

2011



CONTORGROUP



Protect our Earth!

Managing water effectively towards a sustainable future

COMMUNICATION  
ON PROGRESS

[www.contorgroup.com](http://www.contorgroup.com)

## A SUSTAINABLE FUTURE



### History

- |      |   |
|------|---|
| 1993 | Foundation of the company   |
| 2000 | Official opening of the new research, production and logistics center   |
| 2005 | Major changes in shares ownership   |
| 2006 | Quality management system approval & CE type evaluation certificates achievement PTB Braunschweig acc. to MID |
| 2008 | Listing on the BVB Stock Exchange   |

## Managing water effectively towards a sustainable future

Climate change, unrestrained waste, mismanagement, destructive industrialization and violent population explosion make **water the most**

**Consumption metering**  
=  
**Water saving**

Since 1993, Contor Group designs, manufactures and supplies reliable and accurate meters, as well as AMR-Systems for the water markets.

Our know-how creates, maintains and strengthens our relationships with customers and offers us competitive advantages:

- » Integrated production flow **under the same roof** with the latest technology
- » An **integrated management system**: quality – environmental protection – occupational health and security (ISO 9001, ISO 14001, OHSAS 14001)
- » Ability to deliver products **tailored to our customer's specifications**
- » Compliance with the standards:
  - Directive **75/33/EC** for water meters and Directive **2004/22/EC** on measuring instruments (Annex MI-001 Water meters)
  - GOSSTANDARD – Russian Governmental Standards Organization
- » The quality of raw materials approved for contact with drinking water (certificates required by international norms as DVGW-Worksheet W270).
- » The **testing and calibration laboratory is acknowledged** due to:
  - the quality management system approval acc. to the Directive **2004/22/EC** on measuring instruments for water meters Module D issued by PTB in 2006.
  - the accreditation of GOSSTANDARD in 2007.

### **Mission statement:**

to continue to be a competitive manufacturer of common & inexpensive metering solutions that enables the intelligent use and the conservation of water resources.

**The business strategy** aims the financial stability and economic performance able to create added value for the stakeholders: utilities, consumers, suppliers, employees, share-holders and civil society.

## Integrated Management System Policy Statement

In this respect, we pledge to undertake the following actions:

- » follow the company's policy aimed to earning and keeping the customers' loyalty
- » respect and encourage the professional development and individual participation of our employees
- » conduct our business in ways that provide all personnel with a safe and healthy work environment and that prevent the occupational injuries and illnesses.
- » uphold the fundamental principles of international human rights and to respect human rights as grounded in the Universal Declaration of Human Rights
- » uphold the elimination of discrimination in respect of employment and occupation
- » use the direct communication and close co-operation with all our employees, customers and suppliers
- » promote, uphold and respect the organizational culture and company's code of conduct.
- » apply the provisions of the legal norms in respect to the environmental, occupational safety and health, the provisions of the standards, harmonized with EU ones as the Directive 22/2004/EC for measurement instruments (MID).
- » maintain and continually improve an efficient and competitive management system, certificated according to ISO 9001:2008, ISO 14001:2005, OHSAS 18001:2008 and SR EN ISO/IEC 17025:2005
- » continue support and report our progress towards the universal principles embodied in the UN Global Compact.
- » prevent the environment pollution by investing in techniques and good practices
- » focus on environmental protection and preservation of the vital space for future generations.
- » act for the documentation, the implementation, the maintenance and the communication of our policy to all employees or to all who is working on behalf of Contor Group.
- » decisively help the communication between the civil society, the political-administrative environment and the business one.

The policies and procedures application, as well as the well acquaintance with documentation on quality, environment, occupational health and safety at work is required to all employees.

General Manager      20/10/2011  
James Reuland



### Core competence: Water Metering

- » Sub-metering systems
- » Residential meters
- » Bulk and industrial meters
- » AMR-Systems
- » Heat costs allocators
- » Accessories
- » Test benches

### Other competencies:

- » brass die casting parts
- » CNCs mechanical processing
- » precision plastic injection parts
- » electrostatic powder coating
- » plastic injection molds & tooling
- » nonferrous casting dies & tooling

