

A decorative graphic on the right side of the page. It features three concentric blue circles of varying sizes. Two thin blue lines intersect at a point on the left side of the circles, extending towards the top right corner. The circles are positioned in the upper right and lower right areas of the page.

# ACI Limited

Global Compact “Communication on Progress”

[The UN Global Compact is a voluntary initiative that brings together companies, UN agencies and labor and Civil Society organized in support of ten principle covering Human rights, Labor, the Environment and Anti-corruption.]

[30<sup>th</sup> March 08]

*Dear Global Compact stakeholders,*

*It gives me great joy to be associated with Global Compact for another year.*

*The year 2007 has been a year with great challenge for ACI, which we have boldly faced and have overcome. Our business has expanded into diversified sectors with relevance in the development of the quality of life of the people of Bangladesh. New Initiatives have been undertaken in various fields to foster the pace of the growth, to stand beside the people of Bangladesh when faced with great hurdle lead by nature itself.*

*Within all the hardship, we have completed the memorable journey - 'Year 2007'. In front of us lies even greater challenge and we are ready to face it. With this I wish all of us all the success.*

*Best Wishes.*



**M Anis Ud Dowla**

**Chairman  
ACI Limited**

## ACI IN THE YEAR 2007

In a span of one (01) year we have expanded our business in the following areas:

1. Health & Hygiene
  - a. Novel Drug Delivery System (NDDS)
  - b. Meter Dose Inhaler (MDI)
2. Commodity Market
  - a. Flour
  - b. Semolina
  - c. Spice
3. Agricultural Sector
  - a. Machinery
  - b. Fertilizers

All these business are either linked forward to the end consumer or backward to the sources. Thus giving outlets for farmers/growers community to get good price/ready market for their produce thereby improving their economic condition, similarly consumers are given a choice of quality products thereby improving their health and enriching their lifestyle. All these initiatives requires participation of large number of agricultural and industrial workers thereby giving opportunity for them and their extended family to ensure better and secured livelihood.

## 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.

## VALUES

- > Quality
- > Customer Focus
- > Fairness
- > Transparency
- > Continuous Improvements
- > Innovation

M Anis Ud Dowla  
Chairman  
ACI Limited

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Ever since we have endorsed the UN Global Compact (GC), we have always tried to expand our horizon by embedding its ten principles within our system. We are also exploring for new dimensions which will not only strengthen our roots in the GC community but will also take us more close to the people of Bangladesh. To reflect our commitment in this matter we have categorized Communication on Progress for the year 2007 in two parts:

- Part 1: New initiatives in the year 2007 – This part will reflect the initiatives that we have committed and have taken up and how we are following up on them.
- Part 2: Old and continued initiatives – this part will reflect what we have done in the past and how we are following up on them.

Below are the content of each part:

### PART 1: NEW INITIATIVES IN THE YEAR 2007

| GLOBAL COMPACT PRINCIPLES  | Action taken and Reference   |
|--|--|
| <b>Principle 1: Human Rights</b><br>Business should support and respect the protection of Internationally proclaimed human rights. | i. Developing & awareness building of comprehensive treatment in the Oncology sector of Bangladesh |
| <b>Principle 5: Labor</b><br>Business should uphold the effective abolition of child labor.  | ii. Abolition of child labor   |
| <b>Principle 6: Labor</b><br>Business should uphold the elimination of discrimination in respect of employment and occupation.     | iii. Equal Opportunity Company   |
| <b>Principle 8: Environment</b><br>Business should undertake initiatives to promote greater environmental responsibility.          | iv. Rehabilitation Program for Cyclone Sidr affected victims                                       |

### PART 2: OLD & CONTINUED INITIATIVES

| GLOBAL COMPACT PRINCIPLES  | Action taken and Reference   |
|--|--|
| <b>Principle 1: Human Rights</b><br>Business should support and respect the protection of Internationally proclaimed human rights. | i. ACI Quality Policy<br>ii. ACI Safety, Health & Environment (SHE) Policy |
| <b>Principle 2: Human Rights</b><br>Business should make Sure that they are not complicit in human rights abuses.                  | iii. Employee Benefits<br>iv. Training & Development Policy                |
| <b>Principle 7: Environment</b><br>Businesses Should support a precautionary approach to environmental challenges.                 | v. ACI Aerosol Production Unit<br>vi. Educating the Doctors and Farmers    |

