatures are accelerating glacial melt, triggering destructive floods, water scarcity, and agricultural challenges. Intensifying heatwaves and shifting monsoon patterns are further straining communities and infrastructure, with the greatest impact on low-income and marginalized groups. These challenges directly link to global priorities under the Sustainable Development Goals (SDGs), including SDG 6: Clean Water and Sanitation, SDG 13: Climate Action, and SDG 15: Life on Land.

At **Masood Textile Mills (MTM)**, we understand that climate change extends beyond environmental concerns—it directly affects human rights by threatening access to clean water, food security, public health, and safe living conditions. As a responsible textile manufacturer, we are dedicated to advancing sustainable practices, investing in innovative solutions, and fostering collaboration across our value chain. Through these efforts, we aim to lower our carbon footprint, optimize resource efficiency, and contribute to a resilient and sustainable future.

The urgency to act has never been greater. At **Masood Textile Mills (MTM)**, we are prepared to collaborate with all stakeholders to safeguard the planet and ensure a sustainable, resilient future for generations ahead.



STRATEGIC FOCUS

Setting new benchmarks in responsible manufacturing by upholding the highest principles of environmental stewardship and social responsibility.

SDGs SUPPORTED



6. Clean Water and Sanitation



7. Affordable and Clean Energy



8. Decent Work and Economic Growth



9. Industry, Innovation, and Infrastructure



12. Responsible Consumption and Production



13. Climate Action



14. Life Below Water

How We're Making a Difference

MTM is driving its sustainability agenda by embracing multiple clean energy pathways. From integrating cutting-edge solar power systems to operating modern biomass boilers, the company is reshaping its energy profile. Investments in energy-efficient infrastructure enhance operational performance, while the transition to biomass fuels reduces fossil fuel dependency—driving operations toward a resilient, low-carbon future.

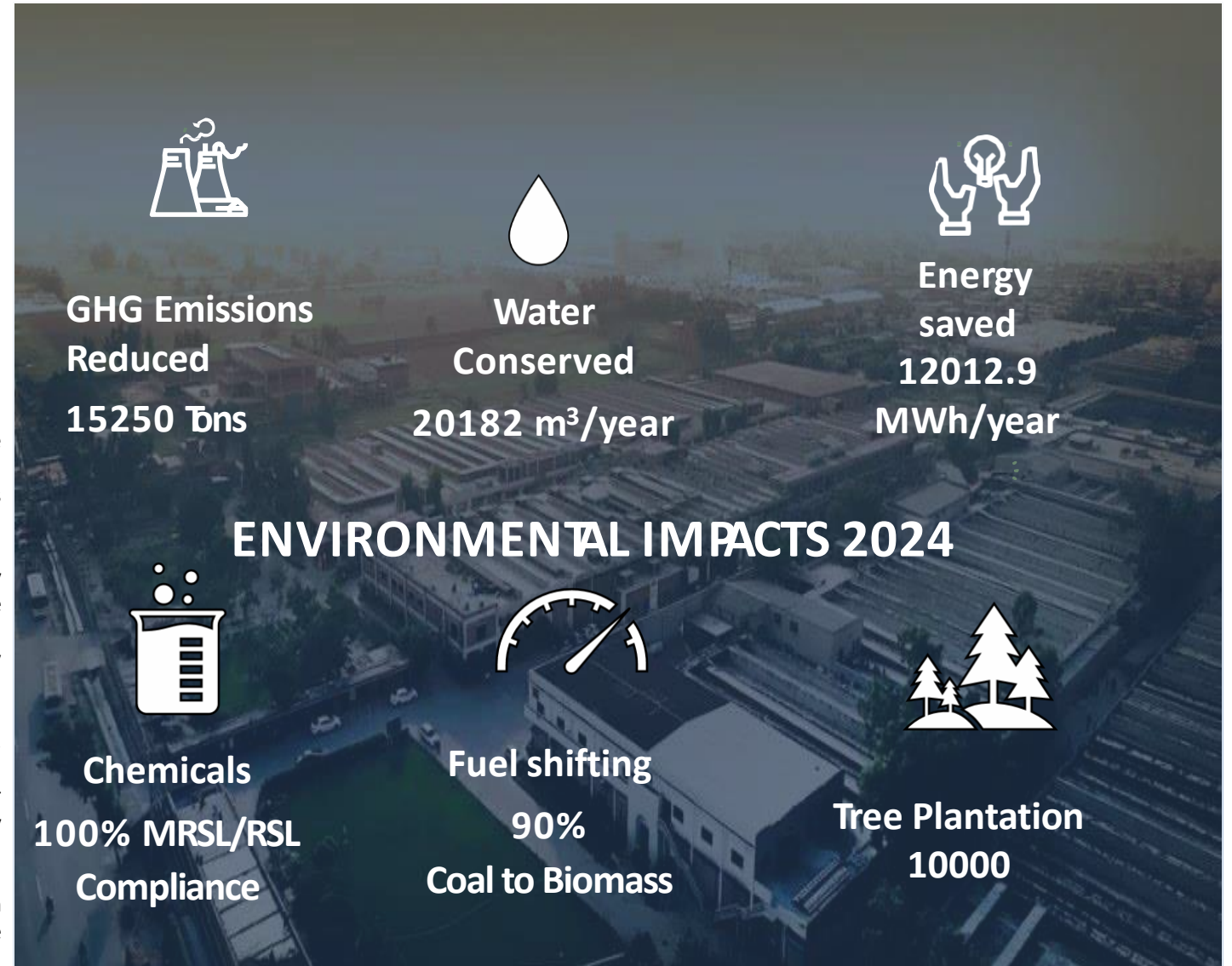
As part of our sustainability journey, we are dedicated to aligning greenhouse gas reductions with SBTi standards. With approved targets already in place, our enhanced framework marks a new phase focused on action and ongoing progress. We have strengthened our GHG inventory in line with both SBTi and GHG Protocol requirements, while introducing real-time emissions tracking and advanced energy efficiency measures across our operations.

MTM has adopted a wide range of sustainable practices across its operations. Electricity is generated in-house through advanced natural gas-operated generators, while waste heat recovery systems convert excess heat into steam—delivering significant savings in resources, costs, and emissions. Water conservation is prioritized by deploying recovery technologies such as machine cooling water and engine jacket water reuse.

To further reduce environmental impact, MTM has installed wet scrubbers for emission control and is transitioning from fossil fuels to biomass alternatives like corncob. Additional heat recovery from engine exhausts enhances overall efficiency.

In chemical management, MTM ensures compliance with MRSL/RSL requirements under ZDHC, using safer and more sustainable alternatives. For raw materials, the company sources responsibly, holding certifications including BCI, Oeko-Tex 100, GOTS, OCS, GRS, RCS, and STEP, Regenagri.

Moreover, MTM promotes circularity by recycling fabric and yarn waste within its own facilities to produce regenerated yarn—demonstrating a commitment to sustainable and responsible production.



Decarbonization

At MTM, we assess our corporate carbon footprint in accordance with the Greenhouse Gas (GHG) Protocol, ensuring accurate data collection and rigorous quality assurance as the foundation for future target setting. Our emissions reduction strategy is fully aligned with the Paris Agreement's 1.5°C pathway, with near-term targets set for achievement by FY 2030 and long-term commitments extending to FY 2050. In line with the Science Based Targets initiative (SBTi), MTM is committed to setting both near-term and long-term goals that reflect our dedication to sustainable business practices. From the baseline year, we aim to reduce Scope 1 and 2 emissions by 60% and Scope 3 emissions by 30% by FY 2050.

MTM's **Scope 3 emissions targets** address the broader impact of our value chain. This includes emissions from the production of purchased goods and services, capital assets, and energy-related activities outside Scopes 1 and 2. It also covers upstream and downstream logistics, operational waste, business travel, employee commuting, leased assets, the end-of-life of sold products, processing of sold goods, and, where relevant, intermediate products.

MTM is actively advancing its **decarbonization efforts** through multiple initiatives. We have planned to install a **6.2 MW solar plant in FY 2025** to generate clean energy. We are operating in-house **natural gas-powered generators**, and are transitioning from **coal to biomass (corn cob)** for steam and thermal energy. Energy-efficient upgrades, including **LED lighting, servo motors, and inverters**, further reduce energy consumption. In addition, planting over **10,000 trees** this year helps offset carbon emissions. 50% of buses and cars are now electric. These measures collectively support MTM's commitment to reducing its carbon footprint and achieving its climate goals.

MTM demonstrates its commitment to sustainable energy, emissions reduction, and climate action through initiatives such as the use of biomass fuel, solar energy, and energy-efficient infrastructure. We consistently invest in clean energy solutions and process enhancements to meet our science-based climate targets.



Sustainable Emissions Management

GHG emissions at our facilities primarily arise from operational activities. We manage these emissions in compliance with the **Punjab Environmental Quality Standards (PEQS)**.

GHG Emissions Reduction

Since 2021, we have been actively pursuing our **GHG emissions targets**, steadily reducing our carbon footprint. To address these emissions, we are adopting cleaner technologies, expanding renewable energy usage, developing eco-friendly infrastructure, and optimizing operational efficiency—driving MTM toward a greener, more sustainable future.

In line with **Science Based Targets initiative (SBTi)** guidelines, MTM is committed to **calculating and monitoring its CO₂e emissions**. Emissions are assessed from all **point and non-point sources**, including stationary and mobile sources. MTM does not generate any **biogenic emissions**. Emission factors are sourced from the **International Energy Agency (IEA) 2019 Report** and the **IPCC 6th Assessment Report**, ensuring adherence to globally recognized standards.



EMISSION REDUCTION INITIATIVES

MTM has implemented multiple measures to enhance energy efficiency and reduce emissions. These include the use of **latest technology dyeing and washing machines**, **installation of inverters** on non-inverter machines and motors, and the **replacement of conventional lighting with LED lights**. We have also improved energy retention through the **insulation of steam and heat distribution networks** and by **recovering and reusing waste heat** from flue gases and engine hot water jackets. Additionally, MTM operates **modern natural gas-powered generators** and has transitioned from coal to **biomass (corn cob)** as a cleaner fuel source, reinforcing our commitment to sustainable operations.

MTM is installing a 6.2 MW solar power system to generate clean, renewable energy for its operations. This initiative will reduce reliance on fossil fuels, cut carbon emissions, and advance our broader sustainability and decarbonization goals.

**Installation of 7
Waste Heat
Recovery Boilers**
**Steam Production Capacity: 14
TPH**
Generation: 14tonne/hour



Reduction in GHG Emission (MT From baseline (2021))	2024
CO2 (MT)	15250

CO₂e emissions are calculated by accounting for all greenhouse gases generated from the energy sources we use.

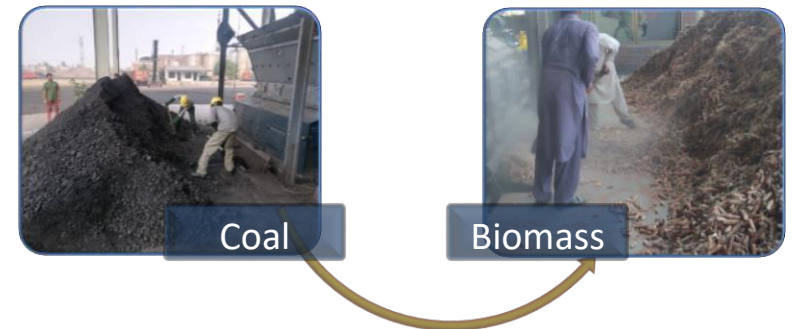
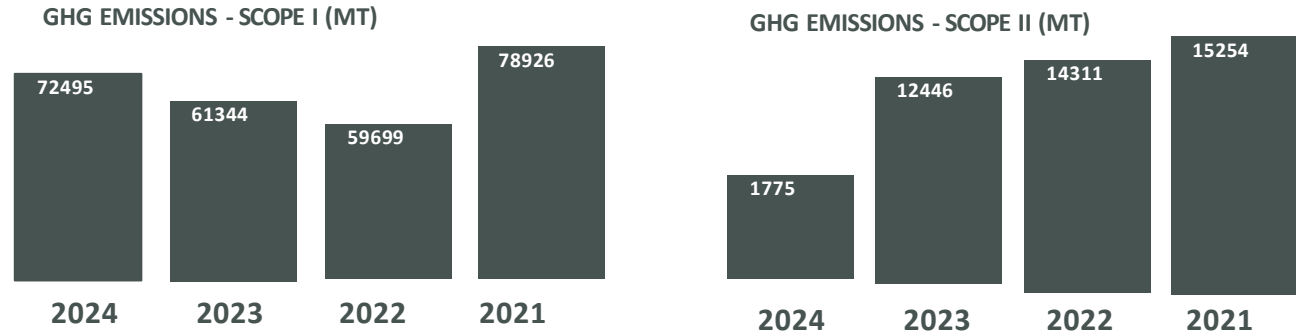
Optimizing Energy Consumption

MTM's operations rely on natural gas, diesel, furnace oil, and biomass for electricity and steam generation, alongside purchased electricity from Grid Station. Energy consumption from renewable sources has increased significantly, driven by expanded solar capacity and the use of biomass for thermal energy generation.

Energy Efficiency and Cleaner Technologies:

MTM is strongly committed to reducing energy consumption and promoting sustainable operations by adopting modern, energy-efficient technologies and cleaner energy sources. Our initiatives include **70% condensate recovery** to minimize steam and water loss, and **100% insulation** of steam and heat distribution networks to prevent energy wastage. We have upgraded lighting systems with **LED installations** across production areas and sewing machines, and replaced **conventional motors with advanced servo motors** for improved efficiency.

Furthermore, we are installing 6.2 MW solar energy, which will offset 6800 tonnes of CO2 emission annually. We have implemented **non-contact cooling water reuse systems** to conserve water and energy, while advanced equipment such as **ozone color fading machines** and **nano-bubble dyeing machines** optimize energy usage in textile processing. Together, these measures not only reduce our overall energy consumption but also contribute to lower greenhouse gas emissions, aligning with MTM's sustainability and climate goals. MTM prioritizes the use of environmentally friendly refrigerants, including R-407 and R-410, to minimize environmental impact

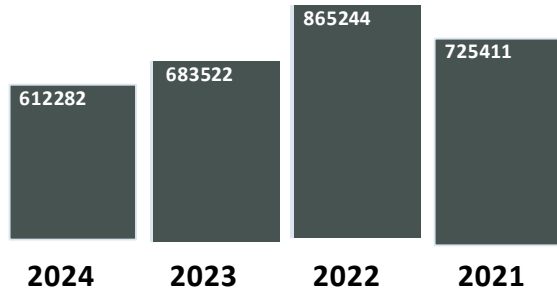


Installed Biomass Boilers/Heaters: 5
Capacity: up to 45 TPH
Condensate Recovery: up to 70%

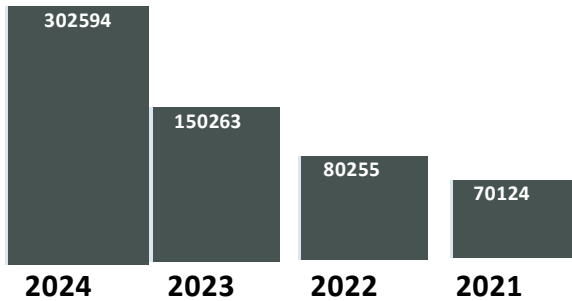
Carbon Emissions Comparison (Baseline Year 2021)

CO ₂ Emissions	Emission Tonns (2021)	2030 Target
Kg of CO ₂ eq	104824	60% Reduction
Per kg of Fabric	6.01	2.4

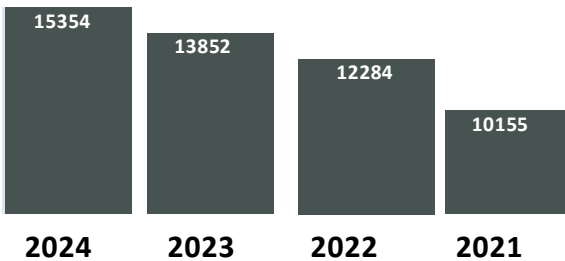
ENERGY CONSUMPTION -
NON-RENEWABLE (GJ)



ENERGY CONSUMPTION -
RENEWABLE (GJ)



ENERGY SAVINGS (GJ)



15354 GJ of energy saved through energy-efficient technologies

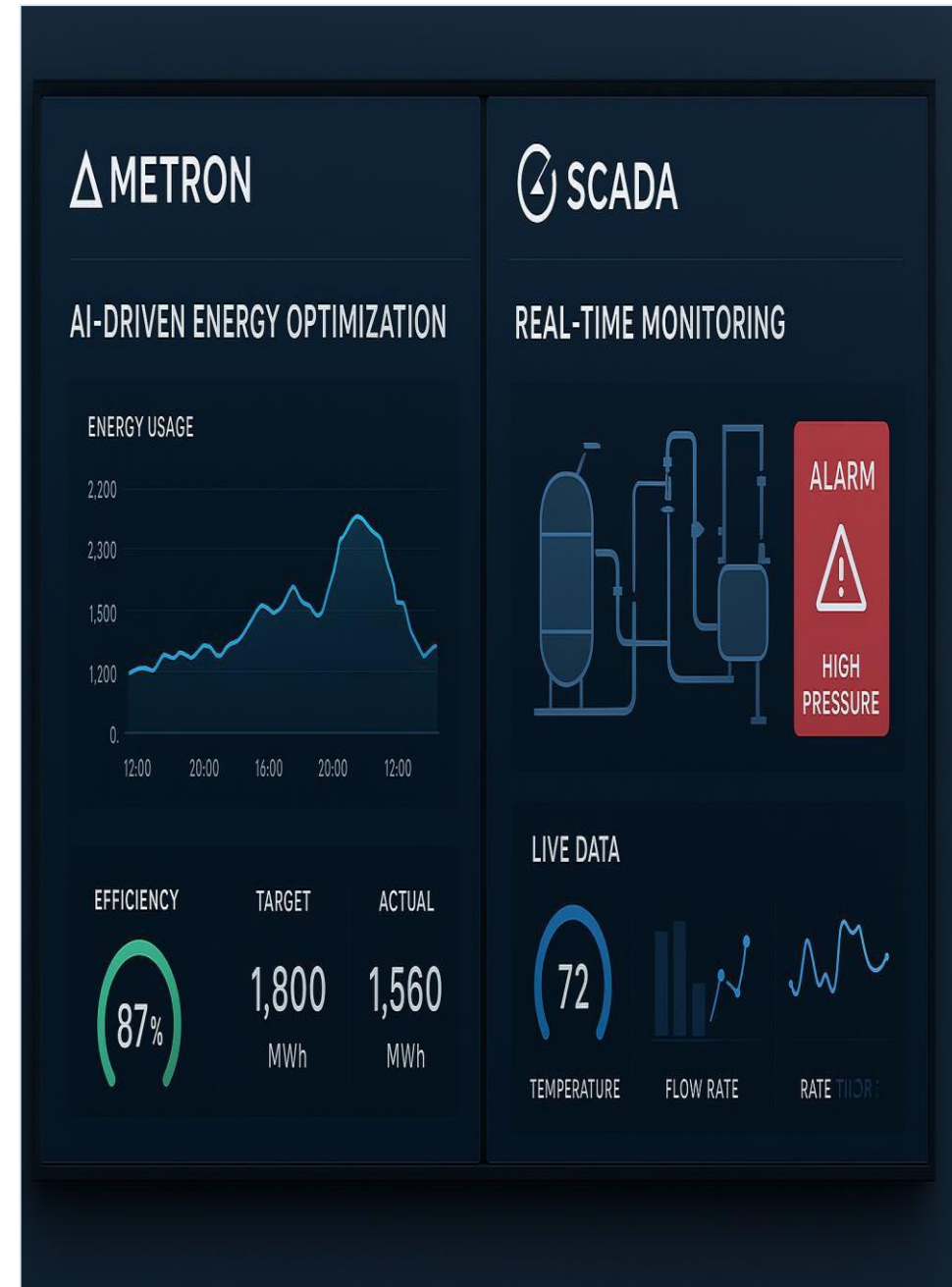
Sustainable Power and Sustainable Consumption

MTM is undertaking a landmark step in its sustainability journey by installing a 6.2 MW solar power system. This large-scale renewable energy initiative reflects the company's continued dedication to reducing its environmental footprint and transitioning toward cleaner sources of power. By harnessing solar energy, MTM is significantly decreasing its reliance on fossil fuels, thereby reducing greenhouse gas emissions and contributing to the global fight against climate change.

