

Second Annual Communication on Progress (COP)

United Nations Global Compact

**Abdul Monem Limited (AML)
Reporting Year 2013
Reporting Period: 2012 -2013**



Abdul Monem Ltd.

Touching Lives

Message from the Chairman

Dear Colleagues, Friends & Stakeholders:

I am happy to put forward our **second annual Communication on Progress (COP)** for the year of **2012-2013**. Let us emphasize on our continuous and active support to the Ten Principles of the UNGC's Global Compact as regards to human rights, labor, environment and anti-corruption along with new issue platforms of UNGC – Business for peace, Education and Sustainable Agriculture comprised of Caring for Climate, Women's Empowerment Principles, CEO Water Mandate, Children's Rights and Supply Chain Sustainability.



We continue to uphold the commitments and endorse Global Compact and its principles as part of the strategy, environment, culture and day to day operations of our Company. AML endeavors to retain transparency and accountability in all its business segments adhering to our commitments to the UNGC objectives. Started as a Construction Company in 1956, we have built Abdul Monem Limited and diversified our business into many fronts. Our business ventures have a distinct appeal to the society for their inimitable qualities.

AML's focus on this philosophy of quality grew over the years by providing the best services and high quality products. To meet our long term growth objectives, we practice within a set of corporate principles on human rights, labor rights, environmental and anti-corruption. It is noteworthy to mention that our business operations are not in high-risk and/or in any conflict-affected areas. Our company takes actions to advance UN goals and issues (such as development, disaster relief, health, education) through core business, philanthropy, advocacy and partnership activities. AML would like to reach the next level of corporate sustainability thorough Global Compact by increasing capacity of Local Networks, providing greater linkage with investors, developing specialized engagements platforms for actions e.g. Caring for Climate, Women's Empowerment Principles and Collective options opportunities. As we are engaged with Global Compact Local Networks, we regularly receive assistance from Local Networks in implementing the Global Compact principles, participating in policy dialogue, sharing practice and experience with peers, networking with non-business stakeholders and finding opportunities in collective actions.

I, as the Chairman and Managing Director, am earnest towards the UNGC and enduring support and commitment to the UNGC initiatives and its principles through 2014 and beyond. AML will continue to endeavor through its business values and commitments to encourage and uphold the United Nations Global Compact principles by practicing good corporate governance.

With best wishes.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Abdul Monem', with a small mark below it.

Abdul Monem
(Chairman & Managing Director)
Abdul Monem Limited

Group Management

Abdul Monem
Chairman and Managing Director
Abdul Monem Limited

Mr. Abdul Monem is the founder of the Company and is working as the Chairman and Managing Director of the Abdul Monem Limited. A veteran Civil Engineer by profession Mr. Abdul Monem masterminded the AML Business, its expansion and Horizontal integration and diversification. For his splendid achievement in this respect, Mr. Abdul Monem is awarded "Commercially Important Person (CIP)" status by the Government of Bangladesh.

A.S.M. Mainuddin Monem
Deputy Managing Director I
Abdul Monem Limited



A.S.M. Mohiuddin Monem
Deputy Managing Director II
Abdul Monem Limited



Mr. A.S.M. Mainuddin Monem, a Business Graduate from reputed Harvard Business School, USA, and Mr. A.S.M. Mohiuddin Monem, an Industrial Engineer from North Eastern University, USA are the key management responsible for the Finance, Administration and Strategic Operational Management of the Company. Deputy Managing Director I and Deputy Managing Director II are also awarded "Commercially Important Person (CIP)" status by the Government of Bangladesh for their outstanding efforts to the Country of Bangladesh.

Communication on Progress (COP)

Abdul Monem Limited has been committed to the ten principles of the UN Global Compact since 2009 and emphasizing the continuous supports and commitments to the Ten Principles of the UNGC's Global Compact as regards to human rights, labor, environment and anti-corruption. The following table sustains our commitments to the ten principles of the UN Global Compact and progress made during the year of 2012-2103.