## **Part 1 New Initiatives**

# "Developing & Awareness building of Comprehensive treatment in the Oncology Sector of Bangladesh"

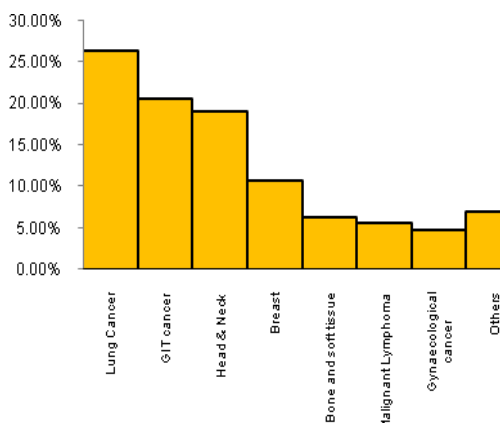
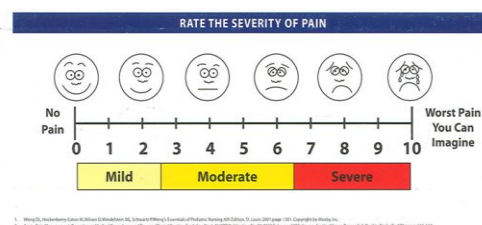
**Principle 1: Business should support and respect the protection of internationally proclaimed human rights.**

In 2006 ACI took the initiatives along with National Institute of Cancer Research & hospital (NICR&H) and Ashic Foundation to elevate the treatment standard of the Oncology sector of Bangladesh. The vision of the initiatives was divided into three fold

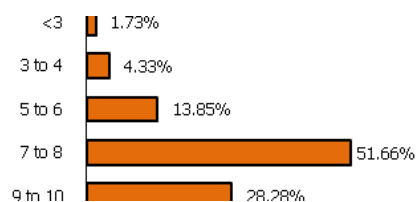
1. Building awareness regarding childhood cancer in Bangladesh along with Cancer Society and Ashic Foundation
2. Developing resource center for knowledge development in this sector.
3. Improve the quality of care by arranging/participating in seminars and symposia to disseminate knowledge regarding cancer.

## OUTCOME > > >

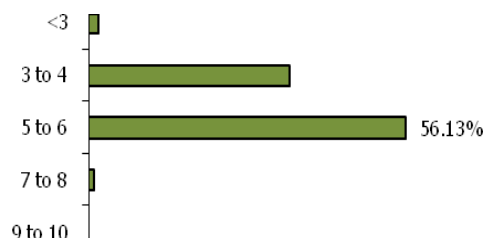
1. For the 1<sup>st</sup> time in the Bangladesh "Pain Scorecard" has been introduced in the scoring of pain that the patient is enduring, thus enabling better management and follow up care.
2. April 7<sup>th</sup> first scientific workshop on Cancer and Palliative Care was held where doctors from various hospitals participated.
3. May 2007 Seminar was held on Palliative Care in Childhood Cancer in Bangladesh.
4. November 27 to Dec 7<sup>th</sup> 2007: More than 300 physician and 100 nurses have gone through vigorous training where international faculties took the training along with local specialized doctors from this field.
5. From Nov '06 till Dec '07 over 1500 patient have been treated by the doctors and nurses who were being trained by the specialized doctors and international faculties in various learning forum.
6. In order to carry out all the activities mentioned above, a research carried out which was Descriptive Observational Study in nature, where patients with various cancer and severe pain were treated. Some of the outcomes of the research are shown below in graphical presentation.



**Graph 1: Percentage of Various types of cancer patient with pain**



**Graph 2: Pain Score before Rx**



**Graph 3: Pain Score after Rx**

## **“Abolition of Child labor”**

### **Principle 5: Business should uphold the effective abolition of Child Labor**

ACI recognizes that it is the right of a child to have access to education, food and proper livelihood. More over child labor deprives children of their childhood and dignity. It prevents a child’s natural mental growth and slows down the skill development. As a result under skilled and unqualified workers jeopardize the future and potential of a skilled workforce of a nation. By recognizing all these possible actions ACI does not recruit any child in its work force and within the sphere of influence.