This initiative directly supports MTM's commitment to achieving its **Science Based Targets (SBTis)**, which are designed to align corporate growth with international climate goals. The solar installation will not only generate a substantial portion of the company's energy demand through renewable sources but also serve as a model for sustainable practices within the textile industry.

To ensure maximum efficiency, reliability, and transparency, MTM has integrated advanced **digital monitoring and optimization tools**. The **SCADA system** enables real-time performance tracking, operational control, and fault detection, ensuring that the solar system consistently operates at peak efficiency. Complementing this, **METRON provides advanced graphical representation and data analytics**, allowing MTM to visualize energy consumption, identify optimization opportunities, and make informed decisions for continuous improvement.

By combining renewable energy generation with smart digital technologies, MTM is not only addressing today's sustainability challenges but also laying the foundation for a **greener, smarter, and more resilient future**. This investment strengthens MTM's leadership position in responsible manufacturing, enhances long-term energy security, and demonstrates its unwavering commitment to environmental stewardship and innovation.



An aerial photograph of an industrial complex, likely a power plant or manufacturing facility, during the golden hour of sunrise. The scene is dominated by numerous large, rectangular buildings with flat roofs, many of which appear to be covered in solar panels. The sky is a warm, hazy orange, and the overall atmosphere is one of early morning activity. In the foreground, there's a paved area with some greenery and a small structure. The text "Biomass Boilers in Our Energy Transition" is overlaid in white, bold font across the middle of the image.

Biomass Boilers in Our Energy Transition

MTM took a **bold step towards sustainability** with the launch of its **45 TPH (tonnes per hour) Biomass Boilers project**. This initiative represents a major milestone in our journey to reduce environmental impact by replacing fossil fuels with **cleaner, renewable energy sources**. Through this transition, MTM reinforces its commitment to building a **greener and more sustainable future**.

Our Environmental Commitment

At Masood Textile Mills, sustainability drives every decision. Our Multi-Fuel Boiler project of 15 tonnes per hour represents a landmark step in advancing cleaner, greener manufacturing. By using multiple types of biomass as renewable energy sources, the initiative reduces reliance on fossil fuels, cuts carbon emissions, and reflects MTM’s unwavering dedication to environmental responsibility.

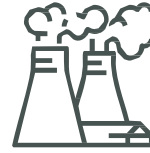
The Multi-Biomass Boilers at Masood Textile Mills utilize renewable fuels such as corn cobs, wood chips, and sesame, providing a sustainable and eco-friendly energy solution for our operations. These abundant and renewable fuels not only support cleaner energy production but also help minimize waste that would otherwise be discarded in landfills or openly burned, reducing greenhouse gas emissions and promoting environmental stewardship.

EFFICIENCY POWERED BY INNOVATION

At the core of the Multi-Biomass Boilers project is 1 advanced boiler with a capacity of 15 TPH which will be operational in 2025. These high-performance systems generate process steam with outstanding efficiency, supporting the company’s manufacturing operations while lowering its environmental footprint.

With this initiative, MTM aims to cut greenhouse gas emissions by up to 25,000 tons annually, making a meaningful contribution to global efforts against climate change.

The fully automated Multi-Biomass Boilers are equipped with advanced Programmable Logic Controller (PLC) technology, enabling precise monitoring and control of operations. This smart automation optimizes energy usage, reduces inefficiencies, and enhances both environmental and economic performance. By ensuring peak efficiency, minimizing downtime, and reducing the risk of human error, the system delivers reliable and sustainable energy for MTM’s operations.



50% improvement in steam emission factor



Job opportunities for farmers and fuel handling persons



Biomass % in Energy Mix increased to 90%



20% reduction in overall steam cost per ton

Higg FEM & GTW

Masood Textile Mills has been continuously strengthening its sustainability journey through internationally recognized frameworks and certifications. Since 2020, MTM has been reporting its Scope 1 and Scope 2 greenhouse gas (GHG) emissions on the Higg Facility Environmental Module (FEM), ensuring transparency and accountability in its environmental performance. Taking this commitment further, MTM has successfully earned the prestigious **Green to Wear (GTW) certification by Inditex with a Grade A rating**, recognizing its excellence in sustainable practices and responsible manufacturing.

With climate change amplifying challenges around water availability, Masood Textile Mills has partnered with WWF to implement a comprehensive Water Stewardship Plan. In addition to our carbon reduction initiatives, we have placed water conservation at the core of our operations, achieving an impressive **water consumption of just 69 liters per kilogram of production**. These sustained efforts have contributed to securing **Grade A certification under Inditex’s Green to Wear (GTW) standard**, highlighting MTM’s holistic approach to sustainability and earning notable recognition for leadership in water stewardship.

INDITEX

GTW Score: A

WATER MANAGEMENT

Masood Textile Mills recognizes water as a shared resource with the community and has taken proactive steps to ensure its sustainable use. In partnership with WWF, we have implemented a comprehensive Water Stewardship Plan, placing water conservation at the core of our operations. Through advanced technologies, innovative techniques, and efficiency measures—including water reuse in processing, procurement of state-of-the-art equipment, and the installation of steam condensation recovery systems achieving a **70% recovery rate**—we have reduced water consumption to **69 liters per kilogram of production**. These efforts have contributed to securing **Grade A certification under Inditex's Green to Wear (GTW) standard**, underscoring MTM's holistic approach to sustainability and earning notable recognition for leadership in water and energy stewardship.

Masood Textile Mills (MTM) conducted an **Energy and Water Conservation Assessment** in collaboration with Espire Consult and JC Penney. The assessment aimed to identify actionable opportunities for improving **energy efficiency, reducing GHG emissions, and optimizing water usage**, while also generating cost savings for the facility. It was guided by established best practices, including the **Apparel Impact Institute principles** and the **Clean by Design 10 Best Practices for Mills**, providing a proven framework for driving measurable sustainability improvements across operations.

At Masood Textile Mills, wastewater is treated before discharge, in 100% compliant with **ZDHC foundational requirements** and **Punjab Environmental Quality Standards**. Water quality is monitored internally and verified by **third-party evaluations twice a year**. During the year, **30% of water was recycled and reused**, and ongoing initiatives aim to further increase water recycling and reuse.

NANO-BUBBLE TECHNOLOGY

Masood Textile Mills has implemented Nano-Bubble Technology in its garment dyeing & laundry processes to greatly enhance water efficiency and minimize environmental impact. This cutting-edge technology reduces water consumption by up to 95%, chemical use by 71%, and energy consumption by 50%. MTM has installed multiple EIA machines across its processing units, reflecting the company's strong commitment to sustainable manufacturing and responsible resource management.

BRINE SOLUTION PLANT

Masood Textile Mills has upgraded its Brine Solution operations by establishing an in-house plant where brine is now mixed and purified before being supplied to the dyeing machines. This system ensures a consistent, high-quality solution while reducing chemical hazards and improving cost efficiency. By controlling the mixing and purification process internally, MTM enhances both operational safety and sustainable manufacturing practices.

Masood Textile Mills has adopted **lower liquor ratio dyeing and washing machines** to optimize water usage in its garment processing operations. Additionally, the use of **ozone machines for waterless color fading** further reduces water consumption and chemical use, demonstrating MTM's commitment to innovative, resource-efficient, and sustainable manufacturing practices.



WATER WITHDRAWAL

Water withdrawal by source in M3/year	2024	2023	2022	2021
Ground water				
Freshwater ($\leq 2,000$ mg/L Total Dissolved Solids)	1141772	917852	1114871	1161954
Other water ($> 2,000$ mg/L Total Dissolved Solids)	-	-	-	-
Total water withdrawal	1141772	917852	1114871	1161954

* The water withdrawal is measured through flow meters.

WATER CONSUMPTION

Water consumption in M3/year	2024	2023	2022	2021
Water consumption	336735	201729	322508	342257

WATER DISCHARGE

Water discharge by destination in M3/year	2024	2023	2022	2021
Surface water				
Freshwater ($\leq 2,000$ mg/L Total Dissolved Solids)	-	-	-	-
Other water ($> 2,000$ mg/L Total Dissolved Solids)	805037	716123	792363	819697
Total water discharge	805037	716123	792363	819697

REVERSE OSMOSIS PLANT

Masood Textile Mills has installed a RO plant for fabric dyeing processes, effectively removing **heavy metals**, reducing **chemical consumption**, and minimizing overall **water usage**. This system not only extends the **lifespan of machinery and production lines** but also ensures compliance with **Zero Discharge of Hazardous Chemicals (ZDHC)** standards, underscoring MTM's commitment to sustainable and responsible manufacturing practices.



Sustainable Materials

At **Masood Textile Mills (MTM)**, we partner with our supply chain to enhance transparency, adopt regenerative practices, and ensure full traceability from sourcing to finished goods. As a vertically integrated organization, MTM manages a broad production chain—procuring cotton, synthetic, recycled, and regenerated yarns—which are processed with carefully selected dyes and chemicals to produce premium apparel. Beyond yarn production, we also develop and source fabrics for our apparel divisions, including knitwear, activewear, and denim, embedding responsible practices across every stage of operations.

At **Masood Textile Mills (MTM)**, we source all raw materials from **100% certified third-party suppliers** that are rigorously assessed for compliance with leading environmental and social standards, including **Oeko-Tex Standard 100, Oeko-Tex Made in Green, BCI, OCS, GOTS, GRS, RCS RWS, FSC™ (C-208586) Certified, USCTP, & Regenagri.**

Our commitment centers on expanding the use of sustainable inputs such as **BCI Cotton, Organic Cotton, Regenerative Cotton, Recycled Materials, and other eco-friendly alternatives**, minimizing the environmental footprint of our products while promoting responsible sourcing.

At **Masood Textile Mills (MTM)**, we incorporate **REPREEVE®**, a trusted recycled performance fiber developed by **Unifi (USA)**, into our product lines. REPREEVE® is made from post-industrial waste and recycled plastic bottles, and offers advanced features such as moisture wicking, odor control, and long-lasting durability. By using this fiber in apparel, hosiery, upholstery, and other textile applications, MTM reinforces its commitment to sustainable innovation and reducing environmental impact.

Sustainable Fibers at MTM

At **Masood Textile Mills (MTM)**, we are committed to integrating sustainable fibers into our product portfolio to reduce environmental impact while promoting responsible sourcing. Our focus on innovative and eco-conscious materials reflects our dedication to circularity, resource efficiency, and long-term resilience.

Kapok Fiber – Known as *silk cotton* or *Java cotton*, Kapok is a lightweight, silky fiber with exceptional sustainability benefits. It requires minimal water, thrives in poor soil without artificial irrigation, and does not compete with food crops. Its cultivation in rural regions also supports local livelihoods and responsible consumption.

Bamboo Fiber – A renewable and fast-growing resource, bamboo requires little water, no pesticides, and regenerates naturally. Its fibers are soft, breathable, and biodegradable, making it a versatile material for eco-friendly textiles.

Hemp Fiber – Hemp is a low-impact crop with high durability and natural antibacterial properties. It grows quickly, enriches the soil, and requires significantly less water than conventional cotton, making it one of the most sustainable natural fibers available.

Linen (Flax Fiber) – Derived from the flax plant, linen is strong, breathable, and long-lasting. Flax cultivation uses minimal pesticides and water, supporting environmentally responsible agriculture.

Wool – At MTM, we use wool responsibly sourced under the **Responsible Wool Standard (RWS)**. This certification ensures that animal welfare, land management, and social responsibility are upheld throughout the wool supply chain.



Regenerative Cotton Production Project

Masood Textile Mills (MTM), in collaboration with the **LoK Sanjh Foundation**, has launched a regenerative cotton production initiative in 2024 aimed at promoting sustainable farming practices and community well-being.

As part of this project, MTM has conducted multiple awareness sessions across various regions of Pakistan, equipping farmers with the knowledge and skills required to adopt eco-friendly agricultural methods. Through these efforts, the project has successfully empowered 3,000+ farmers and positively impacted the lives of 150+ families across numerous villages and communities.

By integrating regenerative practices, the initiative not only enhances soil health and biodiversity but also supports long-term resilience and livelihood opportunities for farming communities.

In recognition of these efforts, the **LoK Sanjh – Masood Textile Mills Limited farm has achieved third-party certification** for the production of regenerative cotton in-house, ensuring credibility, traceability, and alignment with international sustainability standards.



Closing the Loop: MTM's Fabric Recycling Project

Masood Textile Mills Limited (MTM) has taken a significant step towards its Zero Waste approach through the establishment of its in-house recycling plant. In this facility, cutting fabric waste generated during production is 100% recycled into raw fiber, which is then reintroduced into the manufacturing processes. Through this initiative, MTM has successfully recycled 3500 tons of cutting waste annually, reducing landfill dependency and conserving natural resources. This effort not only helps minimize environmental impact.

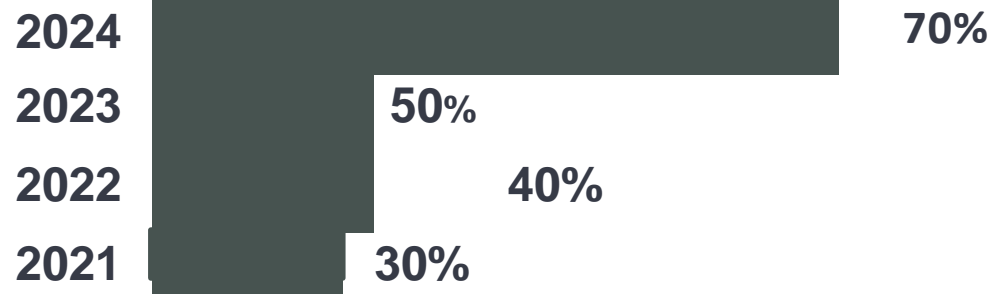
By transforming production waste into reusable raw material, MTM demonstrates its commitment to sustainable manufacturing, responsible resource management, and the promotion of a circular economy within the textile industry.



RAW MATERIAL CONSUMPTION

Material	Unit	2024	2023	2022	2021
Raw Material –(Yarn & Fiber)	Ton	28,900	30,798	41,028	33,181
Raw Material - Dyes and Chemicals	Ton	18,695	20,240	25,364	21,587
Packaging Material	Ton	19,032	20,398	20,201	13,969

RECYCLED INPUT MATERIAL



THIRD-PARTY CERTIFIED MATERIALS ENSURING ENVIRONMENTAL AND SOCIAL ACCOUNTABILITY

Standard	Material	UOM*	2024	2023	2022	2021
Oeko-Tex	-	%	100	100	100	100
BCI	BCI Cotton	%	43.23%	39.67%	36.89%	37.6%
GOTS/OCS	Organic Cotton	%	16.89%	15.45%	9.75%	8.5%
Regenagri	Regenerative Cotton	%	3.18%	-	-	-
GRS	Recycled Cotton	%	18.15%	31.60%	20.97%	26.95%
	Repreve Polyester	%	0.30%	0.52%	1.58%	-
	Recycled Polyester	%	6.55%	5.45%	8.44%	7.9%
Sustainable Material Programs**	-	%	4.9%	3.28%	2.05%	1.9%

* Percentage of total yarn consumed



Chemical Management at MTM

MTM's chemical management system is designed around safety, transparency, and sustainability. Our process begins with the careful selection of eco-friendly chemicals and extends to strict protocols for safe handling, storage, and use across all production stages. This approach minimizes environmental impact, enhances worker safety, and ensures compliance with international regulations and buyer requirements.

MTM maintains **full traceability and transparency** by leveraging digital platforms such as **ZDHC CleanChain** and **The BHive**. CleanChain enables us to monitor and disclose chemical inventory in alignment with ZDHC MRSL requirements, while The BHive helps map, verify, and optimize chemical inputs at the factory level. Together, these tools strengthen our chemical management framework and ensure responsible procurement practices.

Currently, **90% of the chemicals used at MTM are bluesign® approved**, and **100% are compliant with ZDHC MRSL and RSL guidelines**. In addition, MTM is **OEKO-TEX® certified** and has successfully achieved the **OEKO-TEX® MADE IN GREEN label**, validating our commitment to safer textiles and sustainable production.

Through this integrated and digitalized approach, MTM ensures end-to-end visibility, reinforces supply chain confidence, and positions itself as a responsible industry leader in sustainable textile manufacturing.



Training & Capacity Building on Chemical Storage Management

At MTM, we recognize that effective chemical management is not only about systems and certifications but also about people. To ensure the safe use and handling of chemicals, **regular training sessions are conducted across all our facilities**. These sessions cover safe storage, risk assessment usage protocols, personal protective equipment (PPE), and emergency response procedures. By building awareness and strengthening the capacity of our workforce, MTM fosters a culture of safety and responsibility, ensuring that sustainability practices are effectively implemented at the ground level.



Waste Management

Masood Textile Mills (MTM), we are committed to advancing the **circular economy** by developing sustainable products and scaling up our recycling initiatives. By converting textile waste into valuable resources, we are **closing the loop** and enhancing resource efficiency across our operations.

Our waste management practices are designed to minimize environmental impact by **eliminating landfill contributions** and ensuring that no hazardous chemicals are released into the environment. Through responsible disposal methods and innovative recycling approaches, we are prioritizing environmental stewardship while promoting a **cleaner, safer, and more sustainable supply chain**.

