



113 A Zizinului Street., 500407 BRASOV - ROMANIA

Tel.: 268-313500 / 317550

Website: [www.romradiatoare.com](http://www.romradiatoare.com) Dun code: 644910341

Fax: 268-317500 / 317600

E-mail: [romradiatoare@romradiatoare.com](mailto:romradiatoare@romradiatoare.com)

Court Registration Brasov J08/180/1991 VAT No. RO1108834

Subscribed & paid-up capital: 24.450.000 lei

IBAN code: RO59BRDE080SV06093260800 (ROL) RO90BRDE080SV04273890800 (EUR)



## **Communication on Progress 2014 – United Nations Global Compact**

**Brasov, 28.02.2015**

### **Human Rights**

One of the most important goals of our company is to respect international human rights and to continuously improve our social performance.

The main policies and management systems that support human rights are:

- *Quality and environment policy of the company:* Romradiatoare S.A. ensures occupational safety and health at its workplaces by minimizing and isolating risks for employees, contractors and visitors.
- *Collective labour agreement:* This agreement is aimed to promote and implement equitable labour relations as to enable a profitable activity, ensure social protection for employees and avoid the appearance of collective labour conflicts. In our company there are regular meeting between employee's representatives and employer's representatives as to find solutions regarding social and professional aspects.
- *Health and safety procedure:* Our company respects the national and international laws regarding healthy and safe working conditions.
- *Code of conduct:* Every business contract issued by Romradiatoare S.A. has an appendix named code of conduct which binds the business partners (suppliers, contractors etc.) to respect the human and labour rights.

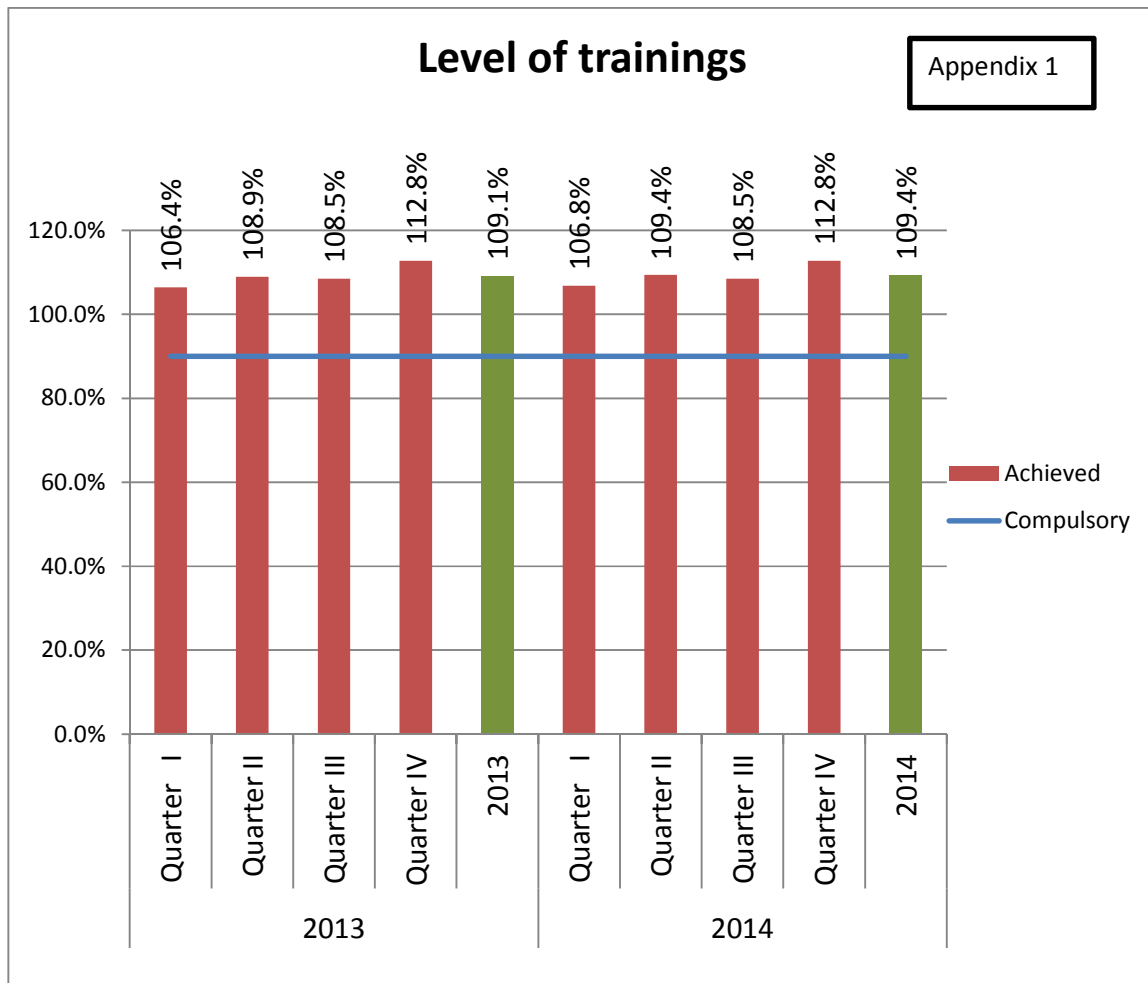
The most important practical activities undertaken to support human rights are:

- *Providing safe and healthy human conditions.* All the employees have protection equipments. In the past year there were not registered any work-related incidents.
- *Providing access to basic health, education and housing for workers and their families.*  
All the employees have access to our own physician office, which is open daily and where they can benefit of free consultation and medical treatments. Romradiatoare provides for all employees free access to cold and hot drinks through the vending machines located in each workshop.  
Our company offers internal and external trainings in many different areas such as: sales, project management, quality systems, environment, IT etc. Our company has the possibility to offer housing for workers and their families. In past year one of our employees has benefited of this possibility.
- *Providing trainings on health and safety aspects.* The employees benefit of trainings on health and safety aspects since beginning to work in the company untill the contractual agreement ends.

Table No.1 shows our progress in the last years and also the target for 2015 regarding human rights issues. Regarding trainings, the percent increase with 0.3% in 2014 since 2013. The trainings are analyzed in Table No.1., dealt with quality & environment, health and safety, emergency situations. Regarding trainings, for 2015, our objective is to achieve a percent of 110%. The percent of absenteeism decreased from 13.4% in 2013 at 13.1% in 2014 and has to reach 13% in 2015. The volunteer fluctuation of employees has decreased at 0,5% in 2014 and has to reach 0,4% in 2015.

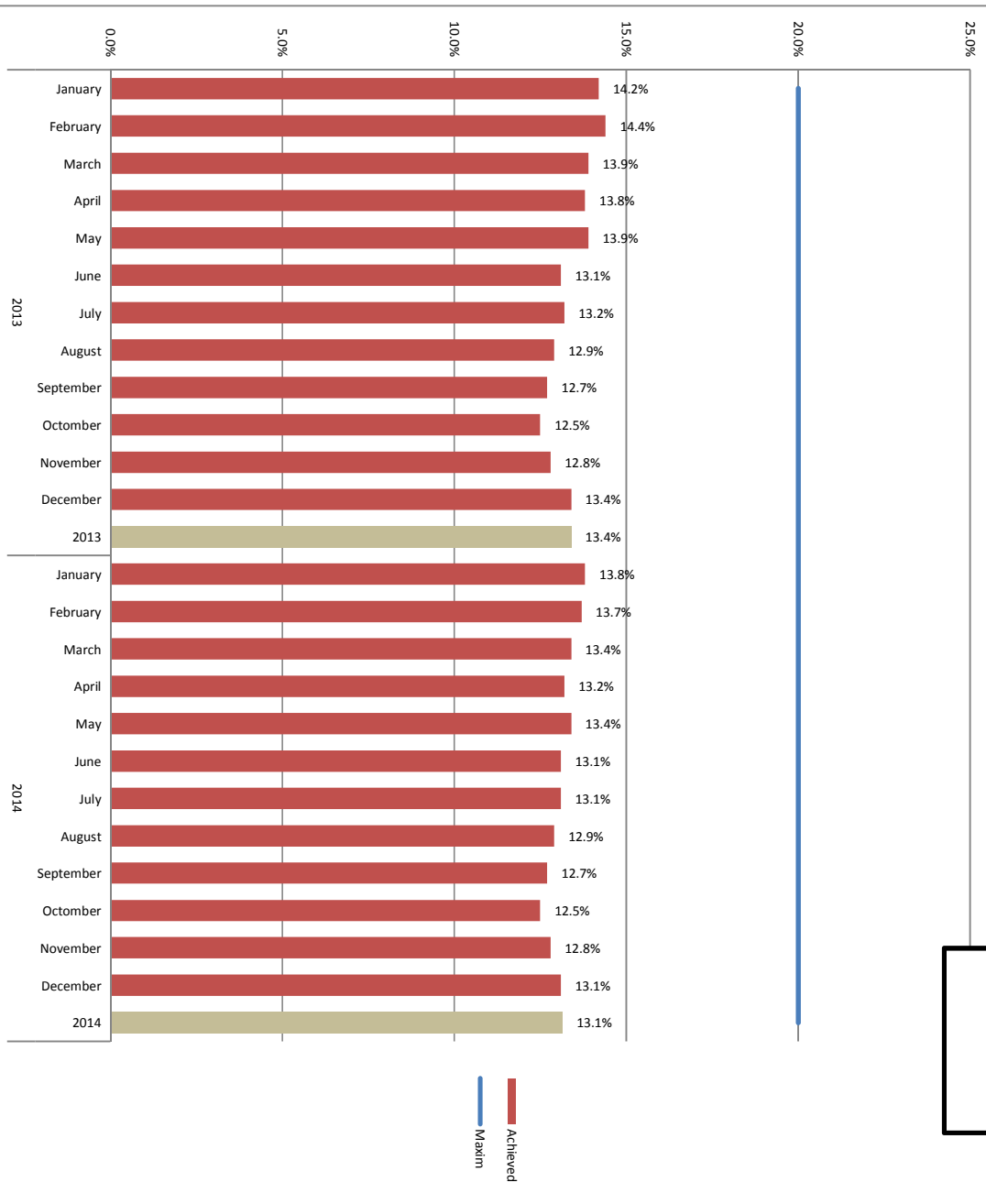
Table No.1: Human rights indicators

| HUMAN RIGHTS                 | INDICATOR  | 2013   | 2014   | 2015 (target) |
|------------------------------|--|--------|--------|---------------|
| <b>Trainings</b>             | Hours planned/hours achieved                               | 109.1% | 109,4% | 110%          |
| <b>Absenteeism</b>           | % from total working hours                                 | 13.4 % | 13.1%  | 13%           |
| <b>Volunteer fluctuation</b> | Number of voluntary departures/average number of employees | 0.6%   | 0.5%   | 0.4%          |