#### **OUTCOME > > >**

1. All the factories follow the Labor Law and ensure that the right of a child is protected besides providing the right working condition for all the employee working in the factory.
2. While recruiting from the agencies, ACI has incorporated the clause in the contract which restricts the agency to recruit anyone who is under the age of 18 years. Upon violation of the clause penalty is imposed which in some cases even include cancelation of the contract with the agency and also its permanent removal from the vendor list.

## “Equal Opportunity Company”

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

ACI Limited is committed to ensure that the principle of equality of opportunity is applied in all areas of its operation. The Management has adopted the following Policy:

#### **Equal Opportunities Policy Statement**

1. The equal opportunity policy of the company is that in the recruitment, selection, training, appraisal, development and promotion of staff, the only consideration must be that the individual meets, or is likely to meet, the requirements of the program or post.
2. The requirements being met, no employee will be discriminated against on the basis of their sex, race, color, ethnic origin, nationality (within current legislation), marital status, caring or parental responsibilities, age, or beliefs on matters such as religion and politics.
3. The above policy guidelines also apply to selection of and dealings with all business partners.

ACI Limited is committed to provide a working and social environment in which the rights and dignity of all its members are respected, and which is free from discrimination, prejudice, intimidation and all forms of harassment. ACI Limited is also committed to a program of action to ensure that its policy is implemented and monitored at an organizational and individual level.

#### **OUTCOME > > >**

As an outcome of this policy the following activities are ensured to implement and monitor equal opportunity through out the organization:

1. Employees are recruited based on written exams, IQ test and interviews irrespective of their race, color, religion, ethnic origin, sex, nationality etc.
2. Both male and female candidate are encouraged to participate in the selection process, through which the right candidates are selected.
3. Congenial work environment are ensured for female employee to ensure comfortable atmosphere while working.
4. Trainings are given to all the employee as per the job requirements and also to enhance their leadership skills for future developments.
5. In terms of promotion, the candidate has to go through the exams and interview process before becoming eligible to get the promotion.
6. Periodical audits are done by the Human Resources department to ensure that the policies are rightly implemented and monitored at all levels.

## “Rehabilitation Program for Cyclone Sidr affected victims”

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

15<sup>th</sup> November 2007, Bangladesh faced one of the biggest natural disasters in past 15 years. With a velocity of 220 to 250 Km/hr cyclone Sidr destroyed the lives of thousands of people, leaving many homeless, taking lives of the beloved ones and shattering dreams and hopes of millions. It was reported that even after evacuating the entire costal areas more then 3000 lost their life by this cyclone.

In a time like this ACI, as a socially responsible company, took the initiative to restore the lives of all those it could reach. Through a massive program called – **Ghure Darai (Turning Around)** ACI reached out for serving the humanity which was implemented in two phases:

1. Immediate treatment of cyclone affected people and domestic animals
2. Rehabilitation to help them turn around in future

#### OUTCOME > > >

##### Immediate treatment of cyclone affected people & domestic animals:

1. 7 floating medical units with doctors and trained medical staff were deployed for 9 days to giving medical treatment to the cyclone affected.
2. These medical units covered 7 areas and gave free medical treatment to more then 3000 cyclone affected people out of which 45% where women, 35% men and 20% children.



Mobile Medical Units



Patient being treated

3. 2 veterinary doctors where sent with the required facilities who treated 2600 animals of these people as life of many families are depended on it.
4. Free medicine and other necessary materials where given to all those who need them but had no access to it.

##### Rehabilitation to help them turn around future:

200 houses were built for 200 families across five (05) villages making shelter accessible to all those who needed it most. The picture on the right shows the people of ACI involved in the construction.



Reconstruction of Houses



After the Reconstruction

## **Part 2**

### **Old & Continued Initiatives**

## **ACI Quality Policy:**

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

ACI's mission is to achieve business excellence through quality by understanding, accepting, meeting and exceeding customer expectations.

ACI follows International Standards on Quality Management System to ensure consistent quality of products and services to achieve customer satisfaction. ACI also meets all national regulatory requirements relating to its current businesses and ensures that current Good Manufacturing Practices (cGMP) as recommended by World Health Organization is followed for its pharmaceutical operations.