In line with global best practices, MTM utilizes **ZDHC-registered chemicals**, ensuring full compliance with the **ZDHC Gateway**. This proactive approach not only minimizes environmental impact but also strengthens workplace safety and contributes to a **cleaner, greener, and more responsible textile supply chain**.

Our Processing Divisions 1 & 2 achieved a remarkable milestone by scoring **100% in the InCheck Level 1 Program**, validating the accuracy and reliability of our chemical inventory for Performance InCheck Reports. This achievement reflects our commitment to **transparency and best practices in chemical management**.

We prioritize the use of **ZDHC Level 3 compliant chemicals**, conduct **biannual wastewater testing**, and actively work towards phasing out priority chemicals through **ZDHC/MRSL compliance, certified raw materials, and efficient management systems**. As a result, we have achieved **100% green chemistry inputs**, with our facilities certified at the **Supplier to Zero Progressive level**.

This progress not only demonstrates MTM's leadership in sustainable chemical management but also reinforces our vision of a **greener, safer, and more responsible textile industry**.

Responsible Product Compliance

All final products are thoroughly assessed against **customer Restricted Substances Lists (RSLs)**, the internationally recognized **AFIRM RSL**, and other applicable regulatory requirements. To ensure full compliance, we conduct **annual evaluations of Tier 1 and Tier 2 suppliers**, strengthening accountability across our supply chain.

In instances of non-compliance, we carry out detailed **root cause analyses** and work closely with suppliers to develop and implement **corrective actions**. This proactive approach not only ensures product safety and regulatory alignment but also fosters a culture of **continuous improvement and responsible manufacturing**.

Eco-Friendly Wastewater Treatment

As part of our sustainability journey, we are fully committed to eliminating priority chemicals through our comprehensive ZDHC Program. By adopting global best practices in chemical handling, implementing a robust Chemical Management System (CMS), ensuring strict compliance with the ZDHC MRSL, and sourcing certified raw materials, we have successfully achieved 100% green chemistry input across our operations. This achievement has enabled all our facilities to be certified at the ZDHC Supplier to Zero – Progressive Level, a recognition that highlights our dedication to responsible chemical management, safe wastewater treatment, and environmental stewardship. To further strengthen our efforts, we have installed a 150 m³/hr Effluent Treatment Plant (ETP) with advanced biological treatment technology, ensuring compliance with the stringent ZDHC parameters and alignment with the Foundational Level limits of ZDHC.

90% Bluesign certified chemicals input
ZDHC Wastewater - Progressive Limits



Segregation of Hazardous and Non-Hazardous Waste

At Masood Textile Mills (MTM), we follow a systematic approach to **waste segregation** to ensure safe handling, storage, and disposal across all facilities. Dedicated areas have been established to separate hazardous and non-hazardous waste, in compliance with environmental and safety standards.

Non-hazardous waste is collected and stored in the designated “**Yellow Yard**”, where different waste streams are properly segregated for recycling or further processing. Hazardous waste, on the other hand, is stored in **restricted and secure areas** with controlled access limited to trained personnel. These areas operate under strict **Standard Operating Procedures (SOPs)** to minimize risk and ensure safe management.

A digital **inventory monitoring system** is in place to track hazardous waste from generation to disposal, ensuring full transparency and accountability. Ultimately, hazardous waste is safely **incinerated** by third party through approved processes to prevent environmental contamination and safeguard community health.

This structured segregation system reflects MTM’s commitment to **responsible waste management, environmental protection, and workplace safety**.

Segregation of Non-Hazardous Waste at Departmental Level

As part of our commitment to sustainable operations, Masood Textile Mills (MTM) has introduced a structured mechanism to segregate non-hazardous waste directly at the departmental level. This proactive approach minimizes the need for post-mixing segregation, thereby improving efficiency and reducing resource consumption. To streamline the process, color-coded bins have been strategically installed across departments, enabling employees to segregate common non-hazardous waste such as paper, plastics, glass, metal pieces, and wood at the point of generation. This initiative is closely aligned with the principles of 5S implementation, ensuring improved workplace organization while strengthening the reliability and cost-effectiveness of our waste management practices. By embedding segregation at the source, MTM not only enhances operational efficiency but also contributes to the broader goals of resource conservation and circular economy practices.



WASTE BY COMPOSITION IN METRIC (MT)

Year	Waste Type	Waste Generated	Waste diverted from disposal	Waste directed to disposal
2024	Hazardous	64	Nil	64
	Non-Hazardous	9623	8000	1623
	Total Waste	9687	8000	1687
2023	Hazardous	60	Nil	60
	Non-Hazardous	9847	8200	1647
	Total Waste	9907	8200	1707
2022	Hazardous	64	Nil	64
	Non-Hazardous	10075	8500	1575
	Total Waste	10139	8500	1639
2021	Hazardous	71	Nil	71
	Non-Hazardous	10715	9000	1715
	Total Waste	10786	9000	1786



Social

Masood Textile Mills (MTM) is driven by a belief in transforming potential into progress. Our culture is built on MTM, **innovation, and resilience**, where challenges are seen as opportunities for growth. We are deeply committed to **inclusivity and diversity**, breaking down barriers and harnessing the strength of varied talents to drive lasting impact.

Central to this vision is the **empowerment of women**—creating opportunities, fostering leadership, and ensuring they play a pivotal role in shaping MTM's future. By investing in people, we are not only building a stronger organization but also contributing to a more equitable and progressive society.



PEOPLE IMPACTS 2024



20,000+

People



4500+

Women working at MTM



~19,000

Employees trained for professional growth



WHY IT MATTERS

At MTM, we strive for a fairer and more inclusive world by fostering leadership that embraces diversity. Through robust development programs, meaningful engagement opportunities, and rewarding benefits, we empower our people to grow. Our dedication to supporting the personal, professional, and overall well-being of every team member is at the heart of everything we do.

GOAL

Inclusive teams driving high performance.

SDGs SUPPORTED



5. Gender Equality



8. Decent Work and Economic Growth



10. Reduced Inequalities

HOW WE MAKE AN IMPACT

MTM is focused on cultivating a workplace where everyone belongs and diversity is celebrated. Through a holistic approach encompassing advocacy, inclusive policies, impactful programs, continuous learning, and strategic partnerships, we drive initiatives that empower our people, uplift communities, and strengthen our network of partners.

LEARNING & DEVELOPMENT

we recognize that our people are the foundation of our long-term success. Our Human Resources Department regularly conducts Training Needs Analyses to identify the developmental priorities of our workforce. Based on these insights, we design and deliver comprehensive training programs that enhance skills, strengthen knowledge, and support long-term employability, while promoting meaningful career growth.

We firmly believe that continuous learning is central to personal and professional success. To nurture this culture, MTM offers a diverse portfolio of training opportunities focused on upskilling employees, fostering leadership capabilities, and encouraging innovation across all levels of the organization.

Our Learning and Development initiatives encompass a wide spectrum of areas, including emotional intelligence, high-impact communication, advanced technical skills, and leadership development. Through these programs, we ensure that our employees are fully equipped to navigate evolving business challenges with confidence while pursuing their individual growth journeys.

MTM'S Initiatives

At Masood Textile Mills (MTM), the Training and Development Department plays a pivotal role in nurturing talent and equipping employees with the knowledge and skills they need to excel. From the very first day, every new team member undergoes a comprehensive orientation program, which includes Health and Safety training to ensure a secure and responsible working environment.

MTM's commitment to people development has been recognized at the national level, earning the company a Silver Category Award in Training and Development. In addition, MTM actively collaborates with NAVTTC and TEVTA, offering technical training opportunities that help build capabilities, enhance employability, and uplift the broader community.

MTM is offering a scholarship program for its workers, through which both the employees and their families can benefit. To date, more than 12,000 individuals have availed this opportunity.

Through these initiatives, MTM continues to foster a culture of learning, safety, and growth, ensuring that both its workforce and society benefit from sustainable skill development.

Looking ahead, MTM is committed to expanding its training and development portfolio by introducing new programs that drive continuous growth, operational excellence, and sustainability, while further reinforcing our leadership in the textile industry.

We have successfully completed the inaugural cycle of our all units, a milestone achievement that underscores our dedication to innovation, skill enhancement, and the professional development of our workforce. This initiative marks an important step toward building a future-ready talent base, equipped to meet evolving industry challenges with confidence and expertise.



TRAINING HOURS PER EMPLOYEE

No. of Employees	Training Hours	Avg. Training Hours
20000	217,800	10.89

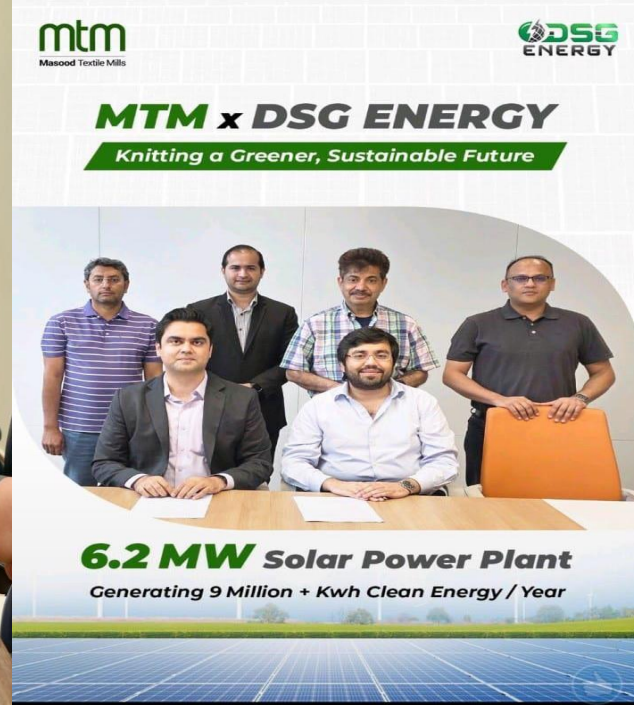
TRAINING HOURS PER EMPLOYEE BY GENDER

Category	No. of Employees	Man - Hours*	Avg. Training Hours
Men	15,250	130,998	8.59
Women	4750	86,802	18.27

TRAINING HOURS PER EMPLOYEES BY EMPLOYEE CATEGORY

Category	No. of Employees	Man - Hours	Avg. Training Hours
Management	1,475	12,538	8.5
Workers	18,525	205,262	11.08

* The man-hours of management in this table represent the overall company. Trainings are provided by L&D, EHS, Quality, etc.



WOMEN IN LEADERSHIP (2024)



25%

Total Employee



20%

MANAGEMENT
COMMITTEE



35%

MARKETING
LEADERSHIP



30%

GRADUATE INTAKE

MOM TRIBE-A Safe Space for Every Mom

Mom Tribe is an MTM initiative designed to support new mothers navigating the challenges of post-partum life. Recognizing that some mothers may experience post-partum depression or struggle to resume work while caring for their babies, Mom Tribe provides a safe and empathetic space for them to share their feelings. Through this program, MTM listens to their concerns, offers mental health support, and motivates mothers to regain confidence and balance between work and family, fostering both well-being and professional engagement.

PARENTAL LEAVE UTILIZATION

MTM's Parental Leave Policy provides all eligible men and women employees with the opportunity to take parental leave. Man executives are entitled to 7 days of fully paid leave on two occasions during their tenure, upon the arrival of a new child. Women employees are entitled to 90 days full paid leaves.

DAYCARE FACILITIES

To offer peace of mind to working mothers, MTM provides world-class daycare centers at all its plants for both executive and non-executive women employees. Experienced caregivers ensure that children are well looked after, following structured routines for play, rest, and meals.

The centers are equipped with international- standard infrastructure, including dedicated areas for study, play, and rest. Trained teachers deliver high-quality pre-primary education and nurture the children's development through both curricular and extracurricular activities. In addition, a company doctor conducts regular health check-ups to ensure the well-being of all children.

MTO PROGRAMS

We are committed to providing equal opportunities for both men and women. Our Management Trainee Officers (MTO) Program engages fresh graduates, preparing them for operational and strategic roles. This year, we enrolled 200 MTOs, with 50% women & 50% men. Additionally, we onboarded Trainee Engineers (TEs) across Textiles, Engineering & IT disciplines, with 30% women and 70% men, offering practical experience in real-world scenarios. These programs highlight our ongoing investment in young talent and commitment to a diverse workforce.

ANTI-HARASSMENT & ANTI-DISCRIMINATION

Our policy embodies a steadfast commitment to creating a respectful and inclusive work environment by strictly prohibiting any form of harassment, intimidation, or discrimination. It clearly defines behaviors such as bullying,

hostility, and retaliation, outlining that any actions undermining an individual's dignity or breaching the company's code of conduct will be met

with decisive, unbiased intervention. Through a structured and transparent complaint process— including multiple reporting channels and a dedicated Disciplinary Committee—the policy ensures that all concerns are promptly investigated and resolved, thereby protecting the rights and well-being of every member of our community.

Furthermore, the policy upholds a zero-tolerance stance toward discriminatory practices, ensuring that disciplinary actions are solely based on verified conduct and remain free from bias regarding race, gender, religion, or other personal characteristics. By instituting rigorous documentation, clear accountability, and an open, fair resolution process, we not only shield employees from adverse repercussions when they raise concerns but also promote a culture of integrity and mutual respect. This comprehensive approach reinforces our commitment to ethical practices and continuous improvement, ensuring that our workplace remains safe, supportive, and equitable for all.

Recognition & Corporate Social Gatherings

At MTM, we believe that celebrating achievements and fostering connections are vital to building a strong, motivated workforce. Regular recognition programs acknowledge the hard work and dedication of our employees, highlighting both individual and team contributions that drive our success.

In addition, corporate social gatherings provide opportunities for colleagues to connect beyond work, strengthen bonds, and cultivate a culture of inclusivity and collaboration. These gatherings not only enhance employee morale but also reinforce our shared values, creating a sense of belonging and unity across the organization.

These include social gatherings such as the **Annual Dinner, Managers' Dinner, International Women's Day, and Christmas celebrations**. Such events provide employees with meaningful opportunities to connect with one another and with management, fostering open communication, teamwork, and the exchange of ideas.

In addition, corporate recognition programs like the **Long Service Awards** honor employees for their loyalty, dedication, and years of service, reinforcing a culture of appreciation and respect across the organization.

SPECIAL WELFARE FUND FOR NON-EXECUTIVES

MTM recognizes the importance of supporting its non-executive employees and has established a **Special Welfare Fund** to provide financial assistance in times of need. This fund serves as a vital safety net, offering support across a range of life events — including marriage, scholarships for children's education, financial aid during critical illness or unfortunate demise, and assistance during unforeseen personal difficulties.

Through this initiative, MTM demonstrates its commitment to employee welfare, ensuring that care and support extend beyond the workplace.

SCHOLARSHIPS FOR EMPLOYEES' CHILDREN

MTM places strong emphasis on the importance of higher education and encourages employees to guide their children toward achieving undergraduate degrees and building successful careers. Each year, the company grants **95 Talent Scholarships** to outstanding students among employees' children, supporting them in pursuing bachelor's degree programs.

This program reflects MTM's dedication to fostering educational growth and creating opportunities for the next generation.

COMPENSATION, REWARDS, & BENEFITS

MTM provides **market-competitive remuneration** to all employees, determined by their skills and performance. Across all locations, workers receive wages above the government-prescribed minimum, with guaranteed compliance that every employee working on factory premises earns at least the minimum wage. Salaries are transferred directly to employees through their bank accounts, ensuring transparency and accountability. Importantly, MTM upholds the principle of **equal pay for equal work**, offering men and women in similar roles the same remuneration and benefits.



Honoring the Heart of MTM: Our Women

She Leads, We Celebrate

Masood Textile Mills (MTM) dedicates **International Women's Day** to honor the **strong, talented, and inspiring women** within the organization. This day is a celebration of their contributions, resilience, and achievements across all levels of MTM. Through special events, recognition programs, and interactive sessions, MTM demonstrates that it **values, supports, and cares for its women employees**, reinforcing a culture of empowerment, equality, and inclusion.



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WORKFORCE REPRESENTATION

Masood is an equal opportunity employer. We employ 20,000 individuals representing over different cultures and nationalities.

Our policies prioritize equal opportunities for career growth and advancement, with a particular focus on empowering women, transgender individuals, and employees with disabilities. In FY 2024, we achieved a hiring rate of 15% and an attrition rate of 10%.

At the senior management level, hiring is based on merit, including relevant experience, skills, and education, with no geographical restrictions. However, we actively encourage local community representation, and in FY 2024, 53% of senior management hires were from Faisalabad and Lahore. Similarly, for worker-level roles, we prioritize candidates from the local community, ensuring our growth aligns with community development.

WORKFORCE BY EMPLOYMENT TYPE - BROKEN BY GENDER

Employment Type	Men	Women	Total
Full Time	15250	4750	20000
Part Time	-	-	-
Total	15000	5000	20000

WORKFORCE BY REGION

Region	Permanent	Total
Faisalabad	15238	15238
Others	4762	4762
Total	20000	20000

DETAILS OF WORKFORCE

2024	20000
2023	21434
2022	23568
2021	22458

HIRING AND ATTRITION



HEALTH & SAFETY

MTM is dedicated to ensuring that all individuals have access to a safe and healthy workplace, recognizing it as a basic right and a vital part of our commitment to employee well-being.

We take a proactive approach to health and safety, focusing on safeguarding people, operations, and facilities while ensuring full compliance with legal and regulatory standards.

We have implemented a comprehensive Occupational Health and Safety (OHS) management system that covers all employees, operations, and facilities. The system fosters a strong safety culture, focusing on preventing accidents, illnesses, and major incidents while ensuring a safe and healthy workplace.

Our health and safety framework is structured in line with ISO 45001 and international OSH standards, ensuring compliance with legal requirements, industry practices, and customer expectations. We also collaborate with supply chain partners to extend these commitments across the value chain.

A dedicated corporate Environment, Health, and Safety (EHS) department oversees all manufacturing plants, developing policies, procedures, and strategic guidelines. At the plant level, specialized EHS teams ensure effective implementation and manage daily health and safety practices to maintain a secure and compliant workplace.

MTM dedicates sufficient financial resources to strengthen and sustain its health and safety framework. Budget provisions for major safety initiatives—including staffing, equipment, and essential resources—are carefully planned and approved through defined management channels, ensuring consistent oversight and effective implementation.



Workforce Participation in Safety Practices

Employee engagement in health, safety, and overall well-being is actively encouraged through structured platforms such as the EHS Committee and the Worker Management Council. In addition, employees are empowered to raise individual concerns or report potential hazards using accessible channels, including telephone, email, helplines, hotlines, and suggestion boxes. Even near-miss incidents are recorded and acknowledged, with employees receiving recognition for meaningful contributions that help strengthen workplace safety.

