



Communication on Progress for period from July, 2012 to March 2014.

Statement of Continued Support by CEO

To our stakeholders:

I am pleased to confirm that Sarkar Plywood Pvt Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

We intend to continue enforce all the above mentioned principles in our organization and put all efforts to encourage these practices. In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

Adnan Sarkar

Director

Human Rights

Assessment, policy and goals

- Sarkar is committed to developing an organizational culture which implements a policy of support for the internationally recognized human rights contained within the Universal Declaration of Human Rights and seeks to avoid complicity in human rights abuses. Our commitment to the realization of human rights is embedded in the Group's human rights and social policies. Human rights are part of our non-financial risk assessment of operations.
- We have a Dignity at Work Policy and is committed to ensuring that all our employees are treated fairly and with respect.
- We have developed a culture that seeks to develop respect and attention to the human rights among our employees, customers and the suppliers and producers of the products we sell.

Implementation

- We have published and actively informed all our suppliers, partners and employees of our commitment and encouraged them to commit as well. An internal system is in place where the employees are trained in regards of our commitment. A training session has been conducted for all employees to raise the public awareness on human rights issues.

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- We respect the human rights in all our business processes and require that our management, leaders and suppliers on a daily basis to make continuous monitoring of the progress of protecting human rights.

Measurement of Outcomes

- We have a system in place that encourage employees, clients and partners to report back if they suspect any wrongful doing in regards to our CSR guidelines and Code of Conduct. No reports have been filed since the system has been implemented.
- Executive management group monitor progress and reports annually.

Labour

Assessment, policy and goals

- Sarkar support the UNGC principles on labour standards in addition to following local laws on labour rights.
- To respect the human rights of our employees as established in the ILO's Declaration on Fundamental Principles and Rights at Work, including non-discrimination, prohibition of child and enforced labour, and freedom of association and the right to engage in collective bargaining.
- Our labour is the single most important asset of this company. We accept no violence of setting people at risk.

Implementation

Our CSR guidelines and Code of Conduct regulate our policies and are compliant with UNGC principles. The documents are handed out during training internally.

- Sarkar has a range of HR Policies which support best practice in terms of labour and employment including Equal Opportunities Policy, Appraisal Procedure and Flexible Working Policy.
- To prevent discrimination for pay we adhere to the law, our policies, and benchmark area industries.
- Equal opportunities and level playing field is given to all employees without regard to race, religion, nationality, and sex.



Measurement of Outcomes

- We have a system in place that encourage employees, clients and partners to report back if they suspect any wrongful doing in regards to our CSR guidelines and Code of Conduct. No reports have been filed since the system has been implemented.
- We have annual training and evaluations. We also document any concerns in our Human Resource records.

Environment

Assessment, policy and goals

- Sarkar support the UNGC principles on the Environment. We systematically monitor our suppliers and our partners when it comes to environmental focus in daily business routines.
- Our environmental policy reflects our environmental commitment and challenges us to find ways to produce, deliver, and use energy as sustainably, responsibly, and efficiently as possible.
- Comply fully with the letter and spirit of all applicable environmental laws and regulations. Seek opportunities to exceed current standards of environmental protection, including pollution prevention, climate protection, and habitat.
- Improve management programs and standards that foster environmental excellence and innovation and reduce our impact on the environment.
- Strive for continual improvement in our environmental performance

Implementation

Sarkar has taken the following measure to ensure proper implementation of environment policies

We continuously work with our environmental actions and strive to be innovative when it comes to environmental friendly products and services. Plywood is environmentally sustainable material because wood raw material stores carbon so Sarkar is working in synchronisation to UNGC environmental guidelines.

- Conduct regular, systematic reviews of facilities and projects using applicable environmental regulations.
- Educate and train its employees and contractors on all of the environmental laws and regulations applicable to their work areas
- provide them with the systems and tools to ensure compliance.
- Continue to pursue efforts to increase the use of recycled materials, reduce waste streams and water consumption, maintain high waste recycling rates, and minimize the amount of toxic and chemical substances used in our operations and maintenance activities.



Measurement of Outcomes

- Sarkar conducts monthly check on all its sites and workplaces to ensure that employees comply with the companies policies' on environmental issues.
- We test, document and respond to all required environmental agencies.
- Rubber wood (Sarkar's main raw material in production of plywood) is the most ecologically "friendly" lumber used in today's furniture industry. After the economic life of the rubber tree, which is generally 26-30 years, the latex yields become extremely low and the planters cut the rubber trees and plant new ones. So, unlike other woods that are cut down for the sole purpose of producing furniture, rubber wood is used only after it completes its latex producing cycle and dies. This wood is therefore eco-friendly in the sense that we are now using what was going as waste.

Anti-Corruption

Assessment, policy and goals

- Sarkar supports the UNGC principles on anti-corruption. We work strongly against corruption in all its forms, including extortion and bribery.
- It is the policy of the Sarkar that corruption, fraud, theft, maladministration or any other dishonest activities of a similar nature will not be tolerated
- Sarkar Group complies with all anti-corruption regulations set by the national government where we do business and international bodies worldwide. It is Sarkar policy to conduct business in an honest way, and without the use of corrupt practices or acts of bribery to obtain an unfair advantage.

Implementation

Sarkar does not tolerate or engage in any actions constituting corruption, fraud, theft and maladministration collectively such as:

- Any dishonest, fraudulent or corrupt act;
- Theft of funds, supplies, or other assets;
- Maladministration or financial misconduct in handling or reporting of money, financial transactions or other assets;
- Disclosing confidential or proprietary information to outside parties;
- Irregular destruction, removal or abuse of records, furniture and equipment;
- Deliberately omitting or refusing to report or act upon reports of any such irregular or dishonest conduct.

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Measurement of Outcomes

The company has established the following measures to ensure zero-tolerance for corruption:

- An audit department reconciles all financial transactions with proper documents.
- Software has been developed to make sure all financial transactions are accurate and controlled.
- Sarkar Group submits audited accounts each year to relevant authorities which are verified by external auditors and this is used for identifying any spurious payments which could be related to bribery or corrupt behaviour.