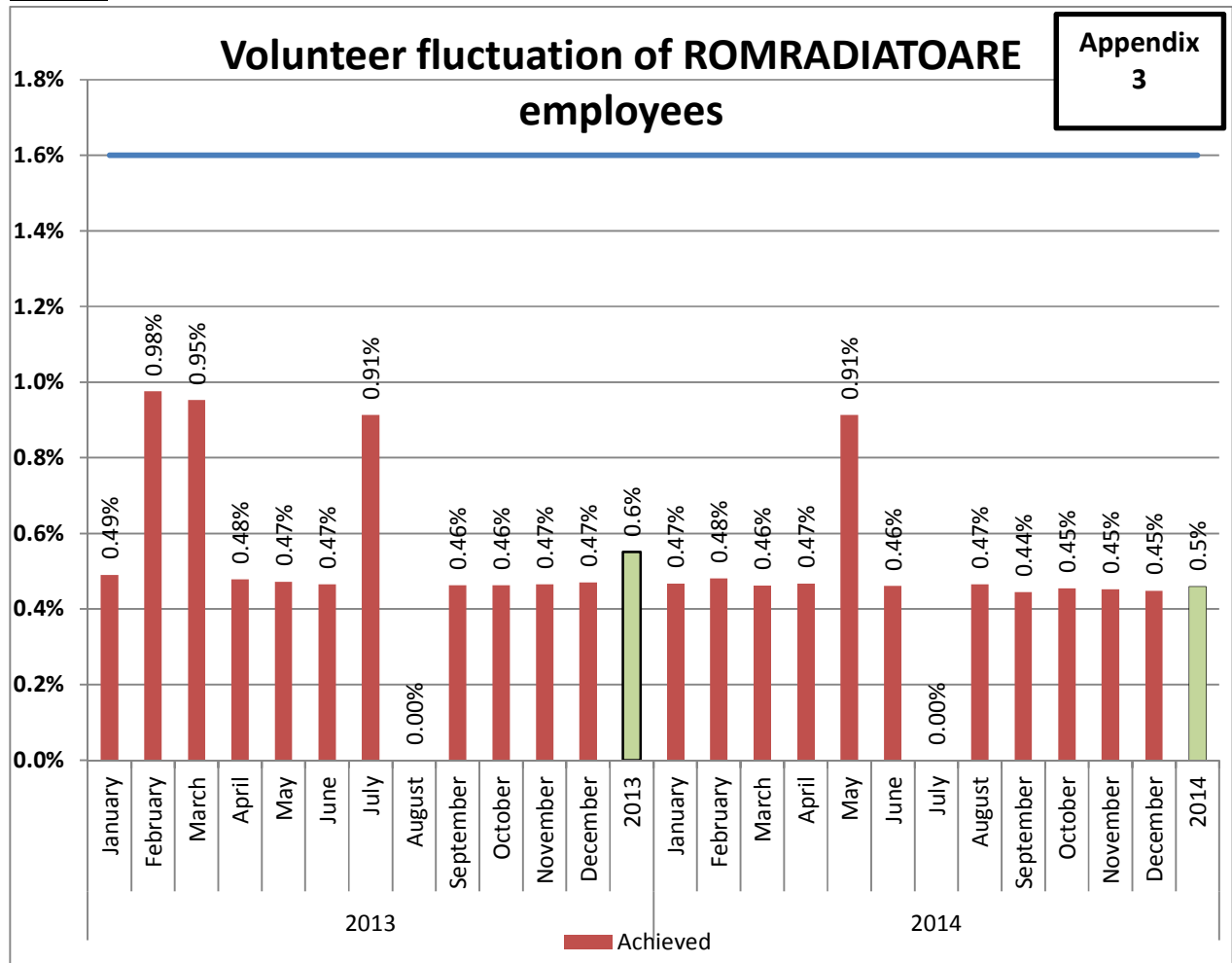


# Absenteism ROMRADIATOARE

Appendix 2



## Labour



Romradiatoare S.A. commits to protect the national and international labour rights by all means. All our employees are entitled to join unions for the protection of individual and collective interests.

The main policies and management systems that support labour rights are:

- *Quality and environment policy of the company.* Romradiatoare S.A. ensures occupational safety and health at its workplaces by minimizing and isolating risks for employees, contractors and visitors.
- *Collective labour agreement.* This agreement is aimed to promote and implement equitable labour relations as to enable a profitable activity, ensure social protection for employees and avoid the appearance of collective labour conflicts. In our company there are regular meetings between employee's representatives and employer's representatives as to find solutions regarding social and professional aspects.
- *Health and safety procedure.* Our company respects the national and international laws regarding health and safety working conditions.
- *Code of conduct.* Every business contract issued by Romradiatoare S.A. has an appendix named code of conduct which binds the business partners (suppliers, contractors etc.) to respect the human and labour rights.

The most important practical activities undertaken to support labour rights are:

- *Freedom of association.* We recognize the right of all employees to establish or join unions or other professional organisations. ROMRADIATOARE S.A., the unions and the employees' representatives are working together in the spirit of a constructive and cooperative management for defusing potential conflicts.
- *No discrimination.* We provide equitable opportunities and treatments, regardless of race, colour, sex, religion, nationality, sexual orientation, social origin or political beliefs, as long as this is based on democratic principles and on tolerance for the people that think differently. Employees will be selected, hired and promoted only based on their qualifications and abilities.
- *Free choice of the workplace.* ROMRADIATOARE S.A. denies any use of forced, bonded or involuntary labour.
- *Abolition of child labour.* Child labour is prohibited. The minimum age for employment is in accordance with applicable laws.
- *Compensation / Remuneration.* The paid remuneration provided for a standard working month and complies with the principle: "equal payment to equal work".
- *Working hours.* The working hours and paid holidays are at least according to national legal requirements.
- *Safety and health protection at workplace.* ROMRADIATOARE S.A. meets all national standards for a hygienic and safe working environment. Following this, the company takes all the required measures to provide health and safety at the workplace, and to maintain healthy working conditions.
- *Qualification.* ROMRADIATOARE S.A. supports the qualification of its workforce as to facilitate increasing levels of performances and high quality work standards.

Table No.2 shows our progress in the last years.

Regarding employees age, most of our employees have 40-55 years.

Regarding employees type, the number of blue collar workers grew with 3.5% in 2014 compared with 2013. The number of female employees grew with 18.5% in 2014. The average salary for all the types of employees has increased in 2014 with 1.52%.

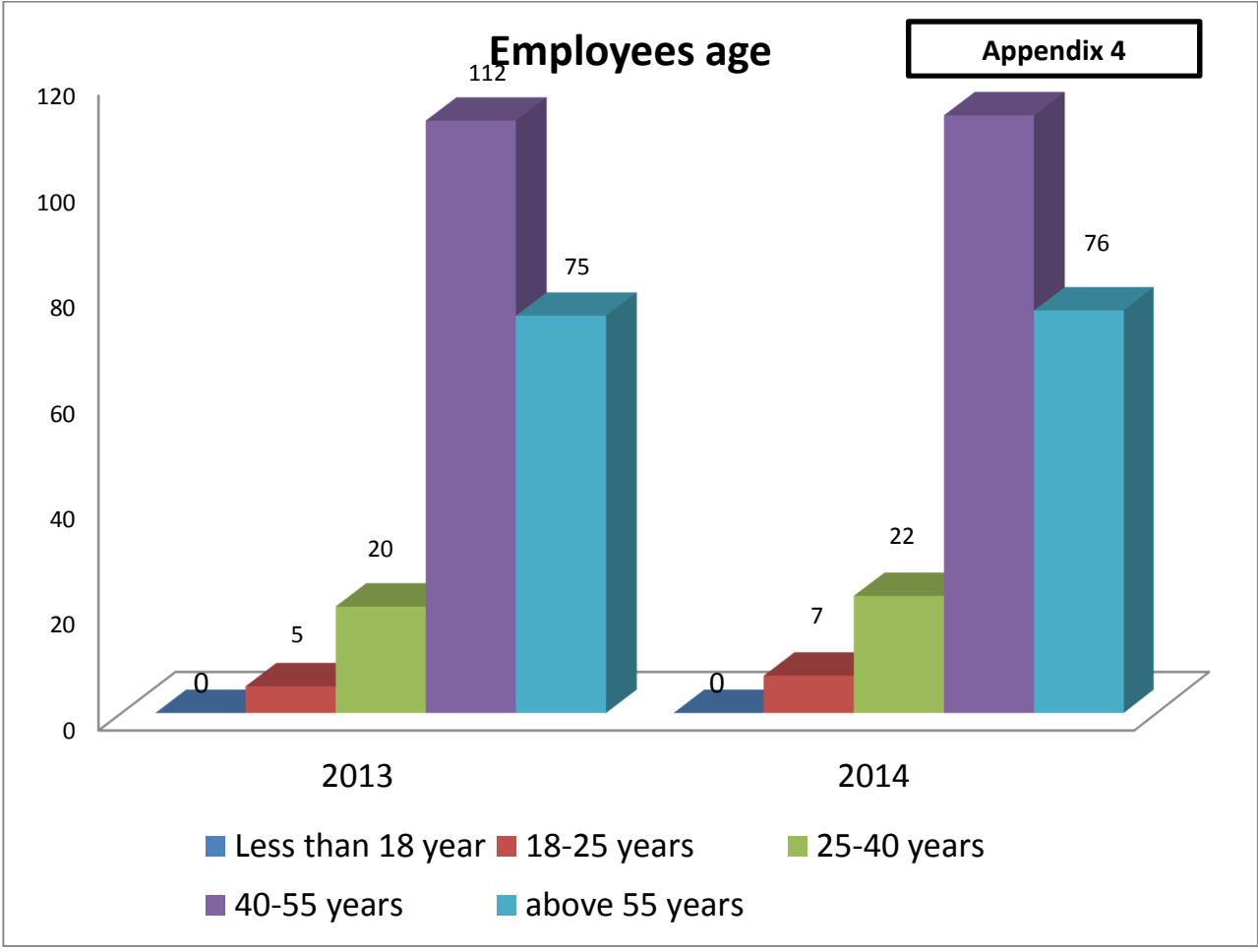
The gap between men (blue collar) workers and women (blue collar)workers has decreased in 2014 with 5.8% Also the gap between men (white collar)workers and women (white collar)workers has decreased with 1.2% in 2014 compared with 2013.

Regarding the ethnicity, there weren't registered major fluctuation in 2014 compared with 2013. In 2014, most of the employees were Romanian (96%), a small part Hungarian (2.9%) and a very small part Gypsy (1,1%).

Table No.2: Labour rights indicators

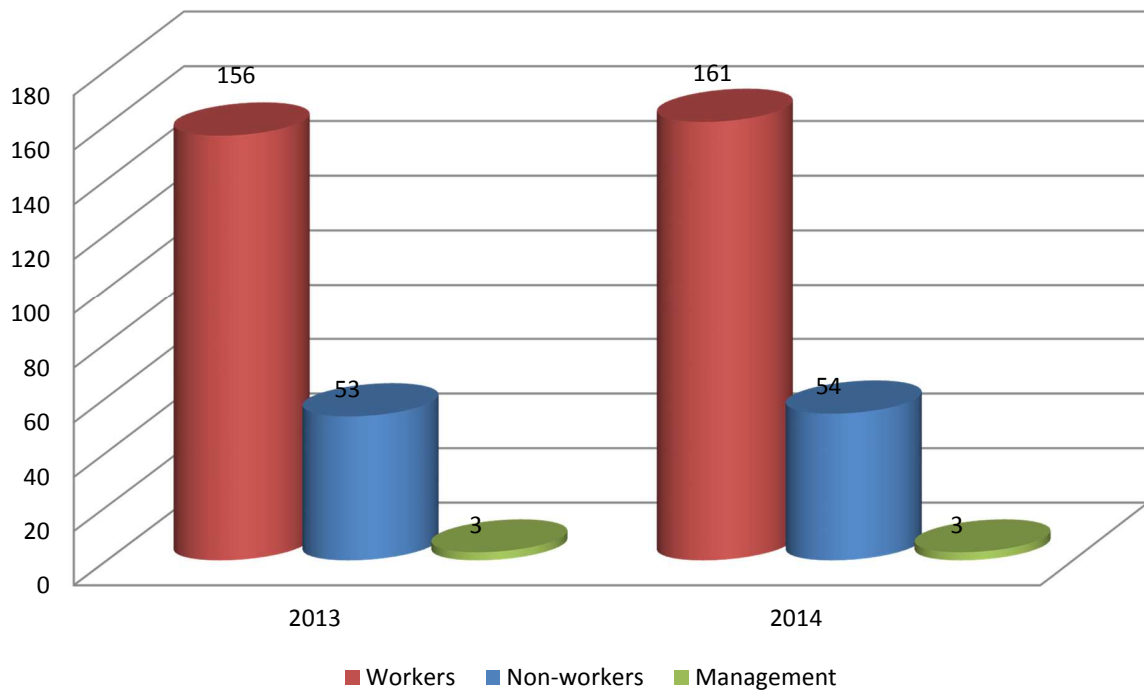
| LABOUR RIGHTS            | INDICATOR        | 2013 | 2014 |
|--------------------------|------------------|------|------|
| <i>Employees age</i>     |                  |      |      |
| <b>Less than 18 year</b> | no. of employees | 0    | 0    |
| <b>18-25 years</b>       | no. of employees | 5    | 7    |
| <b>25-40 years</b>       | no. of employees | 20   | 22   |
| <b>40-55 years</b>       | no. of employees | 112  | 113  |
| <b>above 55 years</b>    | no. of employees | 75   | 76   |
| <i>Employees type</i>    |                  |      |      |

|                                 |                        |       |      |
|---------------------------------|------------------------|-------|------|
| <b>Blue Collar Workers</b>      | no. of employees       | 156   | 161  |
| <b>White Collar workers</b>     | no. of employees       | 53    | 54   |
| <b>Management</b>               | no. of employees       | 3     | 3    |
| <i>Employees gender</i>         |                        |       |      |
| <b>Male</b>                     | no. of employees       | 137   | 129  |
| <b>Female</b>                   | no. of employees       | 75    | 89   |
| <i>Employees average salary</i> |                        |       |      |
| <b>Women (workers)</b>          | €                      | 230   | 235  |
| <b>Men (workers)</b>            | €                      | 279   | 286  |
| <b>Women (non-workers)</b>      | €                      | 425   | 430  |
| <b>Men (non-workers)</b>        | €                      | 497   | 498  |
| <i>Ethnicity</i>                |                        |       |      |
| <b>Romanian</b>                 | % from total employees | 96.8% | 96%  |
| <b>Hungarian</b>                | % from total employees | 2.1%  | 2.9% |
| <b>Gypsy</b>                    | % from total employees | 1.1%  | 1.1% |



## Employees type

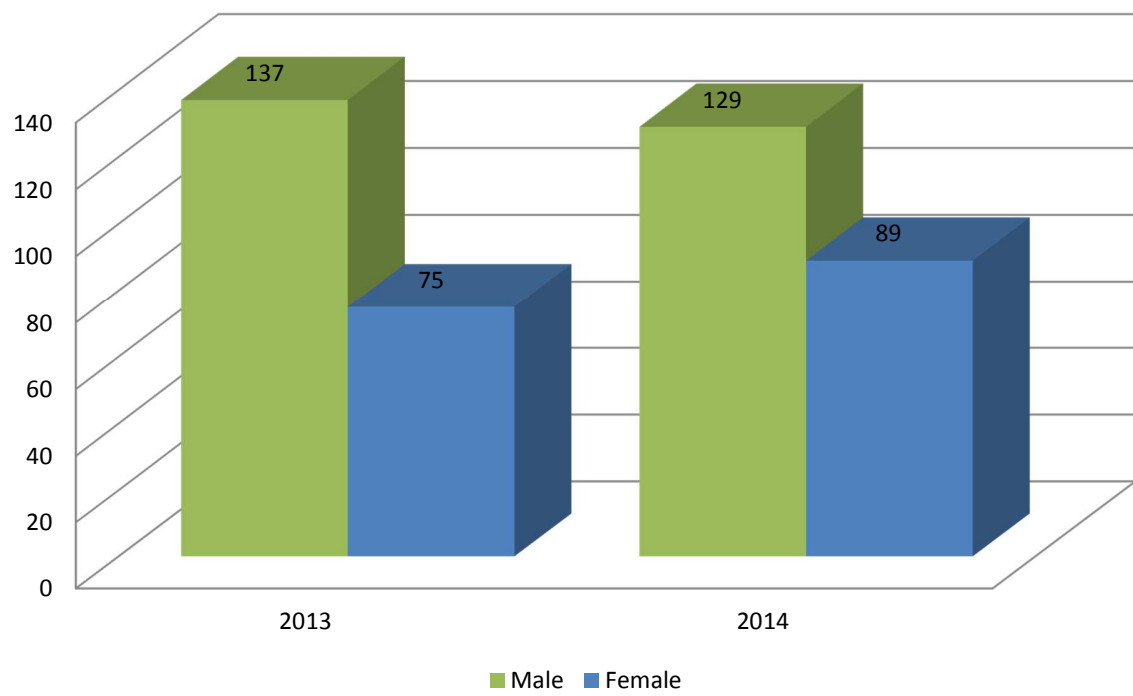
Appendix 5





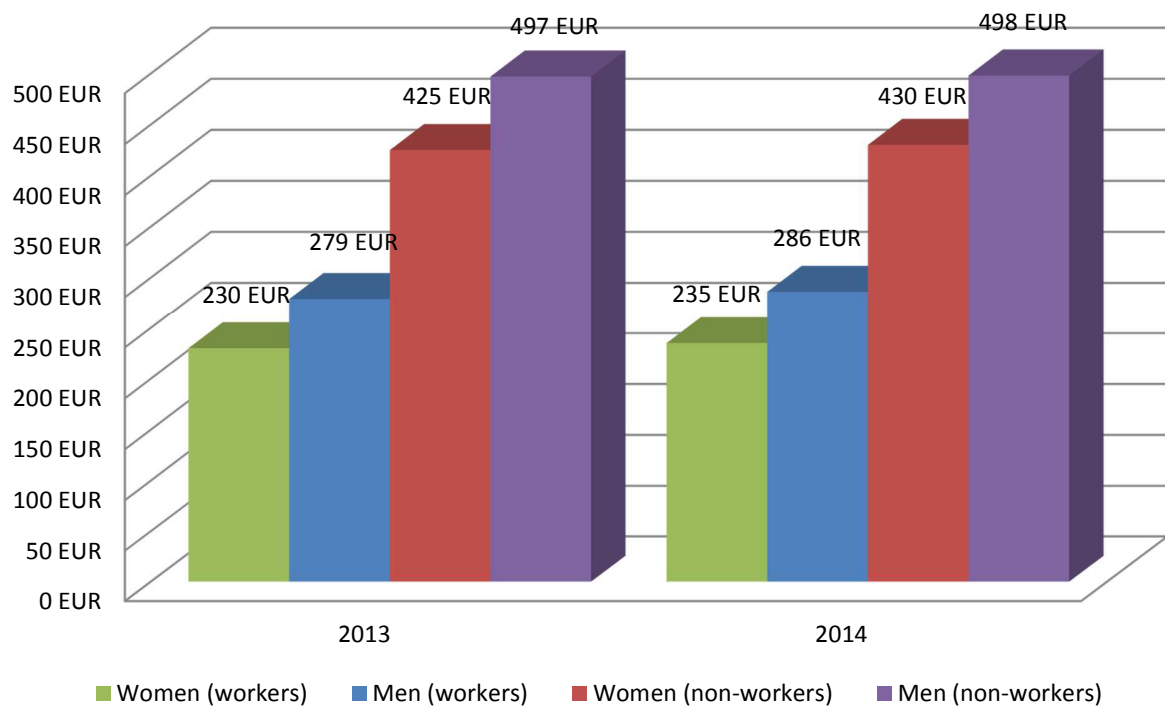
## Employees gender

