

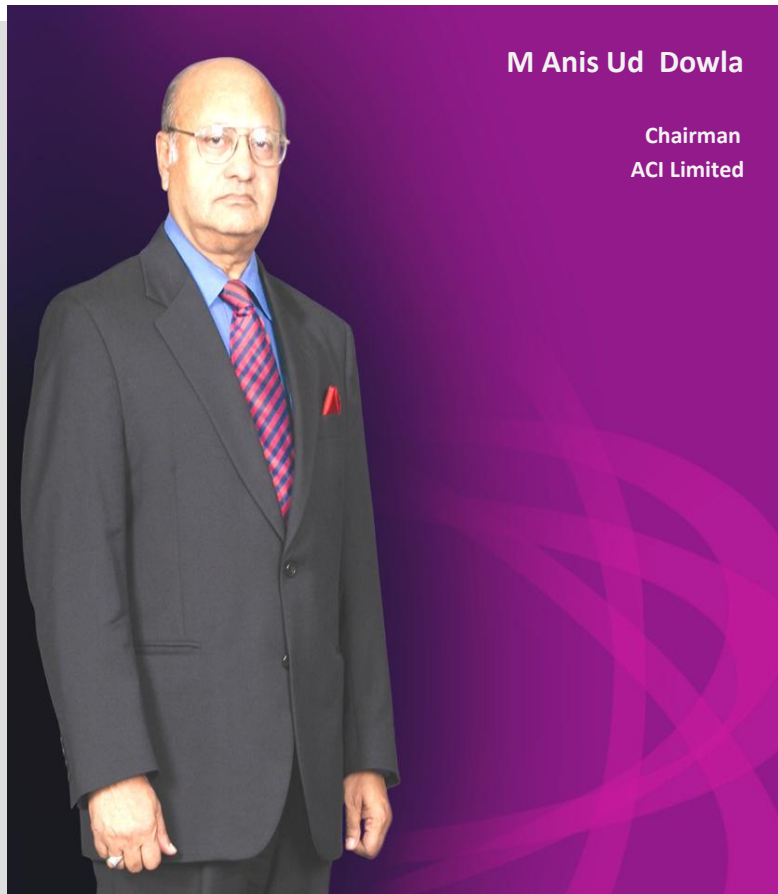


ACI Limited

Communication on Progress 2008

| 5 April 2009 |

Chairman's avowal



Dear Global Compact stakeholders,

Bangladesh is experiencing food shortage in recent years mainly due to disastrous natural calamities. This is a wake up call for Bangladesh and as a Corporate Citizen it is our sense of duty to step forward in this state of affairs.

ACI's long presence in agriculture sector encouraged it to play a much bigger role by commencing new initiatives like supplying seeds, fertilizers, agri-machineries and other crop care products. These initiatives taken in last year will eventually increase millions of farmers' yield, optimize their inputs and magnify the national food production.

Again to ensure that our farmers will get the right price for their products, ACI took initiative to implement a supply chain mechanism by establishing outlets (Retail stores) across the country. In these stores the farmers will get the right price for their products and ultimately help them to become financially solvent. This two way approach will undoubtedly improve the life style of poor farmers; thereby fulfilling a part of ACI's mission.

Lastly I want to say that ACI strongly believe in UNGC's ten principles and hope that in years to come these principles will create a harmony between business and its stakeholders.

Best wishes.

ACI at a glance

ACI in the Year 2008

This year we have expanded our business in the following areas:

1. Health & Hygiene:

- Injection & Ophthalmic Facility
- Effervescent facility

2. Agricultural Sector:

- Seeds
- Feed Mill raw materials

3. Commodity Market:

- Specialized Flour
- Cleansing products
- Snacks

4. Packaging Industry:

- Flexible printing and packaging

5. Retail Market:

- Retail stores for perishable & commodity products

2008 was a crucial year for us because this year we took a giant step towards our primal ambition which is to improve the food scarcity and economic condition of Bangladesh. All these initiatives required participation of large number of employees which provide employment opportunity to our general population and ensure a better and secured life for them and their families.

Mission Statement:

ACI's mission is to enrich the quality of life of people through responsible application of knowledge, skills and technology. ACI is committed to the pursuit of excellence through world class products, innovative processes and empowered employees to provide the highest level of satisfaction to its customers.

