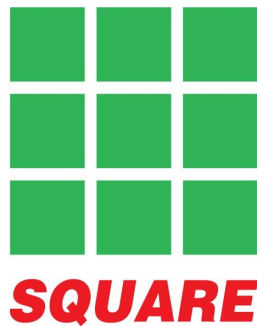


The United Nations Global Compact Communication On Progress (COP)



Name of Organization: Square Pharmaceuticals Ltd

Sector: Pharmaceuticals & Biotechnology

Website: www.squarepharma.com.bd

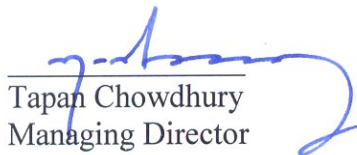
Country of Headquarter: Dhaka, Bangladesh

Reporting Period: January 2010 to December 2010.

Our Statement of continued support for UN Global Compact

Square Pharmaceuticals Ltd. is one of the pioneer signatories of UN Global Compact in Bangladesh. UNGC principles are aligned with company's culture from the very outset. So, signing UNGC was a public endorsement of what Square had already been practicing. The Management Team leads the entire range of activities with dedication and continues to identify sustaining ways of meeting our commitments to the UNGC. We strongly agree as an organization to increase the momentum and practical steps to meet our commitment made to UNGC.

We run our business with transparency, under ethical standard and scaling up CSR activities to our stakeholders. I, as the Managing Director, feel obliged to express our commitment towards UNGC and will continue our efforts going forward in 2011.


Tapan Chowdhury
Managing Director

Category 1: Human Rights	UNGC Principles 1-2
Actions	<p>Commitment: We are committed to extend our support for the protection of internationally proclaimed human rights within their sphere of influence & make sure that they are not complicit in human rights abuse.</p> <p>Activities/Systems</p> <p><input type="checkbox"/> Informing Physician Community on Latest Development in Medical Science Being in the pharmaceutical sector, the Company maintains a very close relation with the physician community. The management believes a better informed and educated doctor community creates a win-win situation for all the stakeholders. For this purpose, Square takes multiple initiatives under its Continual Medical Education (CME) programs.</p> <p>❖ Clinical Meeting: These meetings are organized aiming to upgrade the day-to-day developments in medical sector. These meetings act as a forum for training and knowledge-sharing among the medical professionals and often attended by experts on the respective subject as key-note speakers which are continued efforts; these meetings are conducted by dedicated team of medical graduates of the Medical Services Department (MSD).</p> <p>Our AgroVet Division also conducts seminar and clinical meeting across Bangladesh for Veterinary Doctors, Farmers and Quacks to disseminate the regular updated information of different drugs. These meetings are organized by Veterinary Graduates of Veterinary Services Department (VSD).</p> <p>❖ Square Publications: Square is publishing quarterly & half-yearly publications to support the physician community focuses on contemporary critical issues related to medicine, disease, medical innovation etc. The following bulletins are distributed free of cost among physicians of Bangladesh:</p> <p><i>The Square:</i> electronic version of this bulletin is also available at the following link: http://www.squarepharma.com.bd/TheSQUARE.html</p> <p><i>Square:</i> electronic version of this bulletin is also available at the following link: http://www.squarepharma.com.bd/BanglaSQUARE.html</p> <p><i>e-Square:</i> electronic version of this bulletin is also available at the following link: http://www.squarepharma.com.bd/ESQUARE.html</p> <p><input type="checkbox"/> Support to local community: Square has a clear policy to continue support for local community. Square extended its support to local community by providing free medicines for the treatment of poor patients.</p>

