

Tropicoir®
Lanka (Pvt) Ltd.



SA 8000:2008
Certified

Report 2012-2013

UN Global Compact



Contents



Company Introduction

Managing Director's Message
What We Are
What We Do
How We Do It
In For the Long Haul
Spreading the Message on Good Conditions
Less Wastage, Cleaner Environment
Procuring Employee Commitment
Eliminating Child Labour
Enabling Women To Work Safely
Practicing What We Advocate

Vision

Mission

Our CSR Focus

The Ten Principles

Human Rights (Principle 1, 2)
Labour Standards (Principle 3, 4, 5, 6)
Environment (Principle 7, 8, 9)
Anti Corruption (Principle 10)

Our Commitment to the society

Company Introduction



Tropicoir Lanka (PVT) LTD. was established in year 1997 with the aim of supplying high quality coir substrates to the professional growers around the globe. We are specialized in processing of coconut husk based substrates and today we are a part of the leading Group of companies engaged in this industry.

We had the opportunity of expanding our business horizons with the acquisition of majority shareholding of Premier Tech, Canada in year 2011 who are engaged in diversified business activities such as; Horticulture and Agriculture, Packaging and Material Handling and Water Treatment.

We currently export approximately 500 containers per annum with a Group Turn-over of USD 20 Million.

All products manufactured by us are 100% organic and derived from environmentally sustainable, renewable resources. We have a wide range of products offered to the International Horticultural markets as well as for Waste Water Treatment purpose. Due to our continuous commitment towards maintaining highest quality standards in all our products, we have been able to maintain a Loyal and Growing Clientele from around the globe.

The Group operates with a work force of over 200 skilled individuals engaged in Management, Planning, Production, Sales & Marketing and logistics. The operation runs with over 200 supplier/ subcontractor network in which the indirect workforce can be counted as over 2,000 individuals.

Our Group is **ISO 14001:2004**, **ISO 9001:2008** and **SA8000:2008 certified**. We are also accredited to United Nations Global Compact (UNGC), where we make every endeavor to uphold the 10 principals laid by them.

Our CSR activities are mainly focused on children, with a theme of "Children of today will make tomorrow's world."



Managing Directors Message



Dinesh Fernando
Managing Director
Tropicoir Lanka (Pvt) Ltd.

I am pleased to present our report for year 2011 - 2012 with the successful implementation of several new initiatives while continuing with projects previously undertaken upholding the UNGC principles.

We focus our CSR activities on the wellbeing and development of children as we believe that securing their future is the duty of all responsible citizens of the world.

Our commitment towards the people and the planet in keeping with the triple bottom line policy is a continuous endeavour. We make every effort to minimize impact from our activities to the environment and to enhance the quality of life of all involved. We believe that it is a coherent value of us as rather than an obligatory requirement as may be perceived by the business world today.

Whilst ensuring that the right practices are continued throughout our supply network we take great pain to lead by example adhering to highest ethical standards in our interactions with all stakeholders.

Being an export oriented organization totally depending on overseas markets we face numerous challenges in today's highly volatile economic environment. However, our strong resolve to uphold values has given us the inner strength to continue to live in what we believe.

I wish to thank all my Team for their dedication towards our policies and untiring efforts to make these endeavors a success.

Our Commitment

OUR COMMITMENT TOWARDS GOOD BUSINESS STANDARDS

Tropicoir Lanka is committed to act as a socially responsible company, ensuring human rights to all our employees for which we have implemented a set of policies/ guidelines to adhere.

We as a company make every endeavor to ensure fair-trade in all our activities such as; fair wages, working hours, nourishment, safe and hygienic working condition and no discrimination, harsh or inhuman activities.



We aim, through continuous improvement, to minimize these adverse effects, whilst safeguarding the health and safety of our employees and the public. We want our supplier companies to share our conviction that good Business Standards are an integral part of producing good quality products at competitive prices. We support a policy of 'continuous improvement', based on mutual trust, because we realise that changes are not necessarily achieved overnight. We start from the premise that provided our team to show a willingness to improve; we must always be prepared to engage with them on a long-term basis.

WHAT WE DO

WE HAVE A WELL TRAINED MOTIVATED STAFF

From the beginning, our company acts as the focal point for initiatives on human and labour rights and the environment at our own sites as well as our supplier group, and we focus on community to uplift their standards.

WE IDENTIFY AND IMPLEMENT STANDARDS

In one of our first initiatives, we worked with local authorities to produce training modules covering fire safety, hazardous substances, machinery and worker health. These form the basis of our first encounters with suppliers and are used to monitor progress in areas that need improvement, notably health and safety.