Our Values

- ❖ Quality
- ❖ Customer Focus
- ❖ Fairness
- ❖ Transparency
- ❖ Continuous Improvement
- ❖ Innovation

M Anis Ud Dowla

Chairman, ACI Limited

Contact: Muallem A Choudhury

Email: edfp@aci-bd.com

Phone: +8802 9885694; Fax: +8802 9884784

Website: www.aci-bd.com

Activities

ACI always tries to embrace, support and enact the ten principles of UN Global Compact within company's sphere of influence, strategic policies and operational activities. We constantly strive to implement these core values of UNGC into our company structure and business system.

2008 Commitments: Following are the activities that ACI has committed and carried out in the year 2008.

Global compact Principles	Activities
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	I. Employment generation
	II. Visual Analogue Scale (VAS) introduced formally to score cancer pain
	III. Providing Hygiene products to UNHCR for Rohingya refugees
	IV. Fund raising for UNWFP's poor school children fund
	V. Generating awareness in "Good Female Hygiene Practice" for Garment workers
Principle 7: Businesses should support a precautionary approach to environmental challenges	I. Training on Servicing, Usage & Troubleshooting of Power Tillers and Diesel Engines
	II. Training on Crop care activities, usage of fertilizers, right use of medicines and maintenance of harvesting life-cycle
	III. Clinical Meetings for Doctors

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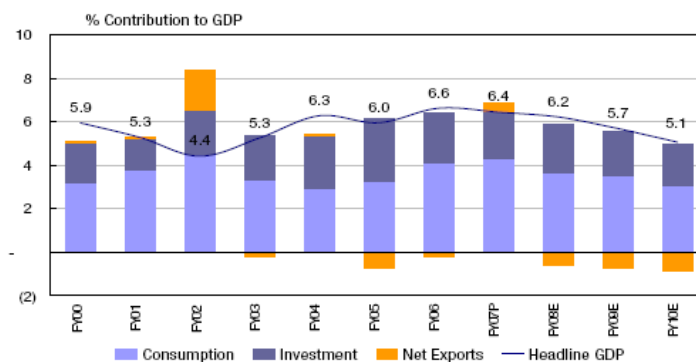
2008 Commitments

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Principle 1: “Businesses should support and respect the protection of internationally proclaimed human rights”

- Employment generation:**

Bangladesh is a South-East Asian country which has to face different political problems coupled with environmental issues like natural calamities, change of climates etc. As a developing nation it is very important for Bangladesh to dispense its monetary flow into common mass people. For this, employment generation is one of the most significant obligations for Bangladesh. Bangladesh's GDP growth has a trend of hovering around 5 -7% in recent years, which is relatively a positive sign for a developing nation.



Source: Bangladesh Bureau of Statistics, Citi Estimates

On the other hand, the unemployment rate is dangerously high. There are almost 40 Million people in Bangladesh who do not have any jobs (including underemployment). In addition to that, the global recession has forced people to save up more for future consumption. As a result, new investments have slowed down. In Bangladesh, 40% of people live below the poverty line with national GDP per capita (purchasing power parity) of 1,500 USD (ranked 195 among the countries) and national Stock of money per capita of 55 USD. (Source: CIA publications, Bangladesh Bureau of Statistics). These factors show that the wealth of the nation is dispensing improperly and it is going mostly to the upper income level population. As a result the poor people are still stuck with their distress and living under the poverty line.

To get liberate from this position; ACI thought-out that creation of employment opportunity for the inhabitants of the nation is the first and foremost task to build a prosperous and developed Bangladesh. In recent years ACI extended its businesses in Agricultural sector, Commodity market and Retail business. These businesses required engagement of thousands of agri-workers and moderately educated people; thereby ACI is creating numerous employment opportunities for these people.

Outcome:

In recent years ACI has employed quite a significant number of people. With the opening of new businesses, ACI has been able to attract and recruit numerous people. In 2008, ACI has employed 1967 employees and created thousands of other indirect employment opportunity for Bangladeshi citizens.

