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20 August 2011

Georg Kell  
*Executive Head*  
Global Compact

**Sub: Submission of Communications on Progress (COP)**

Dear Georg Kell,

I am pleased to submit Communications on Progress (COP) for the year 2011 from Rahimafrooz Batteries Ltd that signifies supports to the ten principles of the Global Compact in respect to human rights, labour rights, the protection of the environment and anti-corruption. With this communication, we express our intent to support and advance those principles within our sphere of influence. We support public accountability and transparency that reflects in this COP.

Sincerely yours,

*Feroz Rahim*  
*Managing Director*

## Global Compact

### **HUMAN RIGHTS**

**Principle 1:** *(Business should support and respect the protection of internationally proclaimed human rights)*

**COMMITMENT:** Committed to protect human rights through complying with national and international laws appropriate to our business activities.

**SYSTEM :** Every year we conduct training on HR policies and procedures and established a strong compliance team to monitor the policies and system violence, analyze and investigate compliance failure.

**ACTIVITY :** Provide financial support to employees who may face sudden economic hardship from employee welfare fund.  
Conducting training on our company values and I+10 habits.

**PERFORMANCE :**

1. Total 444 man-hour training on values and 70 man-hour training on HR policies have been conducted last year.
2. Two way communication regarding company's activities has increased.

**IMPROVEMENT OVER THE LAST YEAR:** Employees have become more polite and professional in terms of verbal and physical communication. Blaming culture has been reduced drastically.

**Principle 2:** *(Business should make that they are not complicit in human rights abuses):*

**COMMITMENT :** We set high standards of ethics and moral virtue for ourselves. We firmly believe in religious, ethical, social and legal righteousness and we strictly adhere to those.

**SYSTEM :** Employees are directly involved in hazard identification, risk assessments and determining controls, incident investigation, development and review occupational health & safety policies objectives.

**ACTIVITY :** In regard to human rights there are communication processes for reaching the top through HR Department, "General Meeting" with all staff & "suggestion box" .

**PERFORMANCE :** No Human Right abuse has been found, observe or reported over the last one year.

**IMPROVEMENT OVER THE LAST YEAR:** Peoples' are now feeling better and safe.



**Principle 3: *(Business should uphold the freedom of association and the effective recognition of the right to collective bargaining ):***

The company respects the right & the labors of the company have freedom of association, but the workers (labors) have not formed a Trade Union as the company encourages open communications with workers and goes beyond the labor code in providing the employees with monetary & non-monetary benefits.

SYSTEM : We formulated our Canteen and Welfare policy where workers participated equally and gave their feedback for improvement.

ACTIVITY: RBL review its employee salary & other benefits every year through collecting the classified information from Bangladesh Consumer Association and Bangladesh Bank regarding inflation rate, consumer price index and make adjustment in the salary accordingly.

PERFORMANCE: Workers' representative actively participated in selecting candidate for Scholarship program.

In Canteen committee meeting workers' representative spontaneously participated and took part in decision making.

IMPROVEMENT OVER THE LAST YEAR: The present minimum GTH (Gross Take Home) is 5421 Tk. ( five thousand four hundred twenty one) which was 5146 Tk. ( five thousand one hundred forty six) in the previous year. On the other hand government declared minimum wage is 3000 Tk.

**Principle 4: *(Business should uphold the elimination of all forms of forced and compulsory labor):***

COMMITMENT : As our aspiration statement reads, we want to be the most admired and trusted organization, by excelling in everything we do and following ethical business practices.

SYSTEMS : We are sincerely following the Bangladesh labor code -2006 for working hour guideline of employees which is monitored and inspected by the Factory inspection department.

ACTIVITY: Each employee of the company is getting holiday and leave as mentioned in the law and in addition we reduce the working hours of worker from eight hours to six hours in the month of Ramadan so that they get time for prayer and spend time with family.

PERFORMANCE: For overtime duty each employee get double benefits of his/her basic salary.

IMPROVEMENT OVER THE LAST YEAR: Now all employees get salary through Bank transfer which ensures on time (1<sup>st</sup> day of month) salary disbursement without backlog.

**Principle 5: (*Business should uphold the effective abolition of child labor*):**

COMMITMENT : We are committed to not engage any one below the age of 18 in any form of labour.

SYSTEMS : Our recruitment policy does not support enrollment of child labor in any kind of jobs.

ACTIVITY: During recruitment of worker we ask for the birth certificate or national ID for age verification.

PERFORMANCE: In our company the minimum acceptable age of workers is 18years. Even the age group from 18 to 20 years in 2010-11 was below 10% of the population.