UNGC Principles	Commitments- First COP Reporting Year 2011-2012	Substantial Progress Made in the Year of 2012-2013	Actions to be made on Year 2014 and Beyond
Human Rights: Principle 1: Businesses should support and respect the Protection of internationally proclaimed human rights Principle 2: Make sure that they are not complicit in human rights abuses	<p>Commitments to care people, health and safety. Manage sustainable environment and empowering societies. Practicing no discrimination on the grounds of race, gender, region, cast, color, or ethnic origins and treats all employees equally at the work place.</p> <p>Respect and protect the internationally proclaimed Human Rights practicing the labor Code-2006. Safeguard human rights and its protection and promotion.</p> <p>Resemblance with fundamental rights such as right to equal opportunity, right to freedom of speech and association, right against exploitation, right for cultivating own culture and education.</p> <p>Meet and uphold the human rights, reduce poverty level, spread education among poor, promote peace and to help every citizen to enjoy religious rights.</p>	<p>Abdul Monem Limited has given supports and practiced internationally declared human rights not only for our employees but also for the communities where we operate our businesses. In line of Human Resource philosophy of AML, we are an "equal-opportunity-employer."</p> <p>AML has prohibited child labor engagement. We have practiced no discrimination on the grounds of race, gender, region, cast, color, or ethnic origins and treat all employees equally at the work place. Being mindful to our female employees, "Maternity Benefit Scheme" has been offered to women who are on maternity leave. An "Employee Loan Scheme" has been offered for the immediate needs of the employees of AML to meet any unanticipated crisis. A large number of employees of AML have taken the advantage of this loan scheme with zero interest and easy repayment plan.</p> <p>We have managed to contribute a reasonable portion of our earnings to the underprivileged, distressed and poor people. For example, we have established educational institutions and foundations to</p>	<p>To assess Human rights risk and impacts.</p> <p>To build a Complaint Mechanisms in our company.</p> <p>Human rights will be addressed in life, liberty and security of the person.</p> <p>To Facilitate adequate standard of living and right to privacy</p>

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	<p>EWEC commitments – Commitment to raise awareness of malnutrition among pregnant and lactating mothers and children through participating in “Every Woman Every Child” initiative. We have planned to reach 50,000 poor and needy mothers (both pregnant and lactating) in the next five years through its nutrition awareness program.</p> <p>Commitments for providing free vitamins to the underprivileged and poor people of the society.</p>	<p>enlighten the poor people of our locality with necessary knowledge</p> <p>EWEC commitments – Commitment to raise awareness of malnutrition among pregnant and lactating mothers and children through participating in “Every Woman Every Child” initiative. We have planned to reach 50,000 poor and needy mothers (both pregnant and lactating) in the next five years through its nutrition awareness program.</p> <p>Responding to raise awareness of malnutrition among pregnant and lactating mothers and children through participating in “Every Woman Every Child” initiative, Novus Pharmaceuticals Limited of AML is implementing the programme .</p> <p>Novus Pharmaceuticals Limited is still collaborating with “The Hunger Project-Bangladesh” in providing free treatment along with medicines free of cost to the poor distressed/pregnant/lactating women in the different parts of country by engaging qualified doctors, pharmacists, nurses and volunteers. Till date 2,569 (Two Thousand five hundred and sixty nine) women took the services of this programme from Novus Pharmaceuticals Limited.</p>	

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<p>Labor Standards</p> <p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p> <p>Principle 4: The elimination of all forms of forced and compulsory labor</p> <p>Principle 5: The effective abolition of child labor</p> <p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Commitment to the right to freedom of association and the effective recognition of the right to collective bargaining; to use collective bargaining as a beneficial forum/medium for addressing working conditions and terms of employment, and relations between employers and workers.</p> <p>Commitment to address any problem-solving or other needs of interest to workers and management, including restructuring and training, safety and health issues, grievance and dispute settlement procedures, disciplinary rules, and family and community welfare.</p> <p>Not to employ to any form of forced or compulsory labor in our working place; no form of threatening/violence or physical assault or sexual abuse present at our workplaces and we are trying to accomplish the higher standards of protection of workers in working</p>	<p>We have provided workers' representatives with appropriate facilities to assist in the development of effective collective agreement</p> <p>Senor officials of Human Resources Department and General Management of AML have regularly attended to the labor rights related open dialogue, round-table seminars in Bangladesh. Recently, we have attended to a round table dialogue/workshop on a topic of "Tripartite Constituents and key stakeholders" jointly organized by ILO and Bangladesh Enterprises Institute. We are also a member of Bangladesh Employers Federation.</p> <p>It is mentioned that there is no form of threatening, physical assault or sexual abuse present at our workplaces and we have tried to accomplish the higher standards of protection of workers in our working areas.</p> <p>Several training and short courses have been offered to the plants supervisors, safety officers and administrative officers. The training made awareness of understanding of the labor laws Every workers and employee have been appointed with accurate employment job description (written in easy Bengali and English language so that all employees can understand them) mentioning the terms and conditions of service and working conditions following Bangladesh Labor Code 2006/2013. All Employees have been entitled to enjoy all public declared holidays</p>	<p>To assess Labor rights risk and impact.</p> <p>To build a reliable mechanism to avoid active exclusion of union members from employment</p> <p>Public disclosure of Labor policies and practices.</p>

