

Communication On Progress (COP)

For the period of 2013-2014

Of

Bangladesh Institute of ICT in Development (BIID)



BIID

LEADING THROUGH INNOVATION

www.biid.org.bd



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

We welcome feedback on its contents.

Statement of continued support by the Chief Executive Officer (CEO)

Thursday, April 25, 2013

Our respected stakeholders,

Bangladesh Institute of ICT in Development (BIID) supports the ten principles of the Global Compact with respect to human rights, labor standards, environment and anti-corruption.

BIID recognizes the social and environmental impact its activities have, and views corporate social responsibility not as an obligation, but as an opportunity to foster good community relations and create a sustainable business model. BIID also recognizes the business case for integrating responsible practices in its operations, as effectively doing so elevates credibility, motivates workers, and ensures longevity. Additionally, through continued engagement with the UNCG, BIID hopes to promote these values further within the broader business community.

Over the past year, BIID has stepped up its CSR initiative. While there have been many notable initiatives undertaken over the past few months, the most significant outcome has been the (ongoing) development of a consolidated sustainability framework and overall CSR policy for the company, bringing together the various existing but disparate policies and articulating informal practices. It is worth noting that the UNGC's COPs have also been a very useful tool in the continued development of this framework.

I am pleased to reaffirm BIID's support for the United Nations Global Compact's ten principles with respect to human rights, labour, anti-corruption and environmental issues, as well as the broader goals of the United Nations. BIID remains committed to making the Global Compact and its principles a part of the strategy and goals, culture, and day to day operations of the company. We look forward to continue moving ahead while promoting the Compact's mandate, and maintain a positive outlook for the global establishment of a higher standard of responsible corporate citizenship and engagement.

Yours Sincerely,



Md. Shahid Uddin Akbar
Chief Executive Officer (CEO)
Bangladesh Institute of ICT in Development (BIID)

Assessment, policy and goals

Bangladesh Institute of ICT in Development (BIID) has always taken a firm stand on the respect for human rights, which it holds as an uncompromisable requirement for all its own as well as its sister concern's activities. BIID further recognizes the business case for protecting human rights both internally and effecting positive influence in this regard when it comes to partners and suppliers, as the resulting improved law and order situation, better community relations, and overall impact on business climate will benefit all stakeholders.

BIID adheres strictly to the Universal Declaration of Human Rights and all relevant human rights legislation in Bangladesh. The company fosters an environment that upholds the dignity of all, is free from any form of discrimination, and in no way infringes upon these internationally recognized provisions.

In addition to its preexisting support for human rights, BIID is moving forward with its commitment to this cause and the support for the United Nations Global Compact's 10 principles by gradually disseminating and implementing the various tools provided by the UNGC. Integrating valuable resources such as the Business and Human Rights Learning Tool and Guide on How to Develop a Human Rights Policy will be a significant part of BIID's forward strategy of developing a consolidated corporate social responsibility framework.

Implementation

Bangladesh Institute of ICT in Development (BIID) directly addresses the United Nations Global Compact's principles in regard to human rights as follows:

Principle-1: Business should support and respect the protection of internationally proclaimed human rights

BIID is widely reputed for exercising maximum level of integrity, compliance and ethical standards – protecting rights of our clients to the best service standards

BIID encourages work-life balance of its employees through flexible working hours

Timely payment of monthly salary and bonuses

Extensive employee benefit packages

Provident Fund and Gratuity for employees after 1 (one) year of service

Paid leave facilities conform to industry standards

(Casual Leave: 12 Days

Sick Leave: 12 Days

Earned Leave: 14 Days)

Training facilities are offered to employees for skill development

Local and foreign training are offered for specific training needs

In-house group trainings are arranged for a number of employees having common training needs

Annual budget allocation for donation and charitable activities

Facilitate collaboration and support for voluntary activities on health and agriculture

Principle-2: Businesses should make sure that they are not complicit in any form of human rights abuse

BIID has developed an internal 'Code of Conduct' to be signed and followed by all employees.

BIID maintains an "Open Door Policy", where employees can always inform their grievances to the HR department, based on which investigations are undertaken and actions taken against the accused person. We are also in the process of developing a formal mechanism for addressing these issues.

Compensation and Benefits Survey is conducted at regular intervals to match industry practices and reflect increasing costs of living.

Measurement of outcomes

- (a) No human rights related charges or issues have been raised against BIID.
- (b) No human rights related charges or issues have been raised against any of BIID's partners or sister concerns.

Assessment, policy and goals

Bangladesh Institute of ICT in Development (BIID) has always deeply valued its employees, and continues not only upholding internationally recognized labour standards, but strives to foster a positive and supportive work environment. It is the company's belief that ensuring labour rights and addressing workers' concerns is not just an obligation, but that providing a workplace that is tolerant, dignified, and encouraging brings out the best in everyone. The company's employees are its most valuable assets, and ensuring their welfare is fundamental to the organization's success.