WE PROMOTE THE IMPORTANCE OF LAWS AND STANDARDS

It is not always easy to persuade local companies that a competitive advantage should not be achieved at the expense of laws and international standards, especially where governments do not enforce their legislation. Tropicoir researches and keeps updated with national and international developments which suppliers are informed of. We have continuing projects designed to encourage them to comply with such requirements.

Our Commitment

PARTNERSHIPS ARE THE KEY

Due to the consistency in quality and on time delivery of goods, our products have been able to win the competitive edge over the others.

Our success is mostly attributed to the close relationship that we maintained with all our clients in order to keep up with the fast changing technologies in the global horticultural scenario.



HOW WE DO IT


WE UNDERTAKE REGULAR FACTORY REVIEWS

Our uncompromising commitment in maintaining high quality standards in the entire production process from the raw material to the packaging of the finished product had earned us a growing list of worldwide clients. We are equally concerned about the impact our process has on our work force and the environment. We conduct training modules in order to educate our workers on a regular basis on maintaining the required quality parameters while adhering to safety and health measures. These modules are used to monitor progress on areas that need improvement. We have a continuing programme of reviews with our clients worldwide where we conduct the reviews ourselves, as it will help them to believe our own commitment to the Process.





Our Vision



To be
the most preferred partner
in
coir substrates to
professional growers
around the globe.



Our Mission



Through creativity
and innovation
continuously develop excellent
customer focused
solutions

Our CSR Focus



“ Children of Today will make Tomorrow’s world ”



Our CSR Focus

“Children of Today will make Tomorrow’s world”

Renovation of the Information Technology centre in S.W.R.D.Bandaranayake National College, Panduwasnuwara



Our CSR Focus

“Children of Today will make Tomorrow’s world”

Financial help for the students who pass the grade 5 scholarship exam. We are manage and to provide school bags, Books, Uniforms and all the expenses of the students who pass the grade 5 scholarship exam till the students seek the G.C.E Ordinary Level exam

A Letter from Dilshan who passed the grade 5 scholarship exam
(Original Letter - Sinhala version)



2013/10/08

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Hulu
Seto grade 5 Scholarship
to be awarded.
I like to meet
R. M. Kamekari next
time when I will
go.

Our CSR Focus

“Children of Today will make Tomorrow’s world”

Financial help for the students who pass the grade 5 scholarship exam.

A Letter from Dilshan who passed the grade 5 scholarship exam
(Translation of the Original Letter - in English)



22nd October 2013

Dear Mr Dinesh Fernando,,

My father, R.M Kumarasinghe is employed in your institution.I am glad to inform you that I have been successful at the grade 5 scholarship examination held this year. I attend the Amunugama Vidyalaya.

You have been kind to build us a house for our dwelling. You have also given us electricity. My father and mother have undergone hardships to educate my younger sister and myself. There have been days that my father had to work even during the night as well.

Therefore, I thank you sir, Mr Dinesh Fernando for all the assistance given to us and may the gods bless and you guide you for long life.

This letter is written by son
Dilshan

Our CSR Focus

“Children of Today will make Tomorrow’s world”

Seminar for the Company Employees

A Seminar was conducted by Professor Sarath Wijesuriya (Senior Lecturer - University of Colombo) With the aim of uplifting the employees’ family life through the working environment



Our CSR Focus

“Children of Today will make Tomorrow’s world”

We have donated cricket equipment to a Master D.T.N. Fernando of St. Sebastian’s Collage, Moratuwa, Sri Lanka who was selected for the Sri Lanka cricket team



Our CSR Focus

"Children of Today will make Tomorrow's world"

We have donated cricket equipment to a Master D.T.N. Fernando

Registration - A B N° 31807

Name in full Poimankage Tharusha Manubera Fernando

School St. Sebastian's College

Date of Birth 99-06-05 B.C.No. 2306

Admission No. 21203

Date of Admission 2003-01-28

I certify that the above facts are correct and true.

Tharusha
Player

certify that the above facts are correct and true.

Date of Issue 03/10/09

[Signature]
Secretary

[Signature]
Master-in-Charge

[Signature]
Principal
ST. SEBASTIAN'S COLLEGE
UYANA - MORATUWA.

Date

IMPORTANT

1. Any false declaration herein by the school concerned will result in disciplinary action against the said school.
2. The Sri Lanka Schools Cricket Association has the right to withhold this card without giving any reasons.

PLAYER'S IDENTITY CARD

SRI LANKA SCHOOLS CRICKET ASSOCIATION

C/o: Sri Lanka Cricket,
No. 35, Maitland Place,
Colombo 07.

