

2014

# Communication on Progress

COP

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MGTD Foreign Trade Department



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## Message from the CEO:



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

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. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Ali Babaie  
Managing Director

A handwritten signature in blue ink, appearing to read 'Ali Babaie', on a small, light blue rectangular piece of paper.

## HUMAN RIGHTS PRINCIPLES

### Assessment, Policy and Goals

Being committed to create an environment in which our employees and business partners respect to the Universal Declaration of Human Rights and avoiding complicity in human rights abuses is our goal. We have already set up Code of Conduct in order to have a vivid policy and in this way we respect to available international conventions.

### Implementation

To avoid any human rights violation, MGTD has taken the followings:

- There is an internal communication system through which employees shall receive training emails which make them familiar with human rights issues and also they can be in direct contact with top management.
- There is a poll box for submitting the complaints/suggestions which shall be revised by HR manager.

### Charity Activities:

1. Children's cancer foundation:

Tamin Daroo became a sponsor of children's cancer charity and at the end, donated toothbrush and height measuring tapes in support of children's singing group.

2. Oral care education in underserved areas:

Tamin Daroo collaborated in volunteering programs with Mehr-O-Danesh Company to educate children and their parents in underserved areas. Tamin Daroo's dentists examined children and their parents' teeth. They taught them the proper ways of brushing and flossing and gave them catalogues and free tooth brushes.

3. Collaboration between Tamin Daroo's academic team and dentists in underserved schools:

Target age group of 6-10 years old was considered for this tutorial. Our team examined student's teeth and taught them how to take a better care of their oral care. And at the end students received free toothbrush, schedule chart and height measuring tapes.

4. Children's education in disadvantage areas of Shiraz

Tamin Daroo's dentists group examined children and their parents tooth and informed them about their decayed teeth.

### Measurement of Outcomes

There is an internal system and also monthly meetings in which employees and partners shall report back if there is any indifference in Code of Conduct, defined principles and guidelines. Any violation of human rights shall be documented by HR team, the responsible partner will be given a timeframe to address and resolve the issue.

Senior management will audit all partners every six months to ensure that they are working with respect to the human rights.

## LABOUR PRINCIPLES

### Assessment, Policy and Goals

MGTD supports the labor conventions and will not do business with any organization that uses forced labor or child labor.

In our company handbook, employee's rights and responsibilities are completely stated. It also includes information on standard terms and conditions of employment, company benefits, company rules, grievance and disciplinary procedures.

### Implementation

Direct email access to CEO /HR for each employee to submit his/her complaints and/or issues with regards to unfair treatment. These complaints are revised by top management and discussed immediately. Each month also there is a day for thanking individuals who have made a specific contribution.

All employees are ensured via company by the related responsible organization for their working life and health. (Medical Insurance)

MGTD is a member of Iranian`s Import Organization(<http://www.majmavaredat.ir/>) and arrange its activities based on its rules.

### Promoting Knowledge to Employees:

Mr.Ali Babaie, CEO of MGTD, translated a book called "Corporate Governance Guideline for Family Owned Business" collected by World Bank's International Finance Corporation.

This book has been published in 750 copies by supporting of the company's corporate responsibility and its available free of charge to all the employees.

### Measurement of Outcomes

We run annual appraisals each year to identify personal development needs and training requirements and these are implemented as quickly as possible.

We have not been involved in any investigations, legal cases or other relevant events related to the contravention of the Global Compact Labor principles.

## ENVIRONMENTAL PRINCIPLES

### Assessment, Policy and Goals

MGTD is committed to its environmental policy which emphasizes to act on a way which avoids any activity regarding harmful or negative impact on the environment.

We want to GO GREEN!!!!!!

### Implementation

- We encourage internal and external communication via email, to detriment of paper.
- Close connection with Paper center collecting.
- We prefer to work with customer and suppliers who manufacture products which have minimum environmental impact.
- Having filtered drinking water to reduce the plastic bottle usage.
- We have planted more than 20 plants in our yard to help have a reduce air pollution.
- Having Paper Bags instead of Plastic bags as our promotions bags.
- We provide our personnel with free transportations to reduce private care usage and accordingly reduce air pollution.
- Provide our scientific representatives with Tablets instead of Paper catalogues and leaflets for their presentations.
- Usage of lower consumption lamps in the office.
- We encourage everyone to participate in recycling by having separate recycle and trash bins in each room.
- We have installed hand dryers in our bathrooms to reduce our paper towel usage.

### Measurement of Outcome

MGTD`s paper bags became an index for the company, most of the importers use plastic bags for their goods.

More than 300KG papers have been gathered for recycling center.

We have reduced company's power consumption.

## ANTI-CORRUPTION PRINCIPLES

### Assessment, Policy and Goals

We are strongly against any forms of corruption including bribery and extortion. "Honesty" which is the base for Anti-Corruption, is one of our corporate `s value and based on that neither MGTD nor any of the personnel may offer promise, or receive any bribe.

### Implementation

There is an internal checking system which shows the stream of all financial affairs. This system completely shows the amounts received and paid for each purpose and for each person. The system is under the finance control and will be checked by the CEO each month.

There is another system which documented companies finance actions to pay all taxes related governmental financial affairs.

Keep track of our inventory in warehouse as an effective loss prevention system.

### Measurement of Outcome

MGTD has an agreement with an external audit company to do internal audits at the end of each fiscal year. Such audits may clear any corrupt behavior or bribery and also show that the company has paid all related taxes to the government and no suspicious action in this regard is taken.