Number of employees	
2006	2031
2007	2981
2008	4948

Employee Growth Rate	
2007	47%
2008	66%



• Contribution in Bangladesh Oncology Sector:

Continuation of last year; this year we keep our pledge towards the oncology sector of Bangladesh and worked extensively on the pain management of Cancer patients. The concept of “Pain Management” had gained momentum with the 2004 European Federation of International Association for the Study of Pain (IASP) Chapters, International Association for the Study of Pain and World Health Organization. ACI has designed Pain assessment tool and took research initiatives with National Institute of Cancer Research Hospital. National Institute of Cancer Research & Hospital (NICRH), established in 1981, is the biggest cancer hospital in the national level In Bangladesh, new cancer cases per year can be estimated as 200 thousand and 150 thousand die due to cancer in each year. Total cancer cases of the country at any point of time are about 10 million.

This concept is built to assess different types of cancer pain and evaluate the treatment and its effectiveness according to WHO guideline. Our main objectives are:

- To observe characteristics of cancer patients dealing with severe pain
- To score pain using the combined pain scale (VAS,NRS, Face scale etc)
- To observe pain score before and after treatment given according to the WHO guideline.

First time in Bangladesh, Visual Analogue Scale (VAS) was introduced formally to score cancer pain. It also translated the report in Bengali which has printed by ACI Pharmaceutical. ACI also designed the patient follow up card for any kind of future treatments. Numerous workshops have been arranged to teach WHO guideline for pain management and other aspects of patient care.

In recent period (Nov/06 –June 2008), total 1485 number of cancer patients of whom 993 with pain were registered in the pain & palliative care clinic. Among them, 882 patients were adult and 31 were pediatric cases. In 90% of the cases, before treatment the average pain score is 8.5(extreme pain) and after treatment it comes down to 3.5 to 5.5 (mild pain)

Outcome:

In 2008 ACI contributed in following activities:

- We had presented the result at Bangladesh and Pakistan Joint College of Physicians
- We highlighted the need for Opioid supply at cancer hospital
- We also participated in International Pain and Palliative Care conference in India to share our experience to get support from international community regarding palliative medicine and pain control. Government has taken note of this and now National Institute of Cancer Research Hospital has the license to keep morphine for cancer pain management
- We audited the pain and palliative care unit, we founded that 98% of patients were reviewed and treated for pain. In second cycle of audit we will reinforce the importance of assessing pain, managing and follow up score after the treatment to ensure good standard of care. This is first of its kind of audit of a care program at NICRH.
- ACI will conduct pain management workshops at tertiary hospitals and satellite centers all over Bangladesh. ACI has already decided to set up Inpatient, Home care and Daycare provision at BIHS hospital.
- Community Palliative and Supportive Care Service- for patients with: Dementia, motor neuron disease, life limiting illness, cancer, HIV/AIDS (will keep provision), reparatory failure, end stage renal failure etc
- ACI is also planning to work as consultant for the doctors and nurses from NICRH, BIRDEM hospital, BIHS Hospital to disseminate knowledge to the health care professionals.
- ACI is starting home based care for patients with prognosis of less than one year.

- **Providing Hygiene products to UNHCR for Rohingya refugees:**

United Nations High Commissioner for Refugees (UNHCR) was established on December 14, 1950 by the United Nations, which is mandated to lead and co-ordinate international action to protect refugees and resolve refugee problems worldwide. Its primary purpose is to safeguard the rights and well-being of refugees. In Bangladesh, UNHCR facilitates voluntary repatriation to Myanmar of those of the 22,500 remaining Rohingya refugees, who are willing and able to return to their home country Myanmar. UNHCR promotes and initiates activities that encourage self-reliance for refugees who are either unable or unwilling to return in the near future, until a durable solution is found. It also co-ordinates and ensures protection and basic services for the refugees, giving special care and attention to the needs of women and children.

With a view to help this disadvantage and homeless people, ACI took a small but effective initiative to improve their health and hygiene condition. These Rohingya refugees live a despondent life whose basic needs can not be assured. These refugees live on minimal food supply, reside under shelter and more importantly they do not have proper medical facilities. To meet up their medical needs each year ACI provides hygiene products (Savlon) to UNHCR for its Rohingya sanctuary activities.

Outcome:

In 2008, ACI provided 50,000 packs of Savlon medical products for Rohingya refugees at the minimal price. These products were sealed with UNHCR logos so that it can only be used for the purpose of Rohingya refugees. Year prior to 2008, ACI provided 30,000 packs of medical products to UNHCR to help them to carry out its noble work for Rohingya refugees.

