

# Global Compact – Communications on Progress

## UN Global Compact – “Communications on Progress”

<b>Human Rights</b>			
<b>Principles</b> (GRI indicators to help correlation)	<b>Company's Policy &amp; Direction</b> (Approach / Process / Deployment)	<b>Specific actions taken during the current financial year</b>	<b>(Outcomes with key Results &amp; Measurements)</b>
<p><b>Principle 1</b> Businesses should support and respect the protection of internationally proclaimed human rights (HR 1,2,3,4)</p>	<p>By virtue of operating in Malaysia, we are regulated by:</p> <ul style="list-style-type: none"> <li>- The Employment Act, 1955</li> <li>- Industrial Relations Act, 1967</li> </ul> <p>These 2 protect the interests of the employees.</p> <p>Code of Ethics &amp; Conduct for Employees</p>	<p>Constant observation of the laws.</p> <p>The Code is distributed to every employee upon joining and explanation is given during the induction course.</p> <p>A secured channel of communication is set-up for employees to raise any grievances.</p>	<p>Employee Satisfaction Index (ESI) Survey is conducted every year. For the year under review, ESI stands at 77.97%.</p>
<p><b>Principle 2</b> Make sure they are not complicit in human rights abuses</p>	<p>Policy on Sexual Harassment</p>	<p>Circulated to every employee. New recruits are informed about the policy during induction course.</p>	<p>No report is lodged during the year under review.</p>

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<b>Labour Standards</b>			
<b>Principles</b> <b>(GRI indicators to help correlation)</b>	<b>Company's Policy &amp; Direction</b> <b>(Approach / Process / Deployment)</b>	<b>Specific actions taken during the</b> <b>current financial year</b>	<b>(Outcomes with key Results &amp;</b> <b>Measurements)</b>
<p><b>Principle 3</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p>	<p>Mutual Agreement signed with non-executives to provide effective 2-way communication channel.</p>	<p>The Management reviews the following:</p> <ul style="list-style-type: none"> <li>-salary &amp; remuneration</li> <li>-hours of work</li> <li>-staff allowance</li> <li>-Group insurance coverage</li> <li>-medial benefits</li> <li>-other staff benefits</li> </ul>	<p>37% of our employees are members of the union.</p> <p>Conducted ESI which also includes the non-executives. Overall ESI stands at 77.97%.</p>

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<p><b>Principle 4</b> The elimination of all forms of forced and compulsory labour</p>	<p>Ranhill abides by Malaysian Labour Law where forced and compulsory labour is prohibited.</p>	<p>Ranhill didn't hire anyone against their own free will.</p>	<p>There is no forced and compulsory labour in Ranhill</p>
<p><b>Principle 5</b> The effective abolition of child labour</p>	<p>Observes Children and Young Persons (Employment) Act, 1966</p>	<p>Ranhill minimum age of recruitment is 18 years old.  The practice is being applied in every country we operate in.</p>	<p>There are no children or young persons working for Ranhill.</p>
<p><b>Principle 6</b> Eliminate discrimination in respect of employment and occupation</p>	<p>Human Resource Policies and Procedures strictly prohibit any types of discrimination.</p>	<p>New recruits are informed about the Policies and Procedures during induction course.</p>	<p>Women in the Management team – 14%</p> <p>Staff composition based on ethnicity: Malay – 63% Chinese – 20% India – 12% Others – 5%</p> <p>Note: Malaysia's ethnic composition is Malay 65%, Chinese 26%, India 8%, others 1%</p>