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		<p>and their designated annual earned and sick leaves.</p> <p>AML has managed to hold a compulsory yearly health checkup program at free of cost for all employees. We have maintained employees database with basic information mentioning date of birth.</p> <p>HRD has practiced strictly for obtaining National Identity Card and birth registration certificate from the workers to verify the legal age and status of candidates to avoid any form of child labor.</p> <p>Besides, HRD has practiced a "Recruitment Policy Statement" where fair, transparent, skill-based competitive employments have been encouraged and any discrimination in respect of race, gender, region, cast, color, ethnic origin are not allowed in recruitment process.</p> <p>HRD has continually updated with the local accepted labor laws enacted by Bangladesh Government. All employees have been treated equally at the work place. HRD has maintained up-to-date records on recruitment, training and promotion.</p> <p>HRD has already provided an apparent view of prospects for employees and their progression within the organization. For fostering of training of employees, Abdul Monem Skill Development Institute (AMSDI) has aimed to promote access to skills development training and to the non-skilled, semi-skilled and skilled workers.</p>	

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<p>Environment</p> <p>Principle 7: Businesses should support a precautionary approach to environmental challenges</p> <p>Principle 8: Undertake initiatives to promote greater environmental responsibility</p> <p>Principle 9: Encourage the development and diffusion of environmentally friendly technologies</p>	<p>Commitments to conform to and caring for the Environment, Occupational Health, Safety and Quality procedures of our working area</p> <p>To adhere company's policy of conserving natural resources, raw materials, water and energy by process improvements, recycling and reducing waste</p> <p>Commitments to the continuous progress of environment-friendly technologies; technologies that use materials more efficiently and cleanly can be applied to most companies under AML with long-term economic and environmental benefits.</p> <p>Dissemination of information available to stakeholders that illustrate the environmental performance and benefits of using such technologies.</p> <p>Refocus research and development (R&D) towards 'design for sustainability'.</p>	<p>AML has incorporated with ISO 22000:2005, OHSAS management systems, HACCP management systems etc. We have completed OHSAS and PASS223 audit and practice the Occupational Health and Safety Policy for its employees and others as concerned. Technologies that use materials more efficiently and cleanly are applied to most of the companies under AML with long-term economic and environmental benefits.</p> <p>AML has emphasized to control and improve the environmental performance to meet the challenges. Conforming to all of the environmental regulatory compliances and guidelines of Department of Environment (DoE), Ministry of Environment and Forest (MoEF), Bangladesh exercising the best possible usage of water consumption and reuse of treated waste water for drainage cleaning and irrigations.</p> <p>AML has encouraged forestations, gardens, reuse of treated water and has created environmental awareness among employees. We have installed Effluent Treatment Plant (ETP) to most of its plants areas to make the water pollutant free before discharging into the environment. Gardening and treated effluent recycling is being carried out in all our units to replenish the ground water</p> <p>Talented and research oriented R&D are continuously giving efforts for the development of pharmaceutical, construction, facilities service, financial and information management.</p>	<p>To include sustainable consumption and responsible use objective, cleaner and safer production objectives in our corporate policy.</p> <p>To implement eco-design for our production.</p> <p>To introduce 3R (Reduce, re-use, recycle) effectively in our business.</p> <p>To build awareness program for the employees.</p> <p>Public disclosure of environment policies and practices</p> <p>Facilitating Environmental risk and impact assessment.</p> <p>To establish a corporate company or group policy on the use of environmentally sound technologies.</p> <p>To join CEO Water Mandate and Caring for Climate.</p> <p>To strengthen R&D further towards 'design for sustainability'.</p>