Monthly EHS Committee meetings are held across all plants to ensure broad representation, involving both management and non-management members. Representatives from every functional area collaborate to identify opportunities for improving health, safety, and environmental practices. Management representatives track progress, while the Chairperson assigns responsibilities and ensures proper resource allocation for each initiative. Additionally, EHS representatives conduct daily plant visits to identify and minimize potential hazards, reinforcing a proactive safety culture.



Risk Identification and Preventive Measures & Consultation

Our team of experts systematically identifies potential hazards and evaluates their impacts by considering both severity and likelihood. This assessment helps prioritize risk mitigation efforts. Control measures are implemented following the standard hierarchy, including elimination, isolation, substitution, engineering controls, administrative measures, and the use of personal protective equipment (PPE).

Our risk assessment process ensures control measures remain effective and adaptable to changes in workforce, processes, infrastructure, or incidents. Hazard identification, risk evaluation, and mitigation strategies are consistently applied across all operational sites to prevent recurrence and maintain a safe working environment.

The effectiveness of these processes is monitored through key performance indicators (KPIs) and standard operating procedures (SOPs). Routine risk assessments are reviewed at least annually, and additionally whenever there are changes in laws, regulatory requirements, reportable incidents, facility layouts, or the introduction of new machinery.

At MTM, employee safety and well-being are paramount. Workers have the right to step away from any task or area that may pose a risk of injury or illness without fear of reprisal. They are encouraged to report concerns to their supervisors, after which immediate action is taken to address and eliminate hazards. Additionally, employees can raise grievances through suggestion boxes strategically placed across all facilities, ensuring their voices are heard and acted upon.

Safety Awareness & Health Promotion Programs

MTM has established a comprehensive framework to safeguard the health, safety, and well-being of all employees across its operations. This includes targeted training programs covering every aspect of occupational health and safety, customized to specific roles to ensure employees fully understand potential hazards and preventive measures. Annual key performance indicators (KPIs) are tracked at both plant and corporate levels to measure effectiveness. In addition, dedicated safety days and weeks are observed at our facilities to reinforce awareness and cultivate a strong culture of safety among the workforce.

Wellness and Safety in Action

MTM's commitment to employee health goes beyond workplace safety, offering state-of-the-art medical facilities through the company's Rabia Trust. Paramedics (Men) are available 24/7, while paramedics (woman) provide care whenever needed, addressing both occupational and general health concerns

MTM also conducts regular awareness sessions and health campaigns on topics such as AIDS, Hepatitis, and Breast Cancer, complemented by vaccination camps for all employees.

Performance Review: Environment, Health & Safety

MTM's Environmental, Health, and Safety (EHS) performance is continuously monitored through Key Performance Indicators (KPIs) and regularly reviewed via internal and external audits. Senior management oversees these evaluations and implements corrective actions as needed. EHS policies are routinely updated to stay aligned with changes in laws, industry standards, and customer requirements, ensuring full compliance and continual improvement.

All employees are included in the reporting of work-related injuries and health concerns. Key hazards encompass working at heights, exposure to machinery, electrical risks, slips and falls, chemical handling, and vehicle operations. Each risk is thoroughly assessed to identify who may be affected and the potential impact, enabling the implementation of effective control measures based on severity and likelihood.

Employee Safety Performance: Injury Rate

In 2024, there were no work-related fatalities, high-consequence injuries, or health incidents resulting in death among employees or contractors, across a total of 472000000 man-hours worked.

MTM	Contractor
0.030	Nil



Fostering Employee Engagement and Wellness

Prioritizing employee well-being leads to healthier lives, increased productivity, and stronger contributions to our communities. By building a work culture that values well-being and engagement, we create an environment where individuals feel motivated, empowered, and recognized for their efforts.

A robust Performance Management System (PMS) enables employees to set clear objectives, receive constructive feedback, and pursue continuous growth. Challenging assignments and development opportunities encourage skill enhancement and help employees reach their full potential. Competitive compensation and benefits provide financial security and job satisfaction, while a culture of recognition and appreciation strengthens dedication and reinforces high performance.



Well-being at work powers engagement, productivity, and success.

By investing in employee well-being, we foster a highly engaged, high-performing workforce while supporting global goals for health, decent work, and reduced inequalities. This focus enables employees to thrive personally and professionally, creating a lasting impact within and beyond the workplace.



Rabia Trust Hospital – Safeguarding the Health of Our Workforce and Community

MTM integrates employee health and community well-being into its sustainability vision, with Rabia Trust Hospital serving as a cornerstone of this commitment. Rabia Trust Hospital, established under MTM’s welfare framework, plays a pivotal role in ensuring that our people have access to reliable, affordable, and high-quality healthcare.

To safeguard workplace safety and employee health, the hospital conducts **bi-annual medical testing**, including spirometry, audiometry, hepatitis, tuberculosis, and other essential screenings. These preventive measures help in the **early detection of potential health concerns**, ensuring that workers remain safe from occupational or communicable diseases. If any illness is identified, **comprehensive treatment and follow-up care are provided without delay**, reinforcing our commitment to employee well-being.



The hospital also offers a **fully functional OPD facility** with experienced physicians, ensuring employees and community members receive timely consultations. In addition, **specialist surgeons are available 24/7**, providing advanced care and critical support whenever required. This round-the-clock availability ensures that our people and surrounding communities can rely on continuous medical assistance.

By extending healthcare beyond our workforce to the community, **Rabia Trust Hospital embodies MTM’s philosophy of care, responsibility, and inclusivity**. It not only enhances the quality of life for thousands of individuals but also strengthens the bond between MTM and the community it serves.

Cervical Cancer Awareness Session

Masood Textile Mills (MTM) is deeply committed to safeguarding the health of its employees and community members through proactive awareness and preventive healthcare initiatives. In line with this vision, MTM organized a comprehensive awareness session on cervical cancer in collaboration with Rabia Trust.

A senior doctor from Rabia Trust was invited to deliver an in-depth session, educating participants about the causes of cervical cancer, early signs, risk factors, and the importance of preventive measures such as timely screening and vaccination. The session aimed to empower women with knowledge that can help save lives through early detection and lifestyle awareness.

To complement this initiative, MTM also arranged a **free vaccination camp for cervical cancer**, specifically targeting girls aged **9–14 years**, the most effective age group for preventive vaccination. This step reflects MTM's dedication to promoting women's health and ensuring access to critical medical interventions for its workforce and their families.

Through such initiatives, MTM reinforces its role as not only an employer but also a responsible corporate citizen, committed to building healthier and more resilient communities.



Breast Cancer Awareness Sessions-PINKTOBER

Masood Textile Mills (MTM) has been actively raising awareness about breast cancer in collaboration with the **Rabia Trust**, a renowned organization dedicated to women's health. Every year, on **1st October, Breast Cancer Awareness Day**, MTM organizes comprehensive awareness sessions for employees across all operational sites. These sessions are designed to educate participants about the **importance of early detection, preventive measures, regular screenings, and maintaining overall breast health.**

This initiative reflects MTM's commitment to **employee wellness, community health, and corporate social responsibility**, ensuring that vital health information reaches as many people as possible while reinforcing a culture of care and proactive health management within the organization.



MTM's Approach Towards a Safe and Healthy Community

Masood Textile Mills (MTM) places community well-being at the heart of its sustainability agenda, recognizing that a truly responsible business extends its care beyond operations to the lives of the people it touches. Guided by this philosophy, the company partnered with **Rabia Trust** to organize a comprehensive **medical camp in the Northern Areas of Pakistan**, a region where healthcare facilities are often limited or difficult to access.

The camp was designed to address a wide range of pressing health concerns and provide preventive as well as curative medical support. A team of qualified doctors and healthcare professionals delivered services that included **eye check-ups to detect and treat vision problems, orthopedic consultations for bone and joint issues, gynecology services for women's health, dermatology consultations for skin-related conditions, and the free distribution of essential medicines.** This holistic approach ensured that individuals across different age groups and health needs could benefit directly from the initiative.

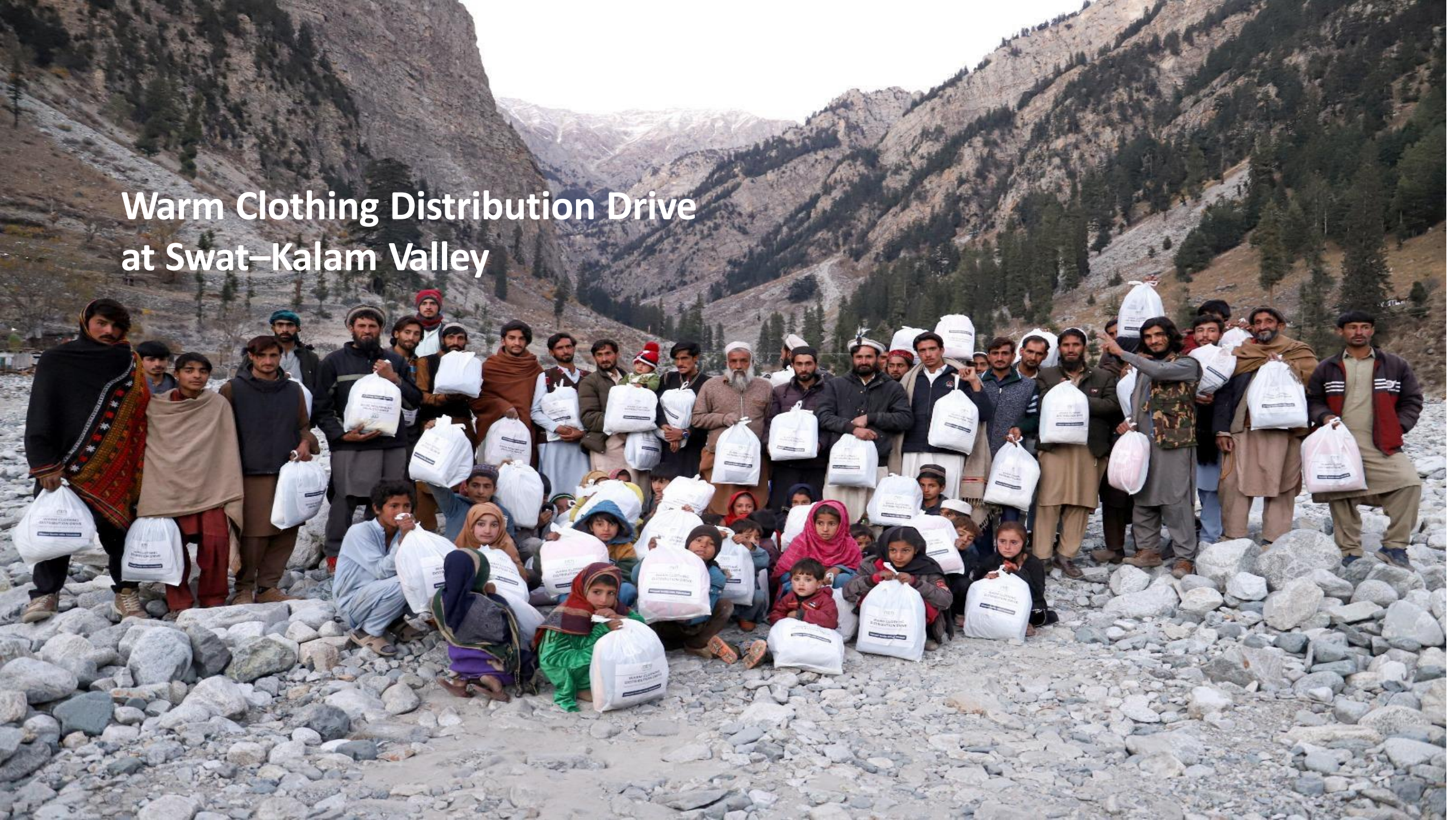


Beyond immediate medical care, the camp also emphasized **raising awareness** about preventive health practices, early detection of illnesses, and lifestyle choices that contribute to long-term wellness. By focusing on both treatment and awareness, the initiative not only met urgent healthcare needs but also empowered the local community with knowledge to safeguard their health in the future.

Such efforts reflect MTM's broader vision of creating a **safe, healthy, and resilient society.** The collaboration with Rabia Trust highlights the company's belief in partnerships as a force multiplier, allowing the impact of such initiatives to reach more people and achieve sustainable outcomes.

Through this and similar projects, MTM continues to demonstrate its commitment to **healthcare accessibility, community safety, and social responsibility,** ensuring that its growth and success contribute positively to the lives of people across Pakistan.

Warm Clothing Distribution Drive at Swat–Kalam Valley



Warm Clothing Distribution Drive

As part of its commitment to social responsibility and community care, **Masood Textile Mills (MTM)** organized a **warm clothing distribution drive** in the Swat–Kalam Valley, a region known for its harsh winters. Recognizing the difficulties faced by underprivileged families during extreme weather conditions, MTM extended timely support to ensure protection, comfort, and dignity for vulnerable communities.

The drive focused on distributing **warm clothes, sweaters, shawls, and other winter essentials** to residents, particularly children, women, and the elderly who are most affected by severe cold. The initiative not only provided immediate relief from the freezing temperatures but also reduced the risk of seasonal illnesses that are prevalent in such regions.

This humanitarian effort reflects MTM's broader vision of **building resilient communities and supporting those in need during critical times**. By reaching out to remote areas such as Swat–Kalam Valley, the company reaffirmed its role as a socially responsible organization, going beyond its business operations to **create a positive and lasting social impact**.



Fire Safety Preparedness at MTM

MTM places the highest emphasis on ensuring a safe and secure workplace for all employees. To ensure that employees are well-prepared to respond effectively in the event of an emergency, **scheduled announced and unannounced fire drills** are conducted regularly across our facilities. These drills are designed to familiarize workers with **basic evacuation procedures, the use of fire extinguishers, and initial firefighting techniques**, enabling them to act swiftly and safeguard their lives in critical situations.

Through this proactive approach, MTM not only builds a culture of safety but also instills confidence among its workforce, ensuring they are **ready, aware, and capable** of responding to emergencies with discipline and responsibility.

To further strengthen our fire safety program, MTM collaborates with **Rescue 1122**, inviting their professional team to conduct **comprehensive training sessions**. These sessions specifically focus on equipping our **designated fire fighters** with advanced skills in emergency response, evacuation leadership, and fire suppression. By empowering these trained individuals to lead during emergencies, MTM ensures that employees can be safely guided, minimizing risks and potential harm.



Journey with GIZ for Sustainable Development

Masood Textile Mills (MTM) is actively engaged with GIZ on multiple sustainable development initiatives aimed at creating a safe, healthy, and future-ready workplace. Under this collaboration, MTM has successfully executed several projects that focus on sustainability, occupational safety, and employee well-being. Specialized consultants and experts from GIZ regularly visit MTM to provide technical support, conduct comprehensive assessments, and ensure best practices are implemented across our operations. In addition, various training sessions are organized for our workforce, equipping them with the knowledge and skills necessary to maintain a safe, compliant, and environmentally responsible work environment.

Our Change management Team

MTM's Change Management Team is a diverse group of engineers from environmental, chemical, electrical, and mechanical disciplines, bringing together a wide range of expertise and perspectives. Their mission is to drive transformative changes across our facilities, ensuring the highest standards of health and safety while embedding industry best practices. By implementing continuous improvement initiatives and innovative solutions, the team plays a key role in enhancing operational excellence, fostering a culture of safety, and upholding MTM's commitment to excellence and pride in every process.

Dialogue of Sustainability

In 2019, Masood Textile Mills (MTM) joined hands with GIZ under the program Dialogue for Sustainability by signing a Memorandum of Understanding (MoU) to collectively work on advancing sustainable practices. This initiative focused on four thematic areas: environment management, chemical management, water management, and energy management. The collaboration delivered successful results, including significant progress in water conservation, improved wastewater management, compliance with ZDHC MRSL/RSL standards, enhanced energy efficiency, and strengthened environmental management systems. Through this impactful program, MTM reinforced its commitment to resource efficiency, sustainable growth, and responsible business operations aligned with international best practices.

VISION Zero Program

In 2019, GIZ also initiated another program titled Vision Zero, focusing on the health, safety, and well-being of employees. The program emphasized the importance of creating a safe and supportive workplace by conducting brainstorming sessions on the 7 Golden Rules of Health and Safety and the 4 Principles of Well-being. These concepts were subsequently implemented across operations to instill a culture of care and protection. To make the learning process more engaging and impactful, employees were provided with "Billuo Thillu" interactive videos and visual guidance, enabling them to better understand practical measures for staying safe and healthy at the workplace. This initiative not only enhanced safety awareness but also strengthened overall employee well-being and organizational resilience.

Factory Trainer's Program

In 2020, GIZ launched the Factory Trainers Program to strengthen industry expertise in chemical safety and sustainable practices. After a rigorous selection process involving detailed interviews and evaluation by international experts, two participants from different units were chosen to receive specialized training on chemical management, ZDHC implementation, and the REMC toolkit. These participants then took on the role of

trainers within their respective industries, equipping employees with practical knowledge on chemical safety, handling procedures, and risk assessment. The successful implementation of this program enabled Masood Textile Mills (MTM) to achieve a major milestone — becoming 100 percent compliant with ZDHC MRSL/RSL standards, marking a significant step forward in responsible chemical management and sustainable operations.



Training Assistance Program for Vulnerable group

In 2021, Masood Textile Mills (MTM), in collaboration with GIZ, initiated a Training Assistance Program aimed at empowering vulnerable groups within society. The primary focus of this program was to provide skill development and training opportunities to specially-abled individuals, people affected by the pandemic, widows, women, minorities, and transgender persons. By equipping these groups with practical skills, the program enabled them to become self-reliant and create sustainable sources of income for their livelihoods. Through this impactful initiative, MTM successfully trained more than 2,000 individuals, contributing to social inclusion, economic empowerment, and community development.



Advance HR management Strategies Program

In 2021, Masood Textile Mills (MTM) collaborated with GIZ to launch the Advanced Management HR Strategy Program, which proved to be a highly successful initiative. The program introduced a modern Dashboard Management System and led to the revision of HR analytics and policies to align with global best practices. An Organization Development Tool was created, alongside comprehensive training sessions to strengthen managerial capacity. Key reforms included talent acquisition strategies, gap analysis, and the development of SMART goals and objectives cascading from the top to the bottom of the hierarchy. The program also facilitated management diversity, introduced a Human Development Index, and brought significant reforms in KPI structuring and performance management systems. Collectively, these initiatives transformed MTM's HR framework into a more data-driven, inclusive, and performance-oriented model.

Community of Practices Program

In 2021, GIZ launched the Community of Practices Program, in which Masood's CMT team actively participated. The program created a collaborative platform where workshops and brainstorming sessions were conducted with employees to exchange knowledge and innovative ideas. The key thematic areas covered during these sessions included Resource Efficiency and ESG Reporting, Sustainability Management Approaches and Communication, Buying Strategies and Practices, Women Empowerment, Climate Change, Advanced HR Management, Chemical Management, Product Development and Innovation, and Occupational Health and Safety. Through this initiative, employees were able to strengthen their understanding of sustainability and operational excellence while building a culture of continuous improvement and shared learning across the organization.