BIID's labour practices, as implemented through employment terms, human resources policies and other practices, ensure compliance with all relevant standards laid out by the International Labour Organization as well as with Bangladeshi labour law. These policies and practices go beyond safeguarding labour rights, but seek to produce a motivated, engaged and fulfilled team. The company therefore considers open and clear communication with all workers a priority, to understand their position and issues, and constantly work towards improvement. Over the past year, BIID has extended its existing human resource policies, undertaken special training programs for senior staff, and continued emphasizing the value of a positive work environment and worker relations, both to further its commitment to its staff, and to continue setting an example of responsible corporate citizenship. In addition, BIID remains vigilant to ensure that all its partners and suppliers themselves uphold labour standards, seeking to spread these values within its sphere of influence.

Implementation

BIID directly addresses the United Nations Global Compact's principles in regard to labor issues as follows:

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

BIID not only stands for the freedom of association, but encourages its staff to openly discuss their issues of concern and bring these to the attention of management. Staff meetings are not only organized by management, but are often held autonomously by workers on the company's premises and with the company's full consent and support. Our employees are free to join any professional association or group outside the organization, which reflects our commitment towards Freedom of Association.

Principle 4: Businesses should support the elimination of all forms of forced and compulsory labor.

BIID has zero tolerance for any form of forced labor, restriction in workers' mobility, or any other practices that inhibit them from choosing their own course of action. Where applicable, standard working hours are clearly stated in employment contracts, but staff members are free to terminate these agreements at their own choosing. All TCG employees receive fair remuneration, including overtime as applicable. BIID does not unnecessarily delay the release of an employee in case of a change in organization, and strictly adheres to the required notice period of 15 (Fifteen) Days as per the Company Policy.

Principle 5: Businesses should support the initiatives aimed at effective abolition of child labor.

No one below minimum legal working age is considered for employment, and verifiable documentation regarding date of birth is a requirement for any applicant. In addition, BIID's zero tolerance policy for child labor extends to all partners and suppliers, ensuring that no parties the company deals with engage in child labor.

Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation

BIID is an equal opportunity employer, and no form of discrimination is tolerated. It extensively practices non-discrimination on the basis of age, gender, race, religion, ethnicity etc.

Commitment to 'Non-discriminatory Practices' make up a major provision of our Code of Conduct.

Employee evaluation during recruitment, performance appraisals and training opportunities is based on their competencies.

BIID encourages increased participation of female employees in various roles within the organization and higher level of employee motivation and commitment.

A written policy will be developed regarding non-discriminatory practices to make it formalized.

We strongly focus on performance and results. Each year we provide an 'Employee of the year' award in order to encourage our employees.

We also have a quota for persons with disabilities to work in our firm.

In future we are planning to have quotas to have HIV positive persons in our working facility.

Measurement of outcomes

We follow a detailed structure in order to monitor our employee performance. Our quarterly appraisals are based on declared performance matrix comprising performance (KPI) from system, peer review, supervisors review, and customer review (where applicable), mentor's review, and HR review on soft aspects. This also gives us a fair idea regarding where our employees stand.

As a result of the policies BIID has successfully manage to build its brand in the recruitment market, and we get one of the highest number of applications in response to our recruitment advertisements. Because of fair review, we get performance and quality in our deliverables, which in turn has provided us many worthy contracts. Our key findings in this regard:

No labour practices related charges or issues have been raised against TCG

No labour practices related charges or issues have been raised against any of TCG's partners or suppliers.

Assessment, policy and goals

Bangladesh Institute of ICT in Development (BIID) is very conscious of the ecological impact its operations have. It has been following a 'Grow Green' concept from the very beginning. It is the company's aim to be an environment-friendly 'work place' and put lesser stress on the declining resources of the earth. Although not involved in any activities with heavy environmental costs, BIID still constantly strives to minimize its environmental footprint. In the coming years BIID aims to become a 'paper-less' organization and also increase the usage of recyclable/renewable materials and environment-friendly products.

Implementation

BIID directly addresses the United Nations Global Compact's principles in regard to the environment as follows:

Principle 7: Businesses should support a precautionary approach to environmental challenge, &

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility

The company actively participates in promoting awareness regarding the environment through various projects. It is embedded into the mission statement of the company, to let every employees act keeping the environment in mind as a priority. Threat to the environment is one of our top-most concerns and we make it a point to follow nature-friendly strategies in our projects. Unlike various other offices in the city, which prefer flamboyant rooms that occupy unwanted space, BIID, has a compact structure where we maintain a balance between the comfort of our employees and the ecology. We believe less space requires less air-conditioning, which is a new way of thinking of being energy efficient.