The management of ACI commits itself to quality as the prime consideration in all its business decisions. All employees of ACI must follow documented procedures to ensure compliance with quality standards.

The pool of human resources of the company will be developed to their full potential and harnessed through regular training and their participation in seeking continuous improvement of work methods.

### **OUTCOME > > >**

As an outcome of our quality policy we are the first company in Bangladesh to attain ISO 9001 and 14001 certification to fulfill our vision of improving the quality of life of the people of our country. For stronger foothold on our policy we currently audit (internally and externally) our manufacturing plant twice a year to ensure that we Good Manufacturing Practice as recommended by World Health Organization (WHO).

We produce quality products according to the international pharmacopoeia to meet the highest requirements. The quality assurance system is based upon the strict choice of raw and packaging materials, processes which enables compliance with the existing standards or pharmacopoeia.

Records and reference sample concerning every production steps are documented. A process sheet and batch manufacturing record system provide a reliable base for full traceability in every phase of the process and product life cycle.

Raw materials, intermediates and final products are thoroughly tested at ACI laboratory on different parameters before giving the necessary authorization for use.

Products which are subject to microbiological testing are kept in quarantine for a specific period before release. ACI has expanded its Quality Control Facilities with an ultra modern new microbiology laboratory that meets latest regulatory requirements of GLP.

The high standard work practices, innovative and high quality products have gained wide acceptance and reputation which enables us to acquire high product image and manufacturing collaboration with multinationals.

## ACI Safety Health & Environment (SHE) Policy:

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

ACI's Limited is a manufacturer and marketer of pharmaceutical products, cosmetics, toiletries, homecare, cropcare and animal health products employing and serving people all across Bangladesh. ACI shall uphold its commitment to play a leading role in enhancing the 'quality of life' of the people of Bangladesh through 'responsible application of knowledge, skills and technology'.

In fulfillment of this commitment, we shall maintain a continuing effort to adhere to the following principles:

- i. We believe that all the accidents, incidents and work related ill health are preventable and we will manage our own business with the aim including the provision of adequate resources for the prevention and control of major accidents
- ii. We will investigate all the work place accidents and illness in order to promptly correct any unsafe condition or practices, and to prevent repetition of these occurrences.
- iii. As an absolute minimum we will comply with all the national regulation but in addition will set our own demand internal corporate standards on matter relating to safety, health and the environment and endeavor to strictly adhere to them.
- iv. We will continue to improve communication and the exchange of views with the employees, employee representative, customer, contractors, suppliers and neighbors and any other individual or organization affected by our business.
- v. We will integrate SHE consideration into business planning and decision –making.
- vi. We will continue to innovate in order to improve our products and processes so that their effect on safety, health and the environment is reduced.
- vii. Continuous improvement in all aspects of safety, health and the environmental performance will be achieved via training, system and the equipment that are necessary.
- viii. We will increase shareholder value through SHE excellence.

#### OUTCOME > > >

##### Safety in Plant Operation

Plant includes manufacturing building, support services, machineries and operational practices. Each component is properly designed, and periodic assessment of risk & hazard are carried out. Periodic maintenance, identification of risk-prone operations and adoption of corrective/preventive precautions are also carried out to maintain safety in plant operation. As a result the following are initiated in the organization: a) Routine inspection of equipment, safety & fire protection system, b) Incident reporting system for injury, accident and dangerous occurrences, investigation, reporting and corrective measures to be adopted depending on seriousness of incidents, c) Use of protective clothing, proper cleaning & maintenance required for protection against chemical hazard.

##### Health

ACI takes appropriate care to protect the safety and health of all persons involved in the work team. The company complies with the legal requirement and appropriate code of practices to promote safety and health of its employees.

Factory administration is responsible for (1) Risk due to exposure of chemical (2) Control by use of protective clothing on the workplace or Engineering Design is implemented (3) Hygiene monitoring programmed is arranged to demonstrate safe working condition.