Psychosocial Development and Productivity Program

In 2021, GIZ initiated the Psychosocial Development & Productivity Program, under which Masood Textile Mills (MTM) workers were provided with three days of intensive onsite training. The sessions focused on building self-confidence, self-esteem, diversity and inclusion, and fostering a culture of mutual support within the workplace. This initiative aimed to enhance not only the personal growth of employees but also their overall productivity and well-being. More than 1,000 workers successfully received this training, contributing to a healthier, more inclusive, and empowered workforce at MTM.

Sustainability through innovation

In 2021, GIZ launched an innovation contest titled Sustainability Through Innovation, where various industries competed by presenting groundbreaking ideas to promote sustainable practices. After a rigorous selection process, four companies were chosen as winners, and Masood Textile Mills (MTM) was proud to be among them. MTM's CMT team presented the innovative concept of CPB Dyeing — a first-of-its-kind advancement in Pakistan's textile industry for knitwear production. This idea received widespread appreciation as it contributed significantly to water conservation, energy efficiency, reduced chemical usage, and was strongly aligned with the implementation of the Sustainable Development Goals (SDGs). As part of the recognition, MTM was provided international consultancy and exposure to the EU market, further strengthening its innovation and sustainability journey.

Green Button Program

In 2022, GIZ, in collaboration with consultants from GOPA Germany, launched the Green Button Program to promote sustainable textile production. As part of this initiative, extensive trainings and discussions on international sustainability standards were conducted, focusing on OEKO-TEX Standard 100, STeP, and Made in Green. These sessions also included valuable dialogues with EU clients to align industry practices with global expectations. The program proved to be highly successful, and Masood Textile Mills (MTM) takes pride in having implemented these standards and achieving the prestigious Made in Green certification — a testament to its commitment to sustainability, transparency, and responsible production.

OSH training Program

In 2022, GIZ, in collaboration with the Labor Department (CIWCE), organized a two-week Occupational Safety and Health (OSH) Training Program. The initiative aimed at strengthening workplace safety practices and ensuring compliance with international standards. Masood Textile Mills (MTM) actively participated by providing its workforce with comprehensive training and successfully implementing the learned practices across its operations. This program reinforced MTM's commitment to creating a safe, healthy, and secure working environment for all

Industrial Tours in different provinces

In 2024, GIZ launched the Cross-Cultural Knowledge Sharing Program to foster collaboration and learning across provinces. As part of this initiative, industrial tours were organized between Punjab and Sindh to exchange knowledge and best practices. Masood Textile Mills (MTM) actively participated by sharing its successful sustainability projects and innovative practices with industries in Karachi. In return, MTM teams visited various Karachi-based industries to gain insights and cross-provincial learning on Occupational Safety and Health (OSH) and Circular Chemical Management. This mutual exchange strengthened inter-provincial cooperation, enhanced industry-wide capacity, and promoted sustainable growth through shared experiences.

Textile's 2 Program

In 2024, Pakistan received an extension of its GSP+ status until 2026, and under the framework of the EU Green Deal, several development programs were funded in the country. During this period, GIZ launched a new project named Textiles 2, focusing on two critical areas: Women Empowerment (WE) and



Occupational Safety and Health (OSH). Special emphasis was placed on onsite training programs designed for women to strengthen their participation and well-being in the workplace. Masood Textile Mills (MTM) became an active partner in this initiative, working extensively on women empowerment and launching multiple impactful programs. Among them, the most successful was the MOM's Tribe initiative, which created a supportive platform for women employees, promoting inclusivity, professional growth, and work-life balance within the organization.

Diversity and Inclusion Training Session

Masood Textile Mills (MTM), in collaboration with GIZ, participated in a Diversity and Inclusion (D&I) training session aimed at promoting a more equitable and respectful workplace culture. The training emphasized the importance of embracing diversity, addressing unconscious bias, and ensuring equal opportunities for all employees. Key topics included gender sensitivity, inclusive leadership, and the role of diversity in driving organizational innovation and resilience. Through interactive discussions and practical exercises, participants were encouraged to challenge stereotypes, recognize barriers, and actively contribute to building an inclusive environment. By engaging in this initiative with GIZ, MTM reaffirmed its dedication to strengthening workplace inclusivity and equity, empowering employees to thrive in a culture built on respect, fairness, and collaboration.

Empowering Working Mothers – MOM’s Tribe

In collaboration with GIZ, Masood Textile Mills (MTM) has taken a significant step towards creating an inclusive and supportive workplace through the **Employee Resource Group (ERG) initiative**. Recognizing the unique challenges faced by working mothers, MTM has prioritized their well-being by establishing a dedicated support group named **MOM’s Tribe**.

MOM’s Tribe provides a safe and open space where woman employees can share their experiences, voice their concerns, and receive psychological and emotional support. This initiative ensures that working mothers do not feel isolated, but instead find strength in a community that understands their journey. By addressing both personal and professional challenges, MOM’s Tribe helps mothers maintain a healthy balance between their family responsibilities and career aspirations. Through this project, MTM has reaffirmed its commitment to **employee well-being, gender inclusivity, and mental health support**, fostering an environment where women feel valued, empowered, and safe.

Women Empowerment Program – Mentorship Initiative

As part of our collaboration with **GIZ under the WE Program**, Masood Textile Mills (MTM) successfully completed the first chapter of the **Women Mentorship Program**. This initiative was designed to strengthen the professional and personal development of women employees by pairing them with suitable mentors who could guide and support their growth. The mentor–mentee pairs were carefully selected based on the identified gaps in skills, confidence, or career progression of the woman employees. By working closely together, these pairs focused on closing those gaps, empowering women to enhance their capabilities, overcome challenges, and achieve greater balance in their professional journeys. Through this mentorship initiative, MTM and GIZ have nurtured a culture of **knowledge sharing, mutual growth, and women’s empowerment**, enabling woman employees to feel more confident, capable, and inspired to take on leadership roles in the future.

Women Empowerment – Training Session with LUMS Representatives

In collaboration with **GIZ**, Masood Textile Mills (MTM) organized a specialized **training session on women empowerment** facilitated by expert representatives from the **Lahore University of Management Sciences (LUMS)**.

The session focused on strengthening women’s leadership abilities, communication skills, and self-confidence, while also addressing challenges related to work–life balance and professional growth. Through interactive discussions and practical guidance, participants were encouraged to recognize their strengths, overcome barriers, and take proactive steps in shaping their career paths. This initiative, sponsored by GIZ, reflects MTM’s commitment to **fostering women’s development and inclusivity** in the workplace. By engaging with leading academic experts, MTM continues to create opportunities that empower women to thrive personally and professionally, contributing to a more diverse and resilient organizational culture.



Visit by GIZ OSH International Consultant at MTM

MTM recently had the privilege of hosting a GIZ Occupational Safety and Health (OSH) Consultant as part of our continuous efforts to strengthen workplace safety and compliance with international standards.

During the visit, the consultant conducted a detailed review of MTM's safety protocols, workplace practices, and compliance frameworks. Special attention was given to areas such as risk assessments, emergency preparedness, use of personal protective equipment (PPE), and ergonomics across production floors. The consultant also evaluated the effectiveness of MTM's existing OSH management systems and identified opportunities for further alignment with global best practices.

This visit reaffirms MTM's commitment to employee well-being, sustainable operations, and compliance with international OSH standards, ensuring that safety remains at the core of our organizational values.



DIVERSITY EQUITY & INCLUSION (DE&I)

At MTM, we believe that diverse perspectives spark the most innovative solutions. We are committed to building a workplace that is equitable, inclusive, and welcoming—where every individual is respected, heard, and empowered to achieve their fullest potential.

EMPOWERING RIGHTS FOR THE ALL

we uphold human rights across our operations, supply chain, and communities, embedding these principles into every policy and practice.

WORKERS' RIGHT TO FREEDOM OF ASSOCIATION

MTM is committed to protecting workers' freedom of association. Through awareness initiatives and an active **Worker Management Council**, where representatives speak openly and all workers have the right to voice their opinions, we ensure that our workers feel safe and can communicate with us freely. We extend this commitment to our suppliers, with no violations reported to date.

Bayaan – Because Her Needs Matter

Bayaan is our commitment to advancing women's health, dignity, and equity in the workplace. Centered on menstrual hygiene and overall well-being, the initiative provides women employees with on-demand access to sanitary products and promotes awareness around menstrual health. To make this support practical and accessible, 8 vending machines have been strategically installed across our facilities, ensuring timely and discreet access to essential hygiene items, particularly during emergencies. Bayaan reflects our promise to foster an inclusive and supportive environment where every woman's needs are valued.



GRIEVANCE HANDLING MECHANISM-WE HEAR YOU

MTM ensures a **confidential, fair, and effective grievance process**. Employees can raise concerns anonymously or via floor managers, HR, worker representatives, an open-door policy, or weekly-reviewed suggestion boxes. Issues should first be discussed with supervisors and, if needed, escalated to HR, senior management, or the Director IM/HR for resolution.

Grievance management is continuously improved through regular training and updates via third-party channels. For sensitive cases like harassment, dedicated committees of senior management and employee representatives oversee the resolution process, ensuring fairness and transparency



Governance

Strong governance is the cornerstone of sustainable success at Masood Textile Mills Limited. Our governance framework is built on transparency, accountability, and ethical leadership, ensuring that every decision aligns with the long-term interests of our stakeholders.

Guided by integrity and adherence to global best practices, we foster a culture of responsibility that not only strengthens trust but also drives resilience and supports our unwavering commitment to sustainable growth.





WHAT WE'RE DOING

Driven by a growth-focused, customer-first approach, Masood Textile Mills (MTM) positions itself as a trusted Full Family Clothing Partner of Choice. We are committed to producing responsibly manufactured, multi-category apparel that adheres to the highest environmental and social standards.

While maintaining a strong presence in apparel textiles, we continue to enhance the reputation of our denim, woven garments, activewear, and sportswear businesses—offering inclusive solutions that serve customers across all ages, genders, and lifestyles.

WHY IT MATTERS

Creating economic value lies at the heart of MTM strategy for long-term growth and sustainable impact. By prioritizing value creation, we continuously reinvest in innovation, enhance our capabilities, and strengthen our competitive position in a dynamic global market. We cultivate strong, mutually beneficial relationships with our suppliers, reinforcing the resilience of our supply chain and driving operational excellence. Through this approach, we ensure lasting value for our employees, communities, and shareholders, while contributing positively to the broader textile ecosystem.

GOAL

Masood Textile Mills aspires to evolve into a USD 1 billion full-family clothing business by FY 2028, driven by innovation, operational excellence, and sustainable practices. We remain focused on strengthening customer trust, enhancing our global credibility, and building long-term partnerships that create lasting value across the textile value chain.

Economic Return

Creating economic value is at the core of Masood Textile Mills' (MTM) strategy for long-term growth and sustainable impact. By prioritizing value creation, we continuously reinvest in innovation, enhance our capabilities, and strengthen our competitive position in a dynamic global market.

We cultivate strong, mutually beneficial relationships with our suppliers, reinforcing the resilience of our supply chain and driving operational excellence. Through this approach, we ensure lasting value for our employees, communities, and shareholders, while contributing positively to the broader textile ecosystem.

MTM plays a significant role in the national economy by exporting high-quality garments to international markets, contributing to foreign exchange earnings, while also supplying fabric and yarn to local manufacturers and stakeholders, fostering domestic industry growth and economic participation. The company is committed to sustainable production practices, including the recycling of fabric waste, which reduces environmental impact and promotes circularity within the textile value chain. These initiatives not only conserve resources and reduce waste but also create additional economic opportunities through the reuse and repurposing of materials. Through this holistic approach, MTM reinforces its position as a responsible and innovative textile leader, generating economic, social, and environmental benefits while strengthening the broader textile ecosystem in Pakistan and beyond.

SDGs SUPPORTED

- 8. Decent Work and Economic Growth
- 9. Industry, Innovation, and Infrastructure
- 12. Responsible Consumption and Production

COMPANY PROFILE

Based in Pakistan, Masood Textile Mills is a **fully integrated apparel manufacturer** producing **denim, knitted garments, and seamless active & sportswear** for top international brands and retailers. With a focus on quality, innovation, and sustainability, MTM strives to establish itself as a **preferred global partner** in the apparel industry.

Masood Textile Mills (MTM) is powered by a **diverse workforce of over 20000 employees** from multiple nationalities, working collaboratively across its global operations. The company's robust infrastructure includes **advanced manufacturing facilities in Pakistan**, complemented by **strategic sourcing and manufacturing partnerships abroad**. Additionally, MTM maintains **regional offices and service centers in key international markets**, enabling seamless engagement with global clients while upholding high standards of production, quality, and sustainability.

Globally recognized for its **manufacturing excellence**, Masood Textile Mills (MTM) is also a **leader in environmental sustainability** and a **driver of social change**. As part of its **digital transformation journey**, MTM continues to enhance its **ERP and ORACLE systems**. For real-time monitoring and energy efficiency, the company has implemented **SCADA (Supervisory Control and Data Acquisition)** and **PLC (Programmable Logic Controller) systems** to monitor and control industrial processes efficiently. **Metron meters**, equipped with compatible registers such as the **Prism Register**, are integrated with SCADA and PLC systems to provide accurate **remote data acquisition**. This advanced setup enables MTM to capture production-floor data, optimize operations, improve efficiency, and drive continuous improvement across its manufacturing facilities

MTM has embraced advanced information technology to accelerate product development and enhance quality. The company utilizes robust systems such as Oracle for enterprise resource planning, IMS for effective information management, and IT networking to ensure seamless connectivity. To strengthen supply chain visibility, MTM employs Back Track and Lot Track tools for comprehensive traceability, while inventory is efficiently managed through the FIFO (First-In-First-Out) approach. Together, these initiatives drive efficiency, transparency, and consistent quality across operations.

Committed to the **Race to Zero** initiative, Masood Textile Mills (MTM) emphasizes a **circular economy approach** and has committed on **Science-Based Targets**. With several **Made in Green certified facilities, Green to Wear Certification, ZDHC and WORDLY**, MTM continues to demonstrate its dedication to **sustainable development** and responsible manufacturing practices.



BUSINESS CATEGORIES

* Production capacity

2024

2023

2022

2021

RUPEES IN MILLION

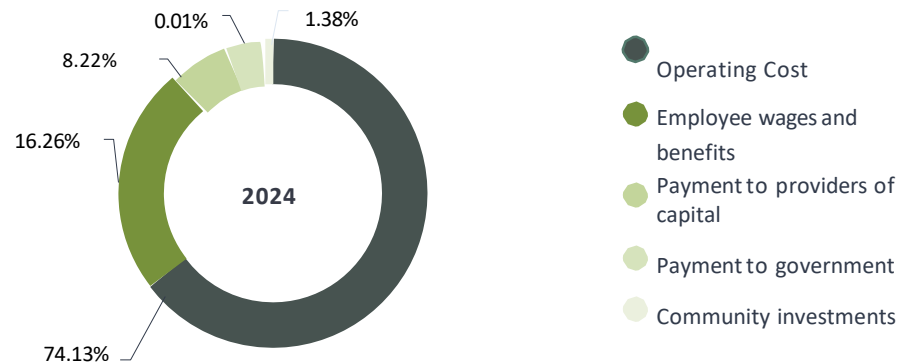
Economic Value Generated

Revenue	60,931	65,241	57,789	38,261
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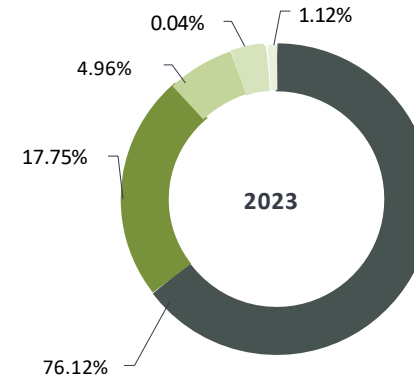
Economic Value Distributed

Operating Cost	43,741	46,274	42,801	28,183
Employee Wages and Benefits	9,594	10,793	9,152	6,716
Payment to Providers of Capital	4,852	3,018	1,290	1,171
Payment to Government	815	680	512	327
Community Investments	3	25	-	-
Economic Value Retained	1,926	4,451	4,034	1,864

ECONOMIC VALUE DISTRIBUTED 2024

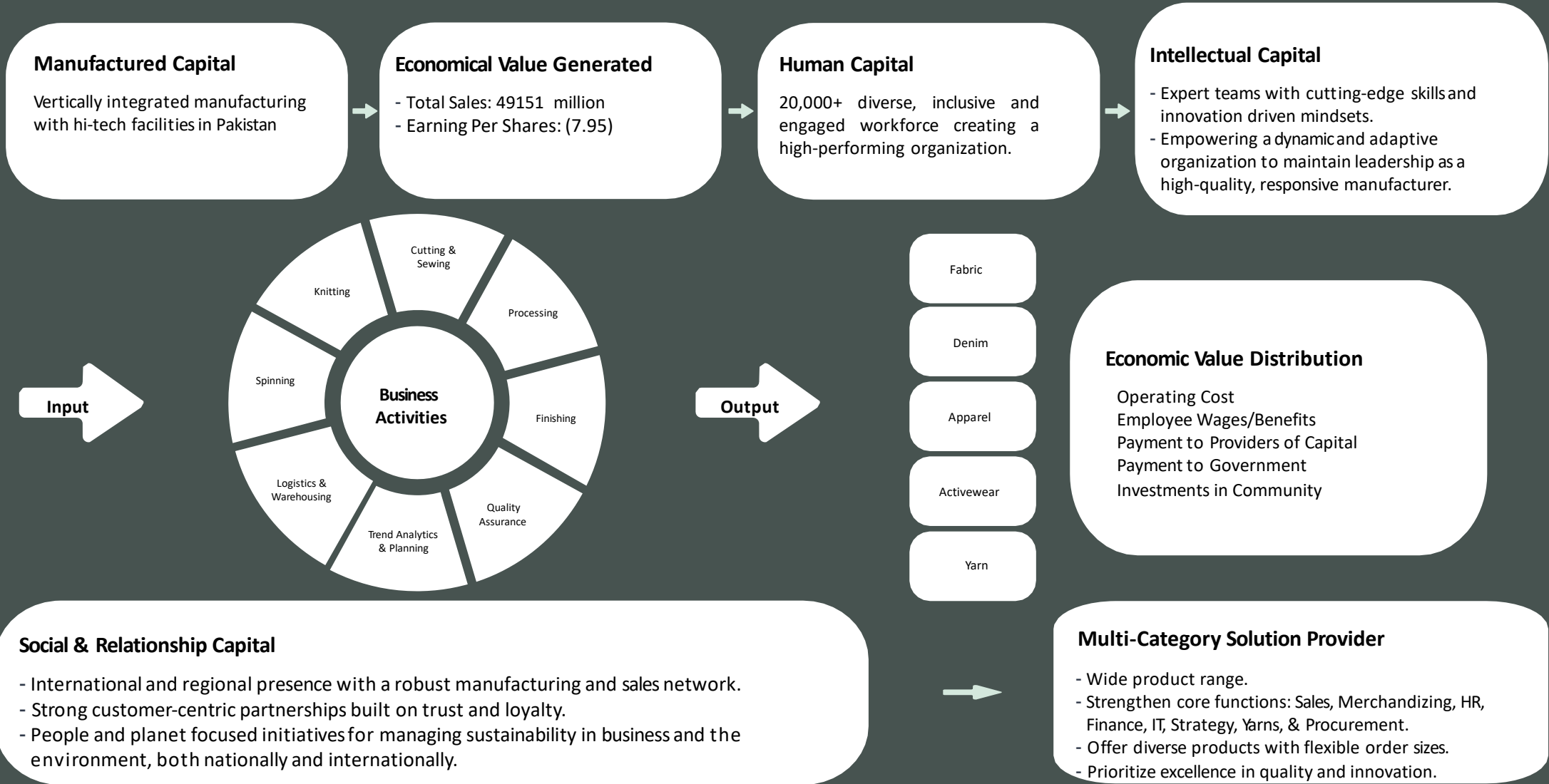


ECONOMIC VALUE DISTRIBUTED 2023

**Defined Benefit and Employee Welfare Plans**

Masood Textile Mills offers market-competitive salaries and benefits, regularly reviewing remuneration to ensure relevance and compliance. Beyond standard compensation, the company provides defined benefits in the form of **gratuity**, which requires no employee contributions, with its liability determined through **actuarial valuation**.