BIID has taken policies to fulfill the following activities:

Reducing internal utility consumption (electricity and water)

Reducing paper consumption and using recycled paper

Developing a Green Office Guideline to be followed by the employees

Regular employee engagement programs to create awareness

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

BIID follows a paper-less policy where employees are encouraged to deal with soft-copies. We also have a policy that ensures the usage of equipments that are energy efficient. We use of telecommunication and online support giving tools to decrease the number of physical customer visit, to reduce the carbon emission on the road. Besides, BIID has taken initiatives to implement the following targets:

Greener IT infrastructure within BIID through virtualization and consolidation of servers

Lower energy requirement for powering servers and cooling systems, and reduced CO2 emission
Higher efficiency level to be achieved in terms of server utilization

The following specific measures have been taken in support of UNGC's principles regarding the environment:

The implementation of the United Nations Global Compact's principles in regard to the environment has been formally made an agenda priority for top level management

Distribution of recycling bins.

Installation of energy saving bulbs throughout all workspaces. Mandate to procure only energy efficient appliances.

Measurement of outcomes

We monitor the following:

Make sure we do not print more than 300 sheets of A4 paper per month, and 90% of it has to be for making offers that has a mandatory hard copy submission.

Room temperature in office is not going below 24 degree Celsius to be energy efficient.

The ratio of physical visit to customers in comparison with online support.

Every quarter we are taking some stands (articles, awareness sessions, projects, campaigns etc.) to make the world greener.

Our key findings in this regard:

No environment related charges or issues have been raised against BIID.

No environment related charges or issues have been raised against any of BIID's partners or sister concerns.

Several previously paper based administrative processes are now handled electronically, reducing the use of paper.

Significant reductions in fuel usage for comparable company transportation requirements

Assessment, policy and goals

Though BIID is located in one of the most corrupted countries in the world, it has designed a transparent system which ensures that no corrupt practices take place in the company. We have set policies which ensure that no unfair practices take place in the company. Morality is at the core of the company's culture, and care is taken to make sure all new members of the BIID team share similar values. In addition, BIID remains extremely vigilant against working with parties that may be involved with corrupt or fraudulent practices. We also support the "UN Convention Against Corruption" and we don't deal with customer that perform or request us to help them doing corrupt activities (e.g. deceiving Government to avoid tax etc.). In addition, BIID closely follows the activities of the Anti-Corruption Commission (ACC) of Bangladesh.

Implementation

BIID directly addresses the United Nations Global Compact's principles in regard to the Anti-corruption as follows:

Principle 10: Businesses should work against corruption in all its form, including extortion and bribery

The implementation of the United Nations Global Compact's principles in regard to anti-corruption has been formally made an agenda priority for top level management.

Regular audits are undertaken to ensure that all the company's financial dealings are ethically sound.

Any applicant with any incriminating history is not considered for employment.

All potential clients, partners of suppliers are screened to identify any history or allegations of corrupt processes.

Potential clients, suppliers or partners that have known political links or involvement are generally avoided.

Measurement of outcomes

No corruption or unethical practice related charges or issues have been raised against BIID.

No corruption or unethical practice related charges or issues have been raised against any of BIID's partners or suppliers.

BIID submits financial audit reports to the to the concerned government bodies every year without issue

End Note

Based on our current practices, it can be said that BIID has some level of compliance under all ten principles of UNGC. However, to adopt a more vibrant sustainability culture within the organization, BIID plans to undertake different measures over the years to bring positive changes in terms of our quality of service, new product development, operational activities and stakeholder engagement.

With this objective in mind, BIID has identified a number of areas to drive our sustainability initiative during 2013-14:

- a. Reduction of paper consumption and increased utilization of recycled paper
- b. Preparation of a “Green Office Guideline” for all employees to follow
- c. Arrangement of regular training sessions and employees engagement programs to increase employee awareness and ownership
- d. Adoption of detailed due diligence practices for environmental and climate change risk assessment in terms of projects to be facilitated by BIID
- e. Revision of existing policies and development of new policies to formalize the entire process
- f. Communication with our stakeholder groups regarding our sustainability initiatives through regular disclosure in websites, Annual Reports and other publications
- g. Greater participation and financial assistance to projects leading to community development

Since sustainable business is a comparatively new concept in a developing country like Bangladesh, it is quite understandable that adaptation by our stakeholder groups to a new way of doing business would require a lot of time and effort from our end. However, to mobilize these activities on a full scale, whole-hearted support from all our employees is crucial. The greatest challenge in doing so is to alter their way of thinking and acting, and incorporate a sense of awareness and responsibility among them. Moreover, we may need to lobby with our regulators as well to ensure a level-playing field by bringing in changes through different policies, which itself will be a time-consuming process.

In spite of these challenges, BIID is confident that our continuous drive towards becoming a sustainable business organization will lead us towards better performance, as well as positively add to our brand value and our influence on the community as a whole.