● Generating awareness in “Good Female Hygiene Practice” for Garment workers

Bangladesh is an emerging country which still lacks behind in providing some “Basic Needs” for its inhabitants. As the member of this under-developed country, Bangladeshi population lack greatly in the personal hygiene sector and among it “Women personal hygiene” is a worried subject. In Bangladesh, Garment industry is the highest revenue generator and more than fifty percent of the workers are female. There are 1.9 Million female garment workers with an average wage rate of 27USD per month. In this kind of financial status, it is impossible for them to afford the regular sanitary protections available in the market. Majority of these protection products are targeted for middle and upper class women. As a result these female workers have to make alternate ways and use home-made unhygienic protections. As a result, they have to suffer from various kinds of dangerous diseases including variety of infections, cancer etc.

Usage of home-made protections cause health hazards which leads to their absenteeism in workplaces. Industry trend shows that generally female garment workers do not show up at the workplace for at least 2-3 days in a month; and if they do show up they can not work in their standard manner. Thus, leads to less productivity.

ACI believes that a company should grow with its country and people. These female garment workers generate enormous amount of foreign currencies for their country. We believe that it is our responsibility to improve their life and keeping this thought in mind ACI come up with the initiative of “Low-priced” sanitary protections which would meet up their hygiene needs. ACI’s “Savlon Freedom Sanitary Napkin” was launched as a unique product for the low income female consumers to enhance their overall hygiene standard. Price of these products is affordable for the target classes. ACI also ensured the quality of the product and these products have launched to serve the lower income group of women for whom none of the local or international companies have offered a cost effective quality solution. The main purpose of ACI to be in this initiative is to awake the female workers to improve and take care of their hygiene practices which will ultimately improve their lifestyle and increase their productivity,

Outcome:

- In January 2008, Savlon Freedom Sanitary Napkin “Popular” was launched for the low income female consumers to enhance their overall hygiene standard. The price of the products was affordable for the target class.
- In July 2008, ACI affiliated with Bangladesh Garments Manufacturer & Exporter’s Association (BGMEA) to work for the betterment of the garments worker and lower income people for improving hygiene practices in their daily health life. The main focus of this campaign was to create awareness among the garments workers about hygienic issues of their own life. This project is funded by United Nations Population Fund (UNFPA). BGMEA organized 10 training sessions in 2008 where they demonstrate good health and hygiene practices for female garment workers. ACI is one of the primal members of this awareness program held by BGMEA. These programs are conducted in four major centers in Bangladesh. Female garment workers and garment company health officers are the major participants of these trainings on “Good female Hygiene Practice”.
- Currently ACI is working with 22 garment companies directly to create awareness among female garment workers to use proper hygiene methods. Our representatives go to garment companies and provide a guideline to the garment workers on proper hygiene practices. We also provide free sample of our sanitary napkin products to these garment companies’ medical facilities.

Principle 7: “Businesses should support a precautionary approach to environmental challenges”

• Trainings for Farmers and Mechanics:

‘Grow More Foods’ is becoming the most talked about slogan in recent times especially in a country like ours. Countries throughout the world are taking urgent steps to escalate the food production. This is more vital for a country like Bangladesh where land availability versus population growth is going in opposite direction. For this, we have no other choice than to take every possible step to augment food production. The only way Bangladesh can manage this vast problem is to apply modern agricultural practices and proper crop inputs to increase yield, establish effective supply chain and improve knowledge base of farmers’ community to become aware of changed agricultural practices.

ACI is the only organized group of companies in Bangladesh agricultural sector. In ACI, we have six agri-based companies: ACI Formulation, ACI Livestock and Fisheries, ACI Motors, ACI Cropex, ACI Fertilizer & ACI Seed.

In our country majority of the farmers cultivate their lands without knowing proper mechanical means and usage of correct medicines. Absences of quality machineries and appropriate trainings on farming remain the farmers and mechanics unaware about new machineries and technologies. Then again, It is almost impossible for these farmers and mechanics to get proper training by their own because they can not afford it.

As the only organized entity in Bangladesh agricultural sector, we think that it is our sense of duty to not only sell the farming products but also give complete solution (e.g. education, training etc.) to farmers and agri-mechanics. For this, ACI decided to conduct continuous structured training sessions for farmers and mechanics. This is becoming a social objective for ACI to equip farmer community with modern cultivation machineries like diesel engines, power tillers etc.