Employee welfare is further strengthened through **social security facilities**, access to **Rabia Trust**, where specialized doctors provide healthcare services, and generous **parental and maternity leave** policies to support work-life balance. MTM also contributes to **community development**, including funding education at **The Citizens Foundation (TCF) school**, reflecting its commitment to social responsibility. As of FY 2024, the liability for the defined benefit plan stood at **PKR 2108 million**, up from **PKR 1722 million** in FY 2023.



CUSTOMERS

Some of our top clients across Europe, USA and Asia

JCPenney

Foot Locker

next



BESTSELLER

ZARA

SCOTCH & SODA
AMSTERDAM



PULL&BEAR

TOMMY HILFIGER



Pepe Jeans
LONDON



COLLABORATION & REWARDING SUPPLIERS

Our suppliers are key growth partners, helping us meet production targets and responding to the demand for sustainable products. Committed to ethical supply chain practices, we promote sustainability to minimize negative impacts, build customer trust, and strengthen brand loyalty. This approach positions us as leaders in corporate responsibility.

OUR APPROACH & PERFORMANCE

Our supply chain management strategy aims to address disruptions, ensure operational continuity, meet rising product demand, and realize our goal of becoming the full family clothing partner of choice. MTM's Procurement & Supplies department delivers high-quality materials promptly to meet our needs. Our procurement approach and policies emphasize quality, cost-effectiveness, and positive change for the stakeholders by committing to ethical and sustainable practices.

Masood Textile Mills' Green Purchasing strategy is designed to minimize the company's environmental footprint by promoting smart and sustainable procurement practices. Suppliers are required to adhere to international product quality and specification standards, while our procurement policies and Supplier Code of Conduct emphasize health and safety, ethical labor practices, compliance with UFLPA and other European regulations, and protection of human rights within supplier operations.

To strengthen these commitments, MTM conducts awareness sessions with business partners, highlighting the importance of social and environmental responsibility, sustainability initiatives, effective chemical management, and compliance with the Higg Index.

We prioritize sustainability criteria when onboarding suppliers, and our regular audits ensure compliance and minimize impacts across the supply chain. We screened all 65 new suppliers for their environmental and social impacts. As part of our supply chain management strategy, we also evaluated 50 existing suppliers (37 from Tier 1 and 13 from beyond Tier 1) for their environmental impact. No adverse environmental effects were found. Ninety-one percent of our Tier 1 and 2 suppliers met the applicable wastewater discharge regulations. Of our suppliers, 24 (36.9%) are certified under the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM), including 8 from Tier 1 and 5 from lower tiers.

Similarly, we audited 42 of our current suppliers (17 from Tier 1 and 25 beyond Tier 1) according to Pakistan's labor laws and SA 8000, using either our internal auditors or third-party auditors. Our findings revealed that 14 suppliers were adversely affecting their workers' health and safety, showing insufficient emergency preparedness and facing issues related to overtime and non-payment of minimum wages. We collaborated with these suppliers to develop improvement plans to

address these challenges. No suppliers were removed following this assessment. We obtain declarations from overseas vendors and verify local vendors to ensure they are not sourcing from regions at risk for child labor or forced labor.

As a fully integrated denim and apparel manufacturer, cotton forms the core of Masood Textile Mills' (MTM) operations. To enhance transparency and sustainability, MTM has implemented a proprietary traceability system that provides end-to-end visibility of cotton-derived products, from the farm to final production. This platform enables supply chain stakeholders to track, trace, and access accurate raw material information, supporting shared sustainability goals. Additionally, MTM collaborates with international brands to fulfill their traceability requirements.

We procure the following items from our wide range of supplier base:

- Fibers (raw material), Fabric, yarns (Cotton Yarns, Man-Made Yarns, Regenerated and Recycled Yarns)
- Dyes & Chemicals which meet Oeko-Tex requirements and other international certifications
- FSC™ Certified Accessories and Packaging FSC™ (C-208586)
- Services General (repair & maintenance, construction, etc.)

Our supply chain comprises 1678 suppliers, of which 1200 are active suppliers spanning more than 21 countries. The suppliers in Pakistan (Yarn suppliers) are mainly labour-intensive, while suppliers abroad (parts, machines, and plants) are technology-intensive.

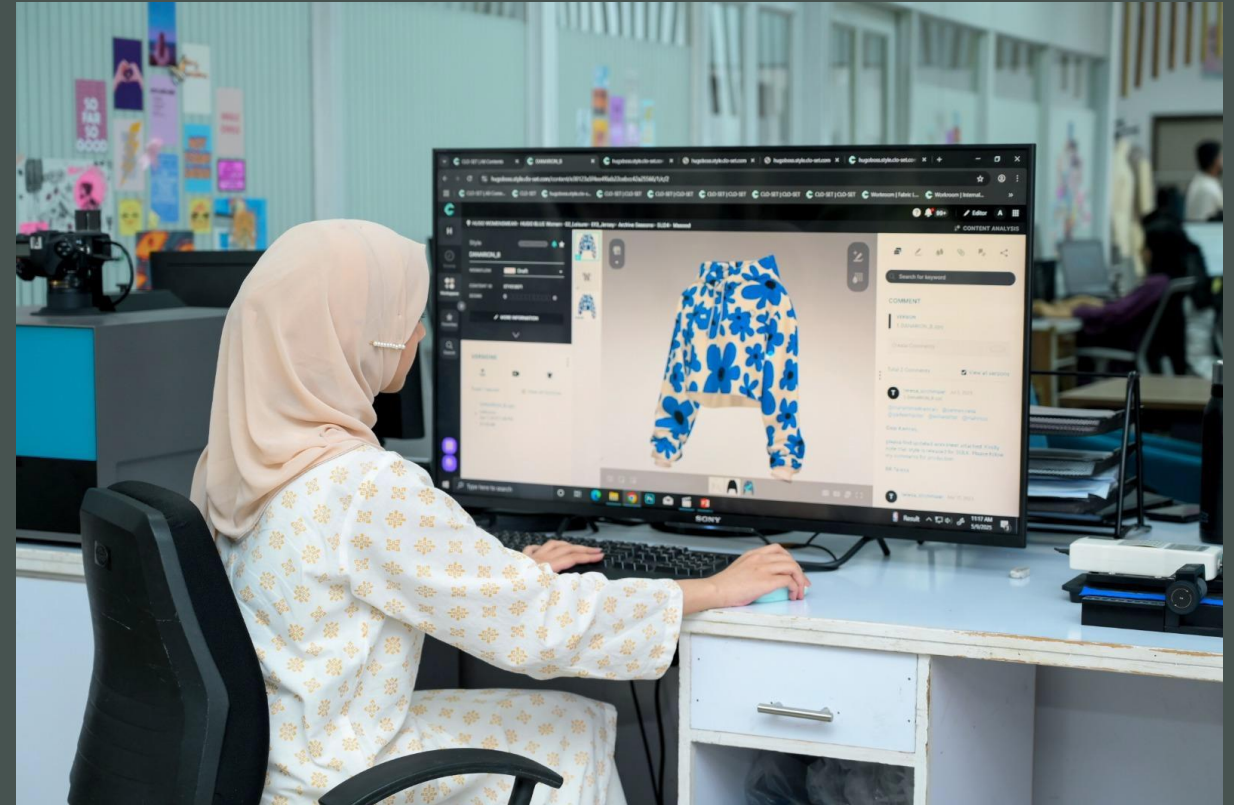
We primarily procure materials and services from local suppliers, in line with our strategy to encourage the development of a local supply chain, leading to economic development within the country. The equipment, materials, and services unavailable in Pakistan or do not meet the end customer requirements are procured from abroad.

During FY 2024, we made payments totaling approximately PKR 50 million against the procurement of materials and services, of which 67% was sourced from local suppliers and 33% from global suppliers.



REPORTING COMMITMENTS

At **Masood Textile Mills**, our integrated business planning framework underpins strong ESG performance and guides us toward our long-term strategic objectives. Our approach is focused on driving sustainable growth that generates enduring value for all stakeholders—including shareholders, customers, employees, and the communities we serve.



WHY IT MATTERS

Strong governance and ESG oversight are key to sustainable business and long-term value. The Company Board ensures accountability and transparency, with a clear differentiation of Chairperson and CEO roles. Specialized committees, like the ESG Committee, enhance sustainability oversight.

GOAL

Our long-term ESG goals include exploring carbon markets, increasing its sustainable footprint, enhancing operational efficiency, switching to low-emission- intensive fuel, and ramping up renewable energy.

SDGs SUPPORTED

- 5. Gender Equality
- 8. Decent Work and Economic Growth
- 9. Industry, Innovation, and Infrastructure
- 12. Responsible Consumption and Production
- 13. Climate Action
- 16. Peace, Justice, and Strong Institutions
- 17. Partnerships for the Goals

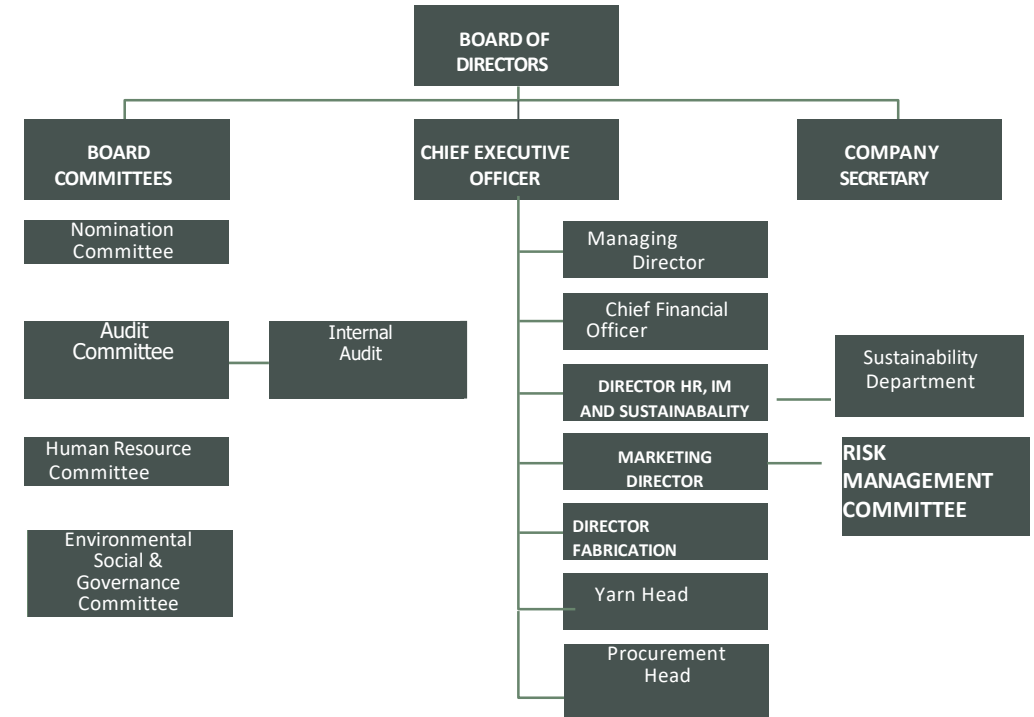
How We Govern

Masood Textile Mills (MTM) is guided by a **Board of Directors**, which serves as the highest governance authority and is elected every three years. The Board is composed of **seven members**, with the **Chairperson and CEO roles held separately**. Non-executive and independent directors have **no financial ties to MTM** beyond their directorship fees.

To ensure **robust governance**, the Management has established key committees, including the **WMC, Canteen Committee, Risk Management Committee, and ESG Committee**, each with clear objectives to support informed decision-making.

To strengthen **sustainable development expertise**, the Board and top management actively **stay updated on ESG trends**, participate in sustainability-focused events, and engage in related initiatives. MTM also conducts **training sessions and workshops** for executives to promote continuous learning and ensure informed, responsible decision-making.

ORGANIZATIONAL STRUCTURE



GOVERNANCE & ESG OVERSIGHT



The Board is responsible for developing, approving, and updating the organization's purpose, vision, values, policies, strategies, and goals related to sustainable development. This includes setting the direction for sustainable practices and ensuring alignment with the organization's overall mission.

The Risk Management Committee (RMC) oversees due diligence processes to identify and manage impacts on the economy, environment, and people, reporting directly to the Board. These outcomes help integrate a comprehensive understanding of impacts into strategic decisions, enhancing the organization's ability to identify and mitigate risks effectively. The Board regularly reviews the efficacy of these processes in Board Meetings to ensure effective management of impacts and responsiveness to changing contexts and emerging challenges.

The evaluation of the Board's oversight role and its effectiveness is an ongoing process, appraised by the Board itself. A comprehensive evaluation mechanism, developed in accordance with the Code of Corporate Governance Regulations, 2019, and global best practices, is in place. Based on self-evaluation, the Board plans and implements appropriate actions to enhance its effectiveness

POLICIES AND PROCESS DETERMINE REMUNERATION



The remuneration policies for the highest governance body are developed in accordance with the Code of Corporate Governance, with no Director participating in the determination of his/her own compensation. Non-Executive Directors are only compensated with fees for attending Board meetings, with no additional emoluments paid.

The Human Resource and Remuneration Committee (HR & R Committee) is tasked with creating, reviewing, and refining the remuneration policies, ensuring they reflect current industry standards, business practices, and align with the objectives for managing impacts.

The Board approves the remuneration policies, confirming they are in line with the organization's strategic direction. No external consultants were engaged in determining remuneration during the year.

CONFLICT OF INTEREST AND CRITICAL CONCERNS

Our code of conduct is a vital part of our governance structure, guiding ethical business practices, relationships with our business partners, and the expected conduct from our people.

We have strict processes in place to prevent and mitigate conflicts of interest within the organization. Clear policies are communicated to all members, ensuring awareness and adherence to ethical standards.

Any conflicts arising from cross-board memberships, cross-shareholding, controlling shareholders, and related party transactions are actively identified and managed through the Audit Committee. Also, these arrangements and transactions are clearly highlighted and presented for approval by shareholders during the Company's general meetings.

MTM has established grievance-handling mechanisms and other processes that enable stakeholders to raise concerns regarding the organization's potential and actual negative impacts. Any critical concerns raised by stakeholders, covering issues related to ethics, compliance, environmental impact, social responsibility, and other significant areas, are promptly communicated to the Board through the relevant Committees.



MTM maintains an open and accessible channel through which employees, customers, suppliers, and other stakeholders can report these concerns. The Board actively engages with Board Committees, expert advisors, and relevant stakeholders to address these concerns effectively, in line with policies and applicable regulations, ensuring all responses are ethical, timely, and aimed at resolving the concerns satisfactorily.

ESG MANAGEMENT

The ESG Committee is tasked with advising the Board on all ESG-related matters. While the overall responsibility for managing sustainability impacts lies with the Chief Executive Officer, the Director Industrial Management, HR and Sustainability is specifically responsible for overseeing environmental impacts. The corporate sustainability department supports the ESG Committee by helping define long-term goals and strategies, assisting businesses with target setting, baseline calculations, and identifying potential sustainability projects related to environmental impacts.

Moreover, the department develops new policies, recommends actions, and monitors performance.

The CEO Secretariat and HR department also collaborate with the ESG Committee to shape strategies and set targets for social and economic impacts. Specific responsibilities are delegated to various teams across the organization, ensuring a comprehensive approach to sustainability.

Regular reporting mechanisms are in place, involving senior executives, the corporate sustainability department, the ESG Committee, and other designated team members. Sustainability performance is reviewed quarterly at the business vertical level, bi-annually at the corporate level, and annually at the Board level. The responsibility for reviewing and approving material topics and the annual sustainability report has been assigned to the Chief Marketing Officer, who reports to the CEO and presents findings for further deliberation by the ESG Committee.

OUR STRATEGY

Rooted in our company's mission and fully embraced by our dedicated teams, our sustainability strategy is deeply embedded in our business planning, processes, policies, and practices. Across all our operations, we focus on effectively managing our impacts in key sustainability areas, including reducing our environmental footprint, safeguarding the well-being of our people and communities, upholding labor and human rights, and promoting sustainable practices throughout our supply chain. This approach allows us to continuously grow our business while creating shared value and driving positive change for all our stakeholders.

Our five-year environmental and social targets, aligned with Vision 2025, and our approved science-based targets reflect our long-term strategic priorities. As an industry leader, we recognize the significant influence we have in driving positive change, and we remain committed to advancing sustainability practices that contribute meaningfully to global sustainability challenges. Furthermore, we are actively mapping our supply chain and collaborating to develop a unified roadmap, ensuring emissions reduction across all scopes.

POLICY COMMITMENTS

Our code of conduct and policies require conducting due diligence at the outset to identify potential negative impacts and develop appropriate strategies to mitigate them. The CEO approves all policy commitments applicable to our operations, employees, and supply chain partners

To promote sustainable practices, employees and supply chain partners are informed about policies and updates through various channels, including the internal systems, mobile application WEBHR, emails, and business meetings. Our commitment to responsible business conduct, as well as the respect and promotion of human rights, forms the foundation for developing and revising our relevant policies.