<p>Actions</p>	<ul style="list-style-type: none"> ❑ Support to Education: Square Kindergarten is constructed primarily to facilitate quality education to the children of the employees. This is a 100% “not-for-profit” initiative where the students receive quality education at a very subsidized fee. Other than its own employees’ children it also provides this education facility for the children of local community and this is 50% of the total students. From this year Square Kindergarten extended its facility from Primary Level (Grade I – Grade V) to Secondary Level (Grade VI and upwards) by establishing Square High School. ❑ Square Textiles, a sister concern of Square Group, is providing school bus for the children of factory employees. ❑ Senora Acid Victim Campaign: Square Toiletries Ltd. one of the concern of Square Group is involved in fund raising program with Acid Survivors Foundation. With this fund Square conducts awareness program and stand along with these Acid survivors. ❑ Free Medical treatment: Square Hospitals Ltd. one of the concern of SQUARE Group conducts free medical treatment program for underprivileged patients of its surrounding community on 27th day of each month. ❑ Women Empowerment: Square is currently operating a fuel station named “Eakub Filling Station” which is run by women employees. ❑ Square Toiletries Ltd., a concern of Square Group, is partnering one of the projects of CARE – “Aparajita”. Through this project we ensure - <ul style="list-style-type: none"> • Empowerment of rural women as they can earn money by selling our products to rural households. • Mobilization of money is definitely creating a positive impact in rural economy • Basic health & hygiene to the rural area by the sales women in explaining the necessity of using sanitary napkin and health soaps and making these products available at their doorsteps.
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Category 2: Labour Standards	UNGC Principles 3-6
Actions	<p>Commitment: We are committed to freedom of association, not to recruit any child labour and elimination of discrimination in respect of employment and occupation.</p> <p>Activities/Systems</p> <ul style="list-style-type: none"> <input type="checkbox"/> Square Pharmaceuticals Ltd established Workers’ Trade Union named “Sqaure Kormochari Samity” (Registration No: 1322) & negotiates with the management on a biannual basis on different issues. <input type="checkbox"/> Detailed background and reference checkup has been done as a part of recruitment process to ensure no Child Labour is employed. <input type="checkbox"/> Competency based recruitment system to ensure fair and transparent recruitment irrespective of gender, race & religion etc. <input type="checkbox"/> HR policies have been continuously up-to-dated as per existing labour law of the country. Head of HR is responsible to look after all employees related activities. <input type="checkbox"/> Square is running “Shohoj Kisti Reen Prokalpa” under which all unionized employees can take loan to purchase necessary home appliances at nominal interest rate and this fund is operated and managed by a committee of workers representatives. <input type="checkbox"/> We implement our ongoing pre-employment health checkup policy under which all potential recruits undergo medical checkup at company’s cost. We have dedicated Plant Physicians (both male & female) in all of our plants. <input type="checkbox"/> We don’t allow any Female employees to work during night shift operations. <input type="checkbox"/> All of our employees are covered under mandatory Group Life Insurance.
Outcomes	<ul style="list-style-type: none"> <input type="checkbox"/> There are around 1010 members of the Union. Salary & other benefits of workers have been reviewed through negotiation between Union and Management. <input type="checkbox"/> No child is employed in Square Pharmaceuticals Ltd or any other SBUs of the Group <input type="checkbox"/> Last year we recruited 511 permanent employees where we publicly advertised for the positions and both male and female were allowed to apply. We recruited based on their skill and competency. <input type="checkbox"/> SQUARE’s female employees are entitled to avail maternity benefits according to labour law of the country. Retirement policy for the employees has been implemented as per new labour law of the country. <input type="checkbox"/> Total 480 employees have been benefited from “Shohoj Kisti Reen Prokalpa”. <input type="checkbox"/> Last year Square conducted pre-employment health checkup for 511 employees. <input type="checkbox"/> Total 7672 Female employees of the all concerns of Square currently following the policy (not to let any female worker to work at night). <input type="checkbox"/> Total 4226 employees of Square Pharmaceuticals Ltd. are covered under Group Life Insurance.

Category 3: Environment	UNGC Principles 7-9
Actions	<p>Commitment: We are committed to support precautionary approach to environmental challenges & promote greater environmental responsibility.</p> <p>Activities/Systems</p> <ul style="list-style-type: none"> <input type="checkbox"/> We established Effluent Treatment Plant (ETP) in our manufacturing plants. <input type="checkbox"/> Purified water through ETP has been used to maintain Green belt around plants. <input type="checkbox"/> We established Incinerator for disposing solid wastes to protect the environment from pollution. <input type="checkbox"/> We replaced our Incandescent bulbs with the Energy Saving Bulbs / Compact Fluorescent Lamp (CFL) to save the electricity consumption upto 80% and to become environment friendly.
Outcomes	<ul style="list-style-type: none"> <input type="checkbox"/> Satisfied Stakeholders around our manufacturing plants & No formal complain or case had lodged regarding environmental concern. <input type="checkbox"/> Square's Environmental license has been up-to-dated on a continuous basis. <input type="checkbox"/> Chemical Oxygen Demand (COD) of our ETP is 200 mg/L. (International Standard for COD has to be less than 400 mg/L for the efficacy of ETP) <input type="checkbox"/> We maintain large greeneries around Square Establishments just to echo our commitment to greater environmental technologies. <input type="checkbox"/> In the year 2010, total 16290.10 kilograms waste were disposed through Incinerator, the breakdown is as follow: <ul style="list-style-type: none"> • Waste Powder: 5925 kilograms • Solid Waste: 5502.10 kilograms • Batch Documents: 1485 kilograms • Carton, Leaflet & BP: 3378 kilograms & 3020 pcs. <input type="checkbox"/> Total 114 Energy Saving Bulbs / Compact Fluorescent Lamp (CFL) has been replaced at our Corporate Headquarters.

Category 4: Anti-Corruption	UNGC Principle 10
Actions	<p>Commitment: We are committed to work against corruption in all its forms, including extortion and bribery.</p> <p>Activities/Systems</p> <ul style="list-style-type: none"> <input type="checkbox"/> We follow & ensure “Zero Tolerance” against all kinds of Corruption & we have an “Internal Audit” department which specifically deals with this issue. The head of “Internal Audit” directly report to the Managing Director to ensure better control.
Outcomes	<ul style="list-style-type: none"> <input type="checkbox"/> Company assets are safeguarded against misappropriation and fraud <input type="checkbox"/> Ensured the operations of company effectively and efficiently <input type="checkbox"/> Ensured transparent financial transactions of the company <input type="checkbox"/> Cost of the company is minimized