## Employee Benefits Package:

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

ACI is an equal opportunity employer and it follows the principle of diversity in recruitment, training and giving opportunity to its employees for career progression and growth. The company has a mixed workforce from all parts of the country from different religious background. The employee benefits package of the company was developed with the intention for all the employee to have access to his right as part of the ACI family. The package includes the following as mentioned below:

1. Gratuity Scheme
2. Provident Fund
3. Medical Rules for all Permanent Management Staff
4. Top-of-The Grade Management Compensation Policy
5. Annual Payments to Management Staff
6. Festival Bonus
7. Performance Appraisal
8. Telephone at Residence
9. Policy on Mobile Phone
10. Procedure for Staff Canteen
11. Scholarship Scheme
12. Application for Scholarship

### **OUTCOME > > >**

1. An employee shall be eligible for gratuity on leaving the company after continuous and confirmed service.
2. All employees are entitled to provident fund which takes 10% from the employee basis salary and equal amount from the company as well.
3. Incase of hospitalization of the stuff, spouse or child the employee shall receive 50% of the charges. Incase of surgery the company reimburses 75% of the hospital charges.
4. Each management employee is entitled to festival and performance bonus.
5. All permanent employees under non management stuff are eligible to apply for scholarship for their children.

## Training and Development:

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

ACI recognizes the responsibility to enhance the employee's opportunity to develop competence level for ensuring satisfactory performance. The training program includes some of the following as mentioned below:

1. Training Need Assessment & Performance Development Planning
2. Training Plan
3. Training Design & Development
4. Training Evaluation
5. Management Development Plan
6. Individual Development Plan

### **OUTCOME > > >**

1. For every position the competency requirement is benchmarked by the supervisor.
2. All training needs which are identified in the review are included in the training plan of the company to the development and growth of the employee.
3. Under an appropriate guide line the training needs are incorporated prior to the delivery of the training of the scheduled program.
4. When a training program is run, an evaluation takes place not only after the training but also prior to the training to find the learning that the person got from the training.
5. From the review of the training program the all the training needs are collected and compiled with a time line which is termed as Management Development Plan (MDP).
6. Each employee is given a form which is filled in consultation with the supervisor to identify what are the needs of the employee to develop his skill further not only to perform his responsibility better but also for taking future responsibility.

## ACI Aerosol Production Units:

**Principle 7: Business should support a precautionary approach to environment challenges.**

Ever since its inception in 1967 (Under ICI Plc UK) ACI Aerosol was formulated with CFC (Chloro Fluro Carbon). As the use of the CFC was banned, in 1999 with support from UNDP ACI Aerosol production unit was shifted to ACI Formulations, Razabari, Gazipur, and changed its formulation to LPG based Aerosol from CFC base. More over, the plant was incorporated with

- Most updated and safest waste management system.
- The whole system of the plant is automated and every part of it is interrelated with each other.
- The plant has an individual LPG – deodorization plant nearby which gives the purest and odorless LPG for the formulation of Aerosol.

### **OUTCOME > > >**

1. Fully aligned with the global mindset of protecting the environment
2. 1<sup>st</sup> Aerosol plant in Bangladesh with LPG formulation

## Education of the Doctors and Farmers:

**Principle 7: Business should support a precautionary approach to environment challenges.**

**Continued Medical Education** (CME) for medical professionals and **Farmer Educations** for safety use of pesticide are the two programs have become the integral part of our system.

The dedicated team of medical graduates which makes up the Medical Services Department (MSD) in ACI carries out the 'Clinical Meetings' all across Bangladesh. This practice has now become an integral part of the company and is widely carried out across the country. The table below clearly shows the year on year increase in number of the program.

### OUTCOME > > >

| Year | Number of Programs | Doctors Participation |
|------|--------------------|-----------------------|
| 2005 | 373                | 24,680                |
| 2006 | 481                | 24,906                |
| 2007 | 725                | 43,587                |

The agricultural sector of Bangladesh contributes 21.9% (FY06) to the GDP of Bangladesh which is faced by the challenge of productivity. One of the key reasons for low productivity is the lack of knowledge by the farmers in terms of modern farming methodology. This is addressed by our Agribusiness sector through out the nation customized according to the needs of the farmers. Similar programs are carried out by our Livestock division for the development of the cattle health and farming.

### OUTCOME > > >

#### Farmer Education Program

| Year | Number of Programs |
|------|--------------------|
| 2005 | 2600               |
| 2006 | 4120               |
| 2007 | 4600               |

#### Poultry Education Program

| Year | Number of Programs |
|------|--------------------|
| 2005 | 150                |
| 2006 | 200                |
| 2007 | 220                |