Outcome:

Each year we carry out significant numbers of trainings on precautionary methods, environmental safety and utilization of agri-machineries. In 2008 we have arranged following complimentary trainings:

Business	Training on	No. of Trainings	No. of Participants	Impact of Trainings
ACI Motors	Servicing, Usage & Troubleshooting of Power Tillers and Diesel Engines	30	1525	First time in Bangladesh Structured training on Power tillers and Diesel engines are given by ACI Motors. It helps the mechanics to repair and troubleshoot the problems of these machines.
				These trainings help farmers to know their machines as well as their land. Follow up results after these trainings:
				* Fuel efficiency
				* Increase in life expectancy of land and machineries
				* Less soil degradation
Business	Training on	No. of Trainings	No. of Participants	Impact of Trainings
ACI Fertilizers	Crop care activities, usage of fertilizers, right use of medicines and maintenance of harvesting life-cycle	400	11900	These trainings help the farmers to maintain adequate yields
				It helps the farmers to know the right combination of fertilizers and medicines to get maximum result
				Our trainers also help the farmers to choose appropriate crops for their lands

These trainings and demonstrations are ultimately helping farmers and mechanics to enrich their farming and technical knowledge which is directly helping the country to purge out from food scarcity crisis.



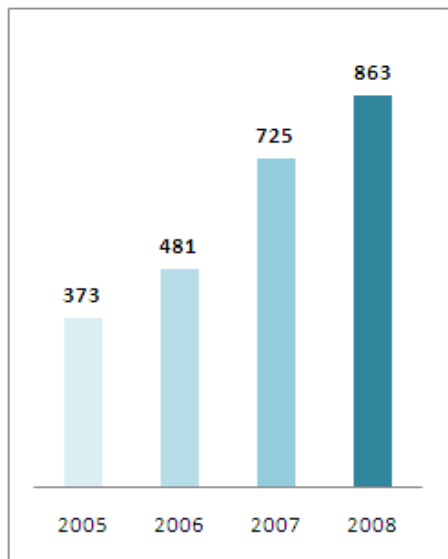
- **Clinical Meetings for Doctors:**

Each year ACI pharmaceuticals arranges numerous “Clinical Meetings” trainings for doctors all across the country. These trainings are conducted by our Medical Services Department (MSD). The main purpose of these trainings is to inform fresh graduate doctors how to take up with the patients and proper use of medicines. As fresh graduate doctors, they are not trained enough to cope with the pressure of facing severe-state patients, emergency calls, extreme diseases etc. in practical life. By keeping this thought in mind ACI has initiated this “Clinical Meeting” training programs to help them to take up their medical career pertinently and help their country.

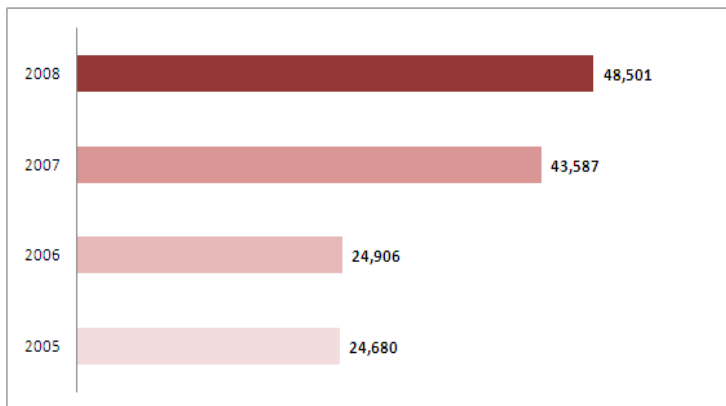
Outcome:

Each year the number of training programs and participants are growing gradually. In 2008 our Medical Service Department has arranged 863 training programs. These training programs are attended by 48,501 doctors across the country.

No. of Training Programs



No. of Participant Doctors



ACI gallery

ACI Centre



Workstation



ACI Motors Training Session for Mechanics



Training Commenced by ACI Pharmaceuticals



Free distribution of Sanitary Napkins by ACI Consumer Brands



ACI Agri Fair