UNGC Principles	Commitments- First COP Reporting Year 2011-2012	Substantial Progress Made in the Year of 2012-2013	Actions to be made on Year 2014 and Beyond
<p>Anti-Corruption</p> <p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>Practice and govern business by honesty, integrity, fair dealing and full obedience to all applicable business laws and ethics.</p> <p>Deplore any form of bribery, corruption and extortion in business.</p>	<p>Practicing our Code of Conduct, we have discouraged employees in taking an offer or receipt of any form of gift, fee, reward or other advantage to or from any person as an inducement to do something which is dishonest, illegal or a breach of trust in our organization.</p> <p>Employees have become totally responsive to honesty, integrity, fair dealing and full obedience to all applicable business laws and ethics.</p> <p>We have deplored any form of bribery, corruption and extortion in business. Our Internal Audit Teams have given supports in conducting inventory management, financial compliances management and related issues of all units twice a year with data records in ERP to ensure that all data match with primary terms and conditions and that no form of divergence is occurring. All units are by our own Enterprise Resource Planning (ERP) package financial data are transparently transacted through ERP.</p>	<p>To craft zero tolerance policy towards corruption and Policy against collusion</p> <p>To assess corruption risk and impact</p> <p>Public disclosure of anti-corruption policies and procedures</p> <p>Setting Hotline for reporting of any corruption instances</p>

Broader UN Goals and Issues

Disaster Relief

Abdul Monem Limited organized its contributions toward humanity through Corporate Social Responsibility to *RANA* Plaza (an eight-storied commercial building collapsed on 24 April in Savar, a sub-district of Dhaka, the capital of Bangladesh) accidents victims. The catastrophic event is considered to be one of the deadliest industrial disaster and massive accidental structural failure in modern human history.

A dedicated salvage team of 25 personnel including safety and administrative officer, excavator, crane, bulldozer, welder and machine operators, water-tank and pick-up driver, skilled general constructions workers and security guard with supporting equipment, machine and tools from AML were engaged fulltime in the rescue operation. We deployed and mobilized one concrete breaker with excavator for breaking the slabs and columns and damaged floors of the collapsed building under which a large number of garments workers in very crucial condition. The team had worked and given support to the rescue unit Bangladesh Army till the rescue operation ended. We distributed 2400 packets of energy biscuits, 2400 PET bottle of drinking water, 2000 PET bottle of Coke and Sprite, and life saving medicines at free of cost for the victims. We distributed three large water tanks of drinking water to the victims on 30 April, 2013 to meet the drinking water crisis. The water was redistributed to the victims by rescue unit of Bangladesh Army up to 5 May 2013. Management of AML was very much concerned with deadliest tragedy.

AML has establishment of 45 School-cum-Cyclone Shelters in SIDOR (a very severe cyclonic storm that made landfall on the coastal regions of Bangladesh on November 15, 2007 resulting in one of the devastated natural disasters in Bangladesh) affected coastal areas of the Bay of Bengal is one of iconic landmark development work of Bangladesh. The shelters have been used by approximately 100 families as their temporary accommodation who gradually then shifted to their own houses. Recently, these Shelters also have provided shelters to approximately 10,000 people from at least 100 villages during the Cyclone Aila. (Cyclone *Aila* hit 14 districts on the south-west coast of Bangladesh on the 25th May 2009.)

Health

Novus Pharmaceuticals Limited, a pharmaceutical-unit of AML has committed to raise awareness of malnutrition among pregnant and lactating mothers and children through participating in "Every Woman Every Child" initiative. AML has also started providing free vitamins among the target groups.

Education

We have established educational institutions to enlighten the poor people of our locality with necessary knowledge. Mr. Abdul Monem, the founder of AML, always had the dream to do something for the orphans. His dream came to reality when he established an orphanage center in his hometown of *Bijeshwar*, under *Brahmanbaria* district of Bangladesh. Since the inception of this orphanage in 1998, at least 12 of children have completed their primary educations, 7 of them have completed High School and 2 of them have got admitted in College education.

We are a firm believer of community development, rescue from disaster, support to the national calamities, education for the less privileged, healthcare to the poor and children for the benefit of the society.

"Continuing to sustain the commitments and endorsing Global Compact and its principles as part of the strategy, environment, culture and day to day operations of Abdul Monem Limited."

For any enquiries, please contact us.

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