

The Global Compact Communications on Progress Lanka Hydraulic Institute Ltd, Sri Lanka 22nd January 2007

"Lanka Hydraulic Institute Ltd pledges continued support for the Global Compact initiatives and pledges to uphold, embrace, support and enact, within our sphere of influence, the core values & principals of the Global compact.

Lanka Hydraulic Institute Ltd will work towards continued improvement in the practice of the ten principles of the global compact and will act to propagate the Global compact in other organizations in the Sri Lanka and abroad. "

- **Malith S. Mendis, Chief Executive/ Director, Lanka Hydraulic Institute Ltd**

Description of Practical Actions

Principle 1 - Health and Safety Management System:

LHI has also taken steps to the adoption of 5S program in the Organization. 5S brings about the prevention of accidents, reduces down-time, improves process control and creates a healthier Corporate Climate through elements such as maintenance of standardized conditions, organization of the workplace, keeping it clean and neat and also inculcating discipline to do a good job.

Principle 6 - Company policies and procedures which make qualifications, skill and experience the basis for the recruitment, placement, training and advancement of staff at all levels:

LHI's commitment is to eliminate any kind of discrimination in respect of employment in terms of, including employees of minority races and religions in our workforce.

Furthermore, LHI also plans to implement a Grievance Handling Procedure that is catered to addressing employee grievances and supplying remedial actions.

Principle 8 - Introducing, certifying and continually improving environmental management systems:

LHI has further developed the Quality Management Process through implementation and application of ISO Standards.

Strategies and policies to include the 'triple bottom line' of sustainable development – economic prosperity, environmental quality and social equity.

The necessary steps taken for the prevention of accidents and minor injuries, the recycling of water and paper and the reduction of the usage of both resources has aided in the retaining of economic prosperity and environmental quality at LHI. Creating awareness among the Society through warning signs was also a strategy LHI believes in, in terms of fulfilling its social responsibility.

Measurement of Outcomes

Pertaining to Principle 1 -

Our goal of implementing this Health & Safety System is to eliminate waste, minimize and control our Health and Safety risks and improve Employee Morale and Performance and thus increase efficiency and organization.

Recruitment Policy containing no allowance for discrimination of the above-mentioned minority groups and encouragement of equal opportunities at all levels are stressed. The Organization considers only the individual and his or her ability to perform the tasks of the job assigned.

In respect of Principle 6 -

LHI has in its employment many members belonging to various religious and racial minority groups. These members are of both sexes and some hold high posts in the Company's Hierarchy.

Training Needs were identified through LHI's Human Resources Assessment System (Known as Dialogue) in which all employees of the Organization participated. The Company is in the process of providing relevant training for our employees, irrespective of gender, race, religion or level.

Pertaining to Principle 8 -

While ensuring quality assurance in the Management system, it addresses the development of services that consistently ensure Customer Focus as well as meeting regulatory requirements and the achievement of continual improvement of our services.

For the sustainable development of:

Economic prosperity:

Economic success at LHI is seen through providing our employees a safe and healthy environment to work in. This action is taken through adherence to the safety policies such as wearing of the safety overalls and other safety attire when working in the laboratory. This has enabled the prevention of minor accidents to the workers and thus the expenditure that follows.

Environmental quality:

Through the computation of many processes and procedures at LHI, we have been able to drastically reduce the use of paper. Processes such as monthly remuneration payment now been an electronic process has assisted in the less usage of paper.

LHI hopes to install an Attendance and Leave system, where all mentioned details will be stored for monitoring and administrating purposes, eliminating the use of paper for this purpose. By so adopting these electronic systems, not only do we reduce the usage of paper but also make such administration tools efficient and effective systems. Also, the paper that is already used is handed-over to the local recycling agent, ensuring and supporting the reduction of waste and energy in aid to improve environmental conditions.

LHI enables the reuse of water through the recycling of water used in our labs and the basin. The water used for the experiments in the basin is directed to a recycling process, where the water is cleaned and stored for reuse, therefore assisting in reduction of its usage and benefiting the organization in terms of expenditure for this priceless environmental treasure.

Social Responsibility:

LHI is located in a residential area and thus the fitting of warning signs at all dangerous bends leading to the Company was seen as of paramount importance for the Organization in being committed to the welfare and conditions of the Society at large.