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<b>Environmental Protection</b>			
<b>Principles</b> (GRI indicators to help correlation)	<b>Company's Policy &amp; Direction</b> (Approach / Process / Deployment)	<b>Specific actions taken during the current financial year</b>	<b>(Outcomes with key Results &amp; Measurements)</b>
<p><b>Principle 7</b> Businesses should support a precautionary approach to environmental challenges.</p>	<p>Environmental Policy</p>	<p>Ranhill continuously seeks to:</p> <ul style="list-style-type: none"> <li>-comply with relevant environmental standards, regulation and legislation in all activities.</li> <li>-improve elements of design works to promote the use of ecologically sustainable design.</li> <li>-help our customers reduce environmental impact of their projects and operations.</li> <li>-reduce our environmental impact through substitution, conservation and recycling.</li> <li>-raise awareness of environmental issues by implementing training programmes for employees and enlist their support in improving the Company's performance.</li> </ul>	<p>For the period under review, Ranhill complies with all the relevant laws.</p> <p>Engineers with expertise in Green Building Index (GBI) are recruited specifically for this purpose.</p> <p>Ranhill is building its first full fledged green building, Binjai Tower, that will have dual certification i.e. Malaysia's GBI and Singapore's Green Mark Gold.</p> <p>Printers are set to print double-sided. Papers are collected and recycled.</p>

<p><b>Principle 8</b> Undertake initiatives to promote greater environmental responsibility</p>	<p>Ranhill supports CEO Water Mandate</p> <ul style="list-style-type: none"> <li>-Public Policy Promote water agenda and issues via Malaysia Water Association (MWA)</li> <li>-Direct operations</li> <li>-Collective action</li> <li>-Community engagement</li> </ul>	<p>CEO of Ranhill Utilities, one of Ranhill's subsidiaries, is President of MWA. Therefore, we are in a better position to influence public policy and opinion on water related issues.</p> <p>Reduce Non-revenue Water (NRW)</p> <p>Ranhill has been supporting the MDGs i.e. halving, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation.</p> <p>It is done in collaboration with ADB and USAID. For more info <a href="http://www.waterlinks.org">www.waterlinks.org</a></p> <p>Ranhill organized Business Forum entitled "Business and Water: Should we be concern?" as part of the agenda to push water issues within the business community in January 2010. It was held in collaboration with Nestle, HSBC, Astro and the Institute of Corporate Responsibility Malaysia (ICRM).</p> <p>Organised World Water Monitoring Day</p>	<p>Ranhill is involved in National Water Resources Study. We are entrusted to review the current fragmented and sectoral water management in this country and formulate effective water resources governance for national development and sustainability.</p> <p>NRW level has been consistently kept below 30% in Johor, where we supply water to 3.2 million of population.</p> <p>-Ranhill is mentor to 5 water operators in 5 countries i.e. Thailand, Vietnam, India, Indonesia and the Philippines</p> <p>-We have improved water systems in 5 cities i.e. Surabaya, Nakorn Nayok, Badlapur, Davao and Bac Ninh</p> <p>-250 people attended the forum. -It was aired on Astro 3 times -Ranhill was also invited to appear on "Vantage Point", a local programme, to talk about the importance of water conservation</p> <p>More than 400 primary school children took part in this event, which was held in 5 states.</p>
<p><b>Principle 9</b> Encourage the development and diffusion of environmentally friendly technologies</p>	<p>Reduce greenhouses emissions</p>	<p>Clean Development Mechanism (CDM)</p> <p>-Ranhill is doing a CDM project for its power plant in Sabah. The project falls under Category I: Energy Industries (Renewable/Non-renewable sources). We have signed a CDM Agreement with the consultant in February 2010.</p>	<p>Total estimated reduction of CO<sub>2</sub> will be 2.8 million tonnes over a period of 7 years.</p>

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<b>Anti-Corruption and prevention of Bribery</b>			
<b>Principles</b> (GRI indicators to help correlation)	<b>Company's Policy &amp; Direction</b> (Approach / Process / Deployment)	<b>Specific actions taken during the current financial year</b>	<b>(Outcomes with key Results &amp; Measurements)</b>
<p><b>Principle 10</b> Businesses should work against corruption in all its forms, including extortion and bribery</p>	<p>Code of Ethics &amp; Conduct for Employees</p>	<p>The Code is distributed to every employee upon joining and explanation is given during the induction course.</p> <p>A secured channel of communication is set-up for employees, suppliers, contractors and other external parties to report any misconduct done by any employees.</p>	<p>For the year under review, there's no complaints lodged for misconducts.</p>