IMPROVEMENT OVER THE LAST YEAR: Our education scheme for employees' children under welfare policy supports them to continue their education up to SSC level and not forced in to child labor. Last year RBL has supported 15 students of different education levels (primary & secondary) whereas it was only four in the previous year.

**Principle 6: (*Business should uphold the elimination of discrimination in respect of employment and occupation*):**

COMMITMENT : The company has been providing equal opportunity. Rahimafrooz never compromises on ethical business practices. One of its prime concern is to respect and promote the principle of non-discrimination in all levels of our Human Resources. Our recruitment, training and career development policy reflects the commitment and respect.

SYSTEMS: Our HR Vision to "Drive business excellence and create a rewarding workplace through people" encourage in building performance oriented culture which is a reflection of nondiscrimination and respect to the individuals.

ACTIVITY: During recruitment every candidate has undergone a unique scrutiny process. From that the best performer has been selected irrespective of gender, religious consideration.

PERFORMANCE: Last year RBL has recruited 106 employees through a comprehensive recruitment process.



IMPROVEMENT OVER THE LAST YEAR: The company encouraging women employees in all positions and role get equal benefits in all aspects.

**Principle 7: Business should support to a precautionary approach to environmental Challenges:**

COMMITMENT: To address environmental challenges, this is a policy of Rahimafrooz Batteries Limited to consider environmental viability of its activities including planned or new developments in the overall assessment process.

SYSTEM: Under existing environmental management system RBL set new Environmental objectives, targets and programs to control the aspects having significant impact on the environment.

ACTIVITY: RBL review its objectives, targets and programs every year and set new action plans on setting objectives and targets. Allocate necessary resources to achieve objectives and targets.

PERFORMANCE: The setting targets have been compared to the previous target. Moreover compare with the KPI (Key Performance Indicator) it can be easily calculate the performance.

IMPROVEMENT OVER THE LAST YEAR: We have set an environmental objective to reduce liquid effluent by enhancing process efficiency and implementing best industrial practices. To this end we have introduced new mechanism in plate washing using sodium bicarbonate and as a result the effluent has been reduced tentatively by 2% from the last year.

**Principle 8: Business should undertake initiatives to promote greater environmental responsibility**

COMMITMENT: For sustainable development in the earth Rahimafrooz Batteries Limited (RBL) utilizes the available scopes for the development of environment to a greater extent.

SYSTEM: In the process of continual improvement of environmental management system, initiatives are taken that have impact on environment to a greater extent through collecting used battery and recycling.

ACTIVITY: RBL has implemented a used battery collection mechanism to collect used batteries from the end users through incentive promotion and recycling it in an environment friendly manner. After that it has recycled in Lead Recycling Plant to reclaim lead.

PERFORMANCE: Every year RBL has set KPI on lead recycling and review it periodically in its monthly factory meeting.

IMPROVEMENT OVER THE LAST YEAR: Last year we have recycled 3500 MT lead from used batteries that is 127% more from the previous year.

**Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies**

COMMITMENT: As a part of its policy to prevent environmental pollution for sustainable growth, Rahimafrooz Batteries Limited (RBL) is keen to adopt environmentally friendly technologies.

SYSTEM: During installation of new machinery and implementation of new projects eco-friendliness is considered as a prerequisite. To meet the environmental challenges and growing consciousness on environment, environmentally friendly products are also being developed.

ACTIVITY & PERFORMANCE: New product "POWERMAX" battery has been launched in the market. This battery has longer life in vehicles (18 month warranty), thus reducing the number of batteries coming in to the market as well as environment.

IMPROVEMENT OVER THE LAST YEAR: Gradually we are shifting our focus to longer life and maintenance free battery from the present type. As a result end user will get hassle free battery in near future.

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

COMMITMENT: Employees of the company are committed to live up to one of the company's core values in regard to integrity. Rahimafrooz Batteries Limited (RBL) wants to be the most admired and trusted organization through excelling in everything done by the organization and following ethical business practice. One of the values maintained by the organization is "Integrity in all our dealings".

SYSTEM: The issue "integrity" and "ethical business practice" is mentioned in all dealings with our suppliers and vendors  
Serious actions are taken against employees for any activities in regard to corruption.

ACTIVITY: RBL has regularly maintained supplier communication on ethical business to develop a congenial work environment by maintaining integrity and fairness. All the vendors and suppliers have signed the "Statement of Commitments & Integrity" which is in other word a commitment for being lawful, honest, fair, trustworthy and ethical.

PERFORMANCE: RBL evaluate its suppliers and vendors every year through maintaining a evaluation form and take decision to continue business on that evaluation.

Improvement over the last year: On last September RBL has evaluated all its approved suppliers and vendors.