Request a bat - 779561646

The Ten Principles

Human Rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights;

We are complying with international and local labour laws totally

- Quarterly a labour officer from labour department visits our factory.

Meanwhile, Tropicair Lanka will be organizing training courses in coordination with different entities and especially human resources-related policies.

Principle 2

Make sure that they are not complicit in human rights abuses.

Tropicair Lanka as a company is strongly committed to the socio-economic development of Sri Lanka, and also committed to avoid involving in any of the business activities which directly or indirectly are against human rights.

Labour Standards

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

In Tropicair, the organizational structure is based on an open door policy, where the labour management relationship is maintained through suggestions, whereby the labour present all their suggestions and complaints through a common suggestions box.

Also we have given the opportunity to discuss about labour matters, developments and welfare each month at the workers council meeting.

- We encourage our employees to utilise their annual leave.
- If an employee requests additional leave after he/she completes their entitlement, we provide paid leave as below,

1. Sick or accident of an employee
2. Funeral of a close family member
3. Extra maternity
4. Educational matters



The Ten Principles

Principle 4

The elimination of all forms of forced and compulsory labour;

Tropicoir respects all its employees' rights and considers any form of harassment to be unacceptable. The company is also committed to ban any form of verbal or physical abuse among its staff.

Principle 5

The effective abolition of child labour;

Tropicoir Lanka adheres to all international laws, regulations and policies in preventing child labour.

Principle 6

The elimination of discrimination in respect to employment and occupation

Tropicoir shall not discriminate any employee for any reason such as age, race, gender, marital status, religious belief, national extraction or disability.

Tropicoir Lanka is to guarantee its employees a fair working environment and protection from the loss of their employment. All employees without any discrimination whatsoever have the right to receive equal pay for equal work. All candidates seeking to be hired are now required to pass through a series of quantitative exams (multiple choices) which ensures, objectivity, fairness and equal chances are given to all in our hiring process. We affirm and pledge to uphold the universal human rights of all individuals without limitation.



The Ten Principles

Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Tropicoir is highly concerned with matters concerning cleanliness and hygiene, along with the prohibition of Smoking in all of its offices.

Giving preference to renewable resources, as well as minimizing waste, Tropicoir applies all methods possible for recycling and the usage of paperless work to reduce paper consumption.

Principle 8

Undertake initiatives to promote greater environmental responsibility;

We have converted every available free land space around the factory to a green belt (an area with plantation) to reduce the effect of global warming and to produce an environmental friendly atmosphere for its employees.

Additionally, We have taken maximum precautions by way of constructing parapet walls, and water sprinkle systems to avoid pollution.

Principle 9

encourage the development and diffusion of environmentally friendly technologies

All products manufactured by us are fully organic & derives from an environmentally sustainable renewable resource, Coconut (Cocos Nucifera). All products supplied by Tropicoir are friendly to the environment Tropicoir chooses very consciously for natural raw materials that are 100% recyclable.



The Ten Principles

Anti Corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

In response to the UN Global Compact 10th principal, Tropicair has expanded and formalized this general principle by issuing a Tropicair Code of Ethics, which is binding on all employees. The new rules state explicitly that all employees must avoid even the appearance of a conflict. The Code of Ethics has been disseminated to all employees through internal memos, and via the corporate website.

Tropicair's Code of Ethics provides a basic framework for guiding us toward ethical conduct. It is therefore important that all employees familiarize themselves with any relevant statutes. Tropicair, moreover, fully anticipates that each employee will accept individual responsibility for his or her own conduct and will engage in no conduct that would undermine his or her own personal integrity or the reputation of Tropicair. Violations of this policy may result in disciplinary action, including termination.

Tropicair management has an internal audit department that supervises all our transactions; regular unannounced visits are made from time to time to ensure full compliance by the laws and regulations of the company, including our code of ethics.

Tropicair shall not, directly or indirectly, engage in bribery, fraud, or any other activities which may be construed as corrupt business practices.

CONCLUSION

Tropicair's membership in the Global Compact has helped to focus our corporate citizenship initiatives on actions that produce concrete outcomes and benefits. The issues that we have highlighted in the Human rights, particularly for women and minorities; elimination of discrimination; and achievement of transparency and high ethical standards in business, including the avoidance of even the appearance of corruption and cronyism. We will continue to focus on through technology transfer and application of environmental accounting standards.

Our Commitment to the society

We make every effort to serve the underprivileged in the society. We have completed several community service projects during last few years which are directed towards development of children. At Tropicair we believe that we can make the world a better place by providing our children with quality education, good hygienic standards, sound family environment and a religious background. We will continue to focus on these areas through our CSR activities