Managers are responsible for implementing and ensuring that our activities align with approved policies, procedures, and commitments. We also organize regular sessions for employees and supply chain partners to ensure the effective integration of these policies and procedures into day-to-day operations.

Compliance with policies and procedures is ensured through internal audits, external reviews, and certifications, all of which are discussed in the management approaches for material topics.

MITIGATING ADVERSE IMPACTS

Our proactive approach, supported by risk assessments, enables the early identification of potential negative impacts from our activities and the implementation of appropriate measures to prevent them.

However, in cases where negative impacts are unavoidable, plans are developed based on the severity and scale of the impacts to address them within our operations and supply chain. Affected stakeholders can submit complaints through our grievance reporting mechanisms, which include WEB-HR and suggestion/complaint boxes located at each business site. The complaints are reviewed by the respective teams for resolution, and the outcomes are communicated to the concerned parties.



TRACEABILITY AT MTM – QR BACKTRACK & COTTON TRACEIT APP

MTM has developed its own **Cotton TraceIT App** to ensure complete visibility from farm to finished product. This digital solution secures end-to-end documentation, allowing us to track and monitor every stage of the supply chain with accuracy and transparency. Complementing this, MTM has introduced an **internal QR Back-Tracking System**, which enables garments to be traced back to their exact origin through a simple QR code scan.

Furthermore, MTM is fully aligned with **sustainable standards and Textile Exchange benchmarks**, ensuring credibility, responsible sourcing, and compliance with both national and international requirements. Together, these initiatives strengthen supply chain accountability, enhance product integrity, and demonstrate MTM's unwavering commitment to transparency and responsible production.



RISK MANAGEMENT

Our Systematic Approach

Masood Textile Mills (MTM) approaches risk management as a **systematic process** encompassing the identification, assessment, mitigation, and reporting of risks, fully integrated into the company's operations and systems. MTM adopts a **forward-looking approach**, focusing on **proactive measures** to minimize both the likelihood of risk occurrence and its potential impact, rather than responding reactively.

The **Risk Management Committee (RMC)** supports the Board in **developing and overseeing the implementation of the Risk Management framework**. It is responsible for evaluating strategic and operational controls to ensure that **appropriate mitigation measures** are in place across the organization.

MTM's **Risk Management Policy** follows the **"Three Lines of Defense"** model, clearly defining the roles of the Board, RMC, Senior Management, and the **Compliance and Sustainability Department**.

To facilitate effective implementation, the **Compliance and Sustainability Department** supports the development, execution, and continuous enhancement of risk management practices. This includes **establishing internal controls**, collaborating with other departments to **identify and assess risks**, and ensuring mitigation strategies are applied consistently across all levels. Additionally, MTM, in **collaboration with GIZ**, is conducting **floor risk assessments** to ensure a **safe and healthy working environment** for all employees.

Departments across MTM **identify risks within their respective areas and implement suitable mitigation strategies**. In today's digital landscape, **cybersecurity risks** are a significant global challenge, as organizations are increasingly exposed to attacks targeting company and customer data. To mitigate these risks, MTM has implemented **Information Security Policies** and an **Information Security Procedure Manual** in line with **ISO 27001:2022**. The company's **Information Security Management System (ISMS)** has been audited and approved by key customers, ensuring robust protection of critical data.

IDENTIFYING MATERIAL SUSTAINABILITY RELATED IMPACTS, RISKS & OPPORTUNITIES

MTM assessed sustainability-related impacts, risks, and opportunities by evaluating stakeholder interests, the company's risk register, and feedback from grievance mechanisms. In assessing sustainability-related risks and opportunities, we aligned our approach with the IFRS S1 and IFRS S2 standards and referred to the 2023-12 edition of the SASB Apparel, Accessories & Footwear Sustainability Accounting Standard. The assessment also considered industry-specific sustainability challenges, external factors influencing the company's future, and the significant environmental, economic, and social implications of its operations. After identifying sustainability-related risks,

MTM evaluates them through its established risk management framework, assessing both their potential impact and likelihood. This evaluation helps determine the relative significance of each risk and prioritize mitigation efforts in alignment with the company's overall strategy.

The prioritization of topics considers both positive and negative impacts, including the severity and probability of adverse outcomes and the potential scale and likelihood of beneficial effects. MTM also analyzes how sustainability-related risks and opportunities affect the company's business prospects, market position, and the decision-making of investors and lenders. To identify the material topics for reporting, MTM applies a double materiality framework, which considers both impact materiality and financial/material influence.

In addition to impact materiality, MTM also considers financial materiality. This analysis led to the identification of significant impacts, risks, and opportunities, which were then categorized into material topics and finalized through discussions with senior management and subject-matter experts. For the current year, the material topics were re-evaluated, integrating considerations such as market presence, security practices, employment practices, and human rights.

An emerging area of risk relates to forced labor and supply chain human rights abuses, which carry reputational, financial, and compliance implications. Increasingly stringent international regulations—such as the European Union's Corporate Sustainability Due Diligence Directive (CSDDD) and the Corporate Sustainability Reporting Directive (CSRD), as well as U.S. Customs enforcement under the Uyghur Forced Labor Prevention Act (UFLPA)—require companies to demonstrate supply chain transparency and due diligence. Non-compliance may result in shipment detentions, fines, restricted market access, or long-term reputational damage.

While these challenges present significant risks, they also open opportunities for MTM to strengthen its traceability systems, deepen supplier engagement, and adopt advanced monitoring technologies. Proactive compliance with global regulations not only mitigates the risk of trade disruptions but also enhances investor confidence, builds customer trust, and secures competitive advantages in international markets. In response to evolving industry standards and regulatory requirements, MTM updates its materiality process annually to ensure continued relevance and alignment.

Each material topic is addressed in relevant sections of the report, outlining management approaches, key initiatives, performance data, and future outlook. These material topics form the foundation for MTM's sustainability strategies and programs, guiding efforts to mitigate negative impacts—such as labor and compliance risks—while maximizing value-enhancing opportunities in sustainable sourcing, innovation, and stakeholder relationships.

What are IROs?

Sustainability Impacts

Masood Textile Mills (MTM) actively **identifies, manages, and addresses significant positive and negative impacts** on people, the environment, and the economy. These impacts are comprehensively documented in our **Sustainability Report**, which serves as a key reference for a wide range of stakeholders. The report details stakeholder concerns and evaluates how MTM's operations contribute to **sustainable development** across multiple dimensions. It highlights **positive outcomes**, such as improvements in **social equity** and **environmental protection initiatives**, while also addressing **adverse effects**, offering a balanced and transparent view of our ongoing commitment to sustainability.

Sustainability-related financial risks and opportunities

Masood Textile Mills (MTM) is committed to **identifying and managing material sustainability-related financial risks and opportunities** that could significantly affect **cash flows, financing options, or capital expenditures** across short-, medium-, and long-term horizons. To ensure **transparency and accountability**, this critical information is carefully disclosed in our **annual and sustainability reports**, providing stakeholders with a clear view of MTM's **financial health and long-term strategy**. A detail is considered **material** if its omission, misrepresentation, or concealment could reasonably influence **investment decisions**, reflecting MTM's commitment to **accurate and comprehensive disclosure** for investors and other interested parties.

ESG RISK MANAGEMENT

TOPIC	SRR/CRR/SRO/CRO	IMPACT, RISK AND OPPORTUNITY	VALUE CHAIN	TIME HORIZON
Emissions	CRR	<p>Impact Contributes to climate change, causing extreme weather patterns and impacting raw material availability.</p> <p>Risk Failure to adapt to technology and market shifts can create a trust gap and decrease product demand, affecting the company's value. Failing to comply with emissions standards can also result in fines and penalties.</p> <p>Opportunity Proactive emission control could enhance efficiency, reduce costs, and ensure compliance with sustainability standards, resulting in a positive brand reputation, attracting eco-conscious customers, and unlocking green financing opportunities.</p>	Own operations, upstream	Medium-term to Long-term
Energy	CRR/CRO	<p>Impact Contribution to climate change using fossil fuel energy sources.</p> <p>Risk Rising global pressure to decarbonize and adopt net-zero policies may require MTM to accelerate its transition to low-carbon energy sources. This shift could involve transitional costs, including investments in new technologies and potentially higher operational expenses. Additionally, there is a risk of reputational damage if the company fails to comply with international energy standards or continues to rely heavily on fossil fuels.</p> <p>Opportunity MTM can achieve its science-based targets and reduce annual energy costs by investing in renewable energy sources and low-carbon alternative fuels, supporting both environmental and economic sustainability.</p>	Own operations, upstream	Medium-term to Long-term
Materials Sourcing & Usage	SRR/SRO	<p>Impact Use of scarce material resources and effects on the supply chain.</p> <p>Risk Risk of increased costs due to reliance on limited material resources without sustainable sourcing strategies</p> <p>Opportunity An opportunity of cost savings over the medium to long term in relation to sustainable materials sourcing and management.</p>	Own operations, upstream	Medium-term to Long-term

* CRR: Climate related risks

* CRO: Climate related opportunities

* SRR: Sustainability related risks

* SRO: Sustainability related opportunities

TOPIC	SRR/CRR/SRO/CRO	IMPACT, RISK AND OPPORTUNITY	VALUE CHAIN	TIME HORIZON
Waste	SRR/SRO	<p>Impact The generation and disposal of both hazardous and non-hazardous waste impact climate, employee health and safety, and the well-being of surrounding communities.</p> <p>Risk Poor handling or disposal of industrial waste poses risks to ecosystems, contaminating soil, water, and surrounding habitats that communities rely on. Beyond environmental damage, such practices could result in regulatory action, financial liabilities, and reputational setbacks, potentially undermining MTM’s long-term growth and stakeholder trust.</p> <p>Opportunity For Masood Textile Mills (MTM), strengthening waste management practices and advancing circularity present a clear opportunity to achieve cost efficiencies over the medium to long term. By reusing resources and minimizing disposal needs, MTM can reduce operational costs while driving sustainable growth.</p>	Own operations, upstream	Medium-term to Long-term
Water and Effluents	SRR/SRO	<p>Impact Unsustainable water use and untreated discharge can put pressure on freshwater availability, intensifying risks of scarcity while also creating health and safety concerns for surrounding communities and ecosystems.</p> <p>Risk Water shortages or failure to comply with discharge standards could disrupt operations, strain community relations, and lead to reputational and regulatory risks.</p> <p>Opportunity Over the medium to long term, effective water management and expanded recycling initiatives can unlock significant cost savings while supporting sustainable resource use.</p>	Own operations, upstream	Medium-term to Long-term
Health and Safety	SRR	<p>Impact Employee health and safety directly influence productivity levels, regulatory compliance, and the ability to meet customer expectations.</p> <p>Risk Unsafe working conditions can lead to serious accidents or fatalities, while also causing reduced productivity, financial losses, higher operational costs, legal liabilities, and reputational damage.</p> <p>Opportunity Strong health and safety practices improve productivity, reduce costs, and build stakeholder trust.</p>	Own operations, upstream	Short-term

TOPIC	SRR/CRR/SRO/CRO	IMPACT, RISK AND OPPORTUNITY	VALUE CHAIN	TIME HORIZON
Employment & Labour Practices	SRR/SRO	<p>Impact Supporting economic development by creating employment while ensuring compliance with laws, customer requirements, and international standards.</p> <p>Risk Workforce challenges—including talent shortages, limited adaptability, insufficient diversity, and gaps in digital or entrepreneurial skills—can restrict growth and strategic progress. Failure to comply with labor regulations or international standards may also result in fines and reputational damage.</p> <p>Opportunity Improved labor practices and government collaboration can unlock new markets and drive business growth.</p>	Own operations, upstream	Short-term to Medium-term
Training & Education	SRR/SRO	<p>Impact Operations can affect local communities, with potential risks to social well-being if needs are unmet. At the same time, contributing to education, healthcare, and livelihood opportunities promotes economic development and strengthens community resilience.</p> <p>Risk Company operations that negatively affect local communities can lead to social unrest, potentially causing operational disruptions and reputational damage.</p> <p>Opportunity Collaborating with governments and community groups can help access new markets and strengthen business growth in both developed and developing regions.</p>	Own operations	Short-term to Medium-term
Local Communities	SRR/SRO	<p>Impact Effects on local communities due to operations, the contribution for provision of education and health facilities and creation of livelihood opportunities for economic development.</p> <p>Risk Risk of operational disruptions due to social unrest and in case company activities negatively impact local communities.</p> <p>Opportunity Access new markets through collaborating with governments and community groups in developed and developing countries.</p>	Own operations	Short-term to Medium-term

TOPIC	SRR/CRR/SRO/CRO	IMPACT, RISK AND OPPORTUNITY	VALUE CHAIN	TIME HORIZON
Economic Impacts	SRR/SRO	<p>Impact Ensuring business continuity is critical for delivering returns to investors while sustaining contributions to the economy and society.</p> <p>Risk Failure to generate meaningful economic impact may undermine investor confidence, limit business diversification and transition initiatives, reduce talent attraction, and impede the achievement of strategic goals.</p> <p>Opportunity Driving economic value enables a smoother transition to a low-carbon economy, supports strategic objectives, enhances stakeholder value, and strengthens investor confidence.</p>	Own operations	Short-term
Procurement Practices	SRO	<p>Impact Creation of business opportunities for local vendors, economic development, reliable supply chain.</p> <p>Opportunity Supporting local suppliers can result in a more efficient supply chain, job creation, and economic growth.</p>	Own operations, upstream	Medium-term to Long-term
Anti-Corruption	SRR	<p>Impact Affects competitiveness and leads to misuse of power resulting in poverty. Compliance with laws and international charters.</p> <p>Risk Risk of legal and trade sanctions due to involvement in corrupt practices and affecting market competitiveness.</p>	Own operations	Short-term
Supply Chain Impacts	SRR/SRO	<p>Impact Failing to adhere to ethical standards leads to regulatory penalties, harm to reputation, and jeopardizes supply chain stability.</p> <p>Opportunity Enhance responsiveness to disruptions and strengthen supply chain resilience by promoting sustainable practices.</p>	Own operations	Short-term to Medium-term

* CRR :Climate related risks
 * CRO :Climate related opportunities
 * SRR :Sustainability related risks
 * SRO :Sustainability related opportunities

STAKEHOLDERS' ENGAGEMENT

Our mission to serve as an agent of positive change for our stakeholders and community reflects our strong commitment to a stakeholder-centric approach, underpinned by ethical and sustainable business practices. We maintain close engagement and demonstrate a proactive willingness to listen, collaborate, and respond. Stakeholders are engaged throughout the year by relevant departments to address issues of mutual importance. This continuous dialogue allows us to gather valuable insights, identify material topics, and develop strategies that address concerns while creating and delivering shared value. We follow a structured process to identify, map, and prioritize stakeholders based on the nature of their relationship with us, their ability to influence our business, and their vulnerability to our activities and operations.

STAKEHOLDERS	SRR/CRR/SRO/CRO	FREQUENTLY	STAKEHOLDERS	OUR RESPONSE
Shareholders/ Investors	CEO/Director/Sustainability Department	Ongoing/ Occasional	Economic returns, management of health and safety of employees and environmental risks, investment to drive positive change in local communities	Continuous focus on innovation and business development, investment in production capacity & expansion and investing in environmentally friendly technologies and CSR program
Analysts	Briefing, Reports, Sustainability Department	Ongoing/ Occasional	Investments/Expansion, environmental initiatives, and CSR program	Production capacity & expansion, pursuing environment friendly initiatives and regular CSR programs for the betterment of local communities
Customers	Customer Surveys, Customer Feedback, Marketing Department	Ongoing	New Products/Designs, quality, impacts on the environment and society	Continuous innovation and up-gradation and enhanced focus on quality, management of impacts on the environment and society through internal initiatives and CSR program
Employees	Annual Dinner, CBA Meetings, Human Resource Department, Open House Sessions, Mission Awareness Sessions, Employees Surveys	Ongoing	Employee benefits, Job-related training, health, and safety of workers	Provision of market-based benefits, on-job training to enhance their skill sets and management of health and safety of workers
Suppliers	Supplier Surveys, Suppliers Code of Conduct, Request for Quotations	Ongoing	Business opportunities, environmentally friendly material and guidance on new material requirements and assessment of suppliers for environmental and social impacts	Business developments leading to increased opportunities, exploring environmentally friendly materials and training/guidance to suppliers on new requirements
Regulation/ Government	Reports, Consultative Sessions, Sustainability Department	Ongoing/ Occasional	Compliance with laws and regulations	Compliance with laws and regulations in all business activities
Local Community	Meetings, Employee Engagement, CSR program	Ongoing	Intervention in the field of health, education especially sports, clean water and infrastructure development and women empowerment	CSR program based on community needs assessment and investment in education, health, and sports and women empowerment for the betterment of local communities.

MANAGING MATERIAL IMPACTS, RISKS & OPPORTUNITIES

Our management approach is aligned with Article 15 of the Rio Declaration, ensuring the early identification of potential issues and the adoption of appropriate measures to mitigate their impacts. This structured approach enables us to prevent adverse effects arising from our operations and, where unavoidable, to manage and resolve them in collaboration with relevant stakeholders. It also supports the enhancement of positive outcomes across our value chain. To maintain effectiveness, we systematically evaluate this approach by benchmarking actual performance against planned objectives and implementing corrective actions as required.

PLANET

Our environmental policy guides all business units to manage their environmental impacts and ensure compliance with our commitments, applicable laws, and customer codes of conduct.

The Sustainability Department evaluates environmental sustainability initiatives, monitors their impacts, and sets relevant targets. EHS (Environment, Health, and Safety) representatives at each plant ensure adherence to applicable laws and customer requirements. Our manufacturing facilities are certified under various management systems, including ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2015, ISO 50001:2011, SA 8000

Regular training sessions are conducted across all plants to enhance the knowledge and skills of the workforce. Performance against set targets is monitored throughout the year, and corrective measures are implemented as needed.

An environmental grievance-handling mechanism is in place across the company, enabling affected parties to file complaints. Employees are encouraged to propose ideas and suggestions for system improvements during regular training and awareness sessions. Multiple platforms, such as the Worker Management Council (WMC), EHS Committees, and Focus Group Meetings, provide opportunities to discuss issues and develop solutions. Each plant's Health & Safety Manager is responsible for addressing grievances. During the reporting year, there were no instances of noncompliance with environmental laws, regulations, or customer requirements.

Our environmental management approach focuses on key material topics, including sustainable material sourcing and usage, energy efficiency, emissions reduction, and responsible management of water and waste.

PEOPLE

Our HR policies focus on attracting skilled professionals, equipping them with essential training, and providing a supportive work environment that enables them to excel and contribute effectively. MTM places importance on hiring from the local community to drive economic growth and gain a deeper understanding of community needs. Performance-based career development and job rotation are key elements of our HR framework. The Director IM/HR and sustainability leads the HR function, while Support Services Heads at each plant ensure the effective implementation of HR policies.

We are committed to adhering to laws and international charters to safeguard human rights across all our operations. Our code of conduct and shared values emphasize empathy and respect for the rights of employees, communities, and stakeholders. A well-defined grievance-handling mechanism is in place, with Management Representatives (MRs) appointed at each plant to address concerns related to work conditions, welfare, discipline, or code of conduct violations. These representatives actively engage with employees on shop floors and in offices to identify and address challenges that could hinder a positive work environment.

All employee-related matters are systematically monitored at the plant level and reported to the corporate level. The Human Resource & Remuneration Committee of the Board reviews these policies and suggests improvements to the Board for further action.

Our people management strategy encompasses key focus areas, including fair employment and labor practices, market presence, occupational health and safety, training and development, as well as human rights and security practices.



COMMUNITIES

Masood Textile Mills (MTM) has established **development goals and programs** to promote **inclusive growth** across all operational sites. **Community engagement, needs assessments, and impact analyses** guide the formulation of policies and initiatives at each location. The **Rabia Trust** plays a key role in sustaining contributions to societal welfare, providing access to **specialized healthcare and community programs** that enhance social well-being.

MTM's **CSR management system** is guided by **long-term KPIs** and a **fixed annual CSR budget**, ensuring consistent and impactful execution across all programs.

Aligned with MTM's mission "**To be an agent of positive change,**" our initiatives in **education, healthcare, literacy programs, disaster relief, and tree plantation drives** are designed to generate meaningful social impact and deliver lasting benefits to communities. Our operations have not caused significant adverse effects on local communities, and any environmental impacts are actively managed to **minimize our ecological footprint**.

A **grievance-handling mechanism** is in place to address community concerns in line with established procedures. Policy implementation is managed by the **Director of IM/HR & Sustainability**.

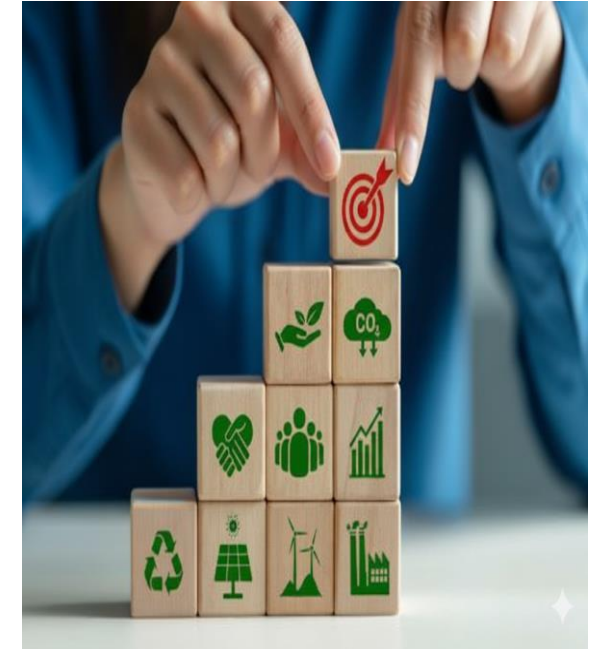
Masood Textile Mills (MTM) actively supports **The Citizens Foundation (TCF)** by providing funding to help sustain its educational programs. This contribution benefits approximately **5,000 students**, enabling access to quality education and fostering opportunities for learning and personal development in underprivileged communities.



PROSPERITY

Economic performance at Masood Textile Mills (MTM) is driven by the company's **mission, values, and management-set targets**. The management team is responsible for executing initiatives to achieve these objectives. MTM maintains a **zero-tolerance policy toward corruption** across all operations and business relationships. Regular audits are conducted by the **Internal Audit Department**, and any necessary corrective actions are promptly implemented to ensure compliance and accountability.

MTM has a **whistleblower policy** to enable reporting of code of conduct violations and legal breaches. The **Audit Committee** handles reported grievances, while the **Risk Management Committee** assesses potential risks and recommends mitigation measures. Both committees provide their findings and recommendations for action. Economic performance is reviewed during **quarterly management meetings**, with corrective measures taken as needed. During the reporting period, **no instances of noncompliance** with social or economic laws and regulations were recorded.



Our approach to economic management focuses on two key areas: economic performance and anti-corruption.





PTEA Export Excellence Awards 2018
Presented to
Masood Textile Mills Limited
Pakistan Textile Exporters Association



PTEA
EXPORT
EXCELLENCE
AWARD
2018

M/s MASOOD
TEXTILE MILLS
LIMITED



Presented to
M/s MASOOD TEXTILE MILLS
LIMITED
H.E. MAMNOON HUSSAIN
President, Islamic Republic of Pakistan



Emirates
Export Marketing
Award



FPCCI
ACHIEVEMENT
AWARDS

Hon'ble President of Islamic Republic of Pakistan
Mr. Mamnoon Hussain
Presents This Fpccl Achievement
Award To
**MASOOD TEXTILE
MILLS LTD.**
In Recognizing of Their
Outstanding Performance in
**Export Marketing
(Textile)**

TUESDAY, 3rd MAY, 2016
Islamabad



EXPORTERS
ASSOCIATION
Presented to
MASOOD TEXTILE MILLS LIMITED
In recognition of their
outstanding performance in
Export Marketing
(Textile)
On the occasion of
BOARD OF DIRECTORS
EMPLOYEES' FEDERATION OF PAKISTAN
SAFI R. KHAN
Chairman



8th FPCCI Achievement Awards



mtm
Masood Textile Mills
BEST EMPLOYER AWARD
On the eve of
75th Anniversary of Pakistan's Independence Day
Labour & Human Resource Department
Government of the Punjab



mtm
Masood Textile Mills
This Honorary Shield is
Presented To
Trade and Investment
Group of Pakistan
Ministry of Commerce
Dated: 22-01-2024
From CEO
Masood Textile
Mills Ltd.



MASOOD TEXTILE MILLS LIMITED
FAISALABAD
Women Empowerment

MEMBERSHIPS & CERTIFICATIONS

ENVIRONMENTAL CERTIFICATIONS



COMMITMENTS AND COLLABORATIONS



CHEMICAL MANAGEMENT PORTAL



SOCIAL CERTIFICATIONS



OTHER CERTIFICATIONS



MEMBERSHIPS



GRI INDEX

The GRI content index is a navigation tool to locate the content within the report. The GRI Standards, together with the related disclosures, are listed, and each disclosure is referred to the relevant page in this Sustainability Report or other publicly available source.

Statement of Use	MTM has reported in accordance with the GRI Standards for the period 1 July 2023 to 30 June 2024
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	No sector standard is available for our sector

					OMISSION	
GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GENERAL DISCLOSURES						
GRI 2: GENERAL DISCLOSURES 2021	2-1 Organizational details	62				
	2-2 Entities included in the organization's sustainability reporting	10				
	2-3 Reporting period, frequency and contact point	10				
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	2-5 External assurance	10				
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	2-13 Delegation of responsibility for managing impacts	70				
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					OMISSION	
GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
	2-17 Collective knowledge of the highest governance body	68				
	2-18 Evaluation of the performance of the highest governance body	69				
	2-19 Remuneration policies	69				
	2-20 Process to determine remuneration	69				
	2-21 Annual total compensation ratio	-	a, b, c	Confidentiality constraint	Sensitive information	
	2-22 Statement on sustainable development strategy	6,7,8				
	2-23 Policy commitments	70				
	2-24 Embedding policy commitments	70				
	2-25 Processes to remediate negative impacts	70				
	2-26 Mechanisms for seeking advice and raising concerns	70				
	2-27 Compliance with laws and regulations	78,79				
	2-28 Membership associations	83				
	2-29 Approach to stakeholder engagement	78				
	2-30 Collective bargaining agreements	59				
MATERIAL TOPICS						
GRI 3: MATERIAL TOPICS 2021	3-1 Process to determine material topics	72				
	3-2 List of material topics	74-77				
ECONOMIC PERFORMANCE						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	77-80				
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	63				
	201-2 Financial implications and other risks and opportunities due to climate change	61				
	201-3 Defined benefit plan obligations and other retirement plans	63				

					OMISSION
GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	REASON	EXPLANATION
	201-4 Financial assistance received from government	61			
PROCUREMENT PRACTICES					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	66, 77,80			
GRI 204: PROCUREMENT PRACTICES 2016	204-1 Proportion of spending on local suppliers	66			
ANTI-CORRUPTION					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	77,80			
GRI 205: ANTI-CORRUPTION 2016	205-1 Operations assessed for risks related to corruption	80			
	205-2 Communication and training about anti-corruption policies and procedures	70			
	205-3 Confirmed incidents of corruption and actions taken	80			
MATERIALS SOURCING & USAGE					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	66, 74,77			
APPAREL, ACCESSORIES & FOOTWEAR: 2018 (SASB)	CG-AA-440a.1. Description of environmental and social risks associated with sourcing priority raw materials	26, 66			
	CG-AA-440a.2. Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard	29,30			
MATERIALS					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	74,79			
GRI 301: MATERIALS 2016	301-1 Materials used by weight or volume	29,30			
	301-2 Recycled input materials used	29,30			
	301-3 Reclaimed products and their packaging materials	-	a-b	Information unavailable	
EMISSIONS					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	75,79			
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	19,20			
	305-2 Energy indirect (Scope 2) GHG emissions	19,20			

					OMISSION
GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	REASON	EXPLANATION
	305-4 GHG emissions intensity	-	a-d	Information unavailable	
	305-5 Reduction of GHG emissions	20			
	305-6 Emissions of ozone-depleting substances (ODS)	-			MTM is not engaged in ODS production, export, or transport ozone business
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	-	a-c	Information unavailable	
ENERGY					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	74,79			
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	20			
	302-2 Energy consumption outside of the organization	-	a-c	Information unavailable	
	302-3 Energy intensity	-	a-d	Information unavailable	
	302-4 Reduction of energy consumption	20			
	302-5 Reduction in energy requirements of products and services	N/A			
WATER					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	75,79, 24			
GRI 303: WATER AND EFFLUENTS 2018	303-1 Interactions with water as a shared resource	24-25			
	303-2 Management of water discharge-related impacts	24			
	303-3 Water withdrawal	25			
	303-4 Water discharge	25			
	303-5 Water consumption	25			
WASTE					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	32, 75,79			
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	32-33			
	306-2 Management of significant waste-related impacts	33			
	306-3 Waste generated	34			
	306-4 Waste diverted from disposal	34			
	306-5 Waste directed to disposal	34			










					OMISSION
GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	REASON	EXPLANATION
SUPPLY CHAIN IMPACTS					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	77, 66			
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria	66			
	308-2 Negative environmental impacts in the supply chain and actions taken	66			
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	65			
	414-2 Negative social impacts in the supply chain and actions taken	66			
EMPLOYMENT AND LABOR PRACTICES					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	76,79			
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	42			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	39,40			
	401-3 Parental leave	39			
	405-2 Ratio of basic salary and remuneration of women to men	40			
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	59	a-b	Information unavailable	
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	59			
HEALTH AND SAFETY					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	43, 75			
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management system	43			
	403-2 Hazard identification, risk assessment, and incident investigation	44			
	403-3 Occupational health services	45			
	403-4 Worker participation, consultation, and communication on occupational health and safety	43			
	403-5 Worker training on occupational health and safety	43-53			
	403-6 Promotion of worker health	43-53			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	47-49			
	403-8 Workers covered by an occupational health and safety management system	47-49			








OMISSION					
GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	REASON	EXPLANATION
	403-9 Work-related injuries	45			
	403-10 Work-related ill health	45			
TRAINING AND EDUCATION					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	76			
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	37			
	404-2 Programs for upgrading employee skills and transition assistance programs	37			
	404-3 Percentage of employees receiving regular performance and career development reviews	37			
HUMAN RIGHTS					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	76			
GRI 408: CHILD LABOR 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	59, 66			
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	59, 66			
LOCAL COMMUNITIES					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	76-80			
GRI 413: LOCAL COMMUNITIES 2016	413-1 Operations with local community engagement, impact assessments, and development programs	12-13, 48-52			
	413-2 Operations with significant actual and potential negative impacts on local communities	80			

SASB INDEX

CODE	INDICATOR DESCRIPTION	PAGE NO.
Management of Chemicals in Products		
CG-AA-250a.1	Discussion of processes to maintain compliance with restricted substances regulations	66,83
CG-AA-250a.2	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	12,31,32
Environmental Impacts in the Supply Chain		
CG-AA-430a.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits or contractual agreements	66
CG-AA-430a.2	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	66
Labour Conditions in the Supply Chain		
CG-AA-430b.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labour code of conduct, (3) percentage of total audits conducted by a third-party auditor	66
CG-AA-430b.2	(1) Priority non-conformance rate and (2) associated corrective action rate for suppliers' labour code of conduct audits	66
CG-AA-430b.3	Description of the greatest (1) labour and (2) environmental, health and safety risks in the supply chain	66
Raw Materials Sourcing		
CG-AA-440a.3	(1) List of priority raw materials; for each priority raw material: (2) environmental or social factor(s) most likely to threaten sourcing, (3) discussion on business risks or opportunities associated with environmental or social factors and (4) management strategy for addressing business risks and opportunities	29, 66
CG-AA-440a.4	(1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material that is certified to a third-party environmental or social standard, by standard	29,20
Activity Metric		
CG-AA-000.A	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	66

SDGS INDEX

SDGs	PAGE NO.	GRI STANDARDS DISCLOSURE
 End poverty in all its forms everywhere	80	413-2
 End hunger, achieve food security and improved nutrition and promote sustainable agriculture	63, 12-13, 48-52, 80	201-1, 413-1, 413-2
 Ensure healthy lives and promote well-being for all at all ages	19, 20, 32-34, 45, 47-49	305-1, 305-2, 305-3, 305-6, 305-7, 306-1, 306-2, 306-3, 306-4, 403-8, 403-9, 403-10
 Ensure inclusive and quality education for all and promote lifelong learning	68, 42	2-17, 404-1
 Achieve gender equality and empower all women and girls	68, 69, 42, 63, 49, 37, 12-13, 48-52, 80	2-9, 2-10, 201-1, 401-1, 401-3, 404-1, 404-3, 406-1, 413-1, 413-2
 Ensure access to water and sanitation for all	25, 33, 34	303-3, 303-4, 303-5, 306-1, 306-2, 306-3, 306-4, 306-5
 Ensure access to affordable, reliable, sustainable, and modern energy for all	63, 20	201-1, 302-1, 302-3, 302-4
 Promote inclusive and sustainable economic growth, employment, and decent work for all	42, 59, 20, 61, 40, 43-53, 37, 59, 66	2-7, 2-8, 2-30, 201-1, 301-1, 301-2, 301-3, 302-1, 302-3, 302-4, 303-5, 401-1, 401-2, 401-3, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 407-1, 408-1, 409-1, 414-1, 414-2
 Build resilient infrastructure, promote sustainable industrialization, and foster innovation	63	201-1

SDGs	PAGE NO.	GRI STANDARDS DISCLOSURE
 Reduce inequality within and among countries	12-13, 48-52, 80	413-1, 413-2
 Make cities inclusive, safe, resilient, and sustainable	-	Not applicable
 Ensure sustainable consumption and production patterns	66, 1920, 29, 30, 32-34	204-1, 301-1, 301-2, 301-3, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-6, 305-7, 306-1, 306-2, 306-3, 306-4
 Take urgent action to combat climate change and its impacts	61, 20, 19	201-2, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4
 Conserve and sustainably use the oceans, seas, and marine resources	19, 20, 34	305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-3, 306-5
 Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss	19, 20, 34	305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-3, 306-5
 Promote just, peaceful, and inclusive societies	68, 69, 70, 78, 79, 80, 59, 66	2-9, 2-10, 2-11, 2-12, 2-15, 2-20, 2-23, 2-26, 2-27, 205-1, 205-2, 205-3, 406-1, 408-1, 414-1, 414-2
 Strengthen the means of implementation and revitalize the global partnership for sustainable development	-	Not applicable

UNGC INDEX



United Nations
Global Compact

PRINCIPLE	STATEMENT	PAGE NO.	GRI STANDARDS DISCLOSURE
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	12-13, 48-52, 80	413-1, 413-2
Principle 2	Businesses should make sure that they are not complicit in human rights abuses.	12-13, 48-52	413-1, 414-1, 414-2
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	59	2-30, 407-1
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labor.	59, 66	409-1
Principle 5	Businesses should uphold the effective abolition of child labor.	59, 66	408-1
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	42, 49, 50, 59	2-7, 2-8, 401-1, 401-3, 404-1, 404-3, 406-1
Principle 7	Businesses should support a precautionary approach to environmental challenges.	63, 29, 30, 19, 20, 24, 25, 32-34	201-2, 301-1, 302-1, 303-3, 305-1, 305-2, 305-3, 305-6, 305-7
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	78, 79, 29, 30, 19, 20, 24, 25, 33, 34, 32	2-27, 301-1, 301-2, 302-1, 302-2, 302-3, 302-4, 303-3, 303-4, 303-5, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7, 306-1, 306-2, 306-3, 306-4, 306-5, 308-1
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	20	302-4, 305-5
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	66, 70, 80	2-23, 2-26, 205-1, 205-2

GLOSSARY AND ACRONYMS

BCI Better Cotton Initiative

OCS Organic Cotton Standard

CSR **Corporate Social Responsibility**

GHG Greenhouse Gases

GJ Giga Joule

GOTS Global Organic Textile Standard

GRI **Global Reporting Initiative**

GRS Global Recycled Standard

HSE **Health, Safety and Environment**

IFRS International Financial Reporting Standards

ISO **International Standards Organization**

MW Megawatt

RCS Recycle Cotton Standard

SBTi Sciencebased target initiative

TPH Tonnes Per Hour

TTS Technical Training School

FEEDBACK FORM

SUSTAINABILITY REPORT 2024

Information provided on material topics covered in the report

<input type="radio"/>	Comprehensive	<input type="radio"/>	Adequate	<input type="radio"/>	Inadequate
Clarity of the information provided in the report.					
<input type="radio"/>	High	<input type="radio"/>	Medium	<input type="radio"/>	Low
The quality of design and layout of the report.					
<input type="radio"/>	Excellent	<input type="radio"/>	Good	<input type="radio"/>	Average
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Noshaba Aslam
Sr. Manager Sustainability & HR | GIZ Focal Person
Masood Textile Mills Limited
32 KM Sheikhpura Road, Khurrianwala, Faisalabad, Pakistan.
Email: noshabaaslam@masoodtextile.com

Registered Office

Masood Textile Mills Limited
Universal House, 17/1, New Civil Lines
Bilal Road, Faisalabad
Phone: 041-2600176-276
Fax: 041-2600976
Web: www.masoodtextile.com

Mills

Masood Textile Mills Limited
32-KM, Sheikhpura Road Faisalabad