## COMMUNICATION ON PROGRESS

| Global Compact Principle   | Action Taken & Impact Achieved and/or Plans for the upcoming Year   |
|--|---|
| <p>1: Businesses should support and respect the protection of internationally proclaimed human rights;</p>                         | <p>The Collective Labour Agreement is developed according to the fundamental principles of international human rights as grounded in the Universal Declaration of Human Rights and compliant with international laws, as well as, the Romanian Department of Labour and Social Protection.</p> <p>Contor Group provides a safe and healthy workplace in order to maintain a productive workplace with respect for employee privacy and dignity, which is free from violence, harassment, intimidation and other unsafe conditions, by minimizing the risk of accidents, injury and exposure to health risks.</p> <p>We provide training and assistance programs to enable employees to improve their operations and minimize their exposure to physically demanding tasks, including manual material handling, heavy lifting, prolonged standing, and highly repetitive or forceful assembly tasks.</p>   |
| <p>2: and make sure that they are not complicit in human rights abuses.</p>  | <p>The Collective Labour Agreement is developed according to the fundamental principles of international human rights as grounded in the Universal Declaration of Human Rights and compliant with international laws, as well as, the Romanian Department of Labour and Social Protection.</p> <p>The employees' representatives participate in developing or/and updating of the Collective Labour Agreement. They can report any violation of the Collective Labour Agreement to the Local Labour Inspectorate.</p>   |
| <p>3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> | <p>By employees' representatives, Contor Group maintains good labor relations, including the ability to renew collective bargaining agreements on satisfactory terms and avoid strikes, work stoppages or labor unrest.</p> <p>The work practices regarding the Occupational Safety and Health comply with legislative requirements and are certified and supervised by accredited bodies according to OHSAS 18001 and relate to:</p> <ul style="list-style-type: none"> <li>- <b>individual training for first aiders</b> in order to provide basic emergency life support until the arrival of medical or other assistance.</li> <li>- <b>rescue and evacuation procedures</b></li> <li>- <b>workplace amenities and facilities</b>. They include, but are not limited to, air quality, temperature controls, workspace, lighting, seating, washing facilities, toilets, change rooms, dining facilities, drinking water, smoking areas and the provision of suitable access and egress.</li> <li>- <b>personal protective clothing and equipment</b> to minimize exposure to risks to minimize exposure to risk associated with workplace hazards (safety goggles, face shields, safety gloves, safety footwear, slip resistant shoes and floors, hearing protectors, breathing masks).</li> </ul> |
| <p>4: the elimination of all forms of forced and compulsory labour;</p>  | <p>Supplementary to the Collective Labor Agreement, the employer signs with each employee an Individual Labor Agreement that specifies the labor rights and obligations. According the Romanian Labor Code, the normal length of the work time for the full-time employees is 8 hours per day and 40 hours per week. For overtime work, the written consent of employees is required.</p> <p>There is statutory obligation on employer to compensate the overtime by paid hours off in the next 60 days after its performance.</p>  |

## COMMUNICATION ON PROGRESS

| Global Compact Principle   | Action Taken & Impact Achieved and/or Plans for the upcoming Year   |
|--|---|
| <p><b>5:</b> the effective abolition of child labour;</p>  | <p>According the Romanian Labor Code, a natural person shall acquire work capacity at the age of 16. He or she may also conclude a work contract as an employee at the age of 15, with the agreement of his/her parents or legal representatives, for activities corresponding to his/her physical development, skills and knowledge, if his/her health, development and vocational training are not harmed. The young people under 18 years may not perform overtime work.</p> <p>Contor Group has no employees less than 18 years. The company can offer the students the possibility of income obtaining during holidays (individual labor contracts of limited duration) only with the agreement of his/her parents or legal representatives.</p>   |
| <p><b>6:</b> and the elimination of discrimination in respect of employment and occupation.</p>            | <p>Contor Group do not discriminate against any employee based on age, gender, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in hiring and employment practices (applications for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline, and termination). Contor Group do not require workers to undergo medical or pregnancy tests that could be used in a discriminatory way except where required by applicable law or regulation or prudent for workplace safety.</p>   |
| <p><b>7:</b> Businesses should support a precautionary approach to environmental challenges;</p>           | <p>The work practices regarding the Environmental Protection comply with legislative requirements and are certified and supervised by accredited bodies according to ISO 14001. The objectives regarding the environmental management system are monitored by special programs. Training and testing sessions are followed on a quarterly basis in order to update the employees' environmental knowledge.</p>  |
| <p><b>8:</b> undertake initiatives to promote greater environmental responsibility;</p>                    | <p>In line with the international objectives regarding the environmental quality and human health preservation, protection and improvement, Contor Group collects selectively the waste within the manufacturing process.</p> <p>In order to raise the awareness of sorting and recycling among the personnel we followed in 2011 a campaign of household waste collection (paper, cardboard, plastic and batteries) which was shipped to a specialized recycling company. The most significant environment friendlier employees received incentives and diplomas.</p> <p>We uphold other NGO's initiatives ("Let's Do It Romania" and "Breathe Green" with "The National Cleaning Day". The project was to clean the waste in natural areas of Romania, in one day (24<sup>th</sup> September 2011).</p> |
| <p><b>9:</b> and encourage the development and diffusion of environmentally friendly technologies.</p>     | <p>We emphasise the importance of our offer to buy back the used meters from utility companies. The recycled brass bodies are used as a supplementary raw material for new water meters.</p> <p>The chemicals used to clean parts are selected on the basis of environmentally friendly criteria and are neutralized waste water before being discharged into the sewage system.</p>  |
| <p><b>10:</b> Businesses should work against all forms of corruption, including extortion and bribery.</p> | <p>Our sustainable development strategy concerns also the transparency, the fairness, and the trust in our business relationship. The company's management condemns all formulas of corruption, fraud or bribery.</p>   |



Contor Group is building its management policy on business principle along three bottom lines: economic performance, environmental performance, social responsibility.

Starting with 27.03.2007, Contor Group is participant to UNPD (United Nations Development Program) Global Compact initiative - the world's largest voluntary corporate responsibility initiative.

### Goals and measurement

The Balanced Scorecard and the Integrated Management System represent instruments for competitiveness, for setting out the enterprise's strategy, and for monitoring our progress from year to year.

We're continuously measuring enterprise activity towards the strategic objectives by using procedures and quantifiable integrated key performance indicators.



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ISO 9001:2008 • ISO 14001:2005 • OHSAS 18001:2008 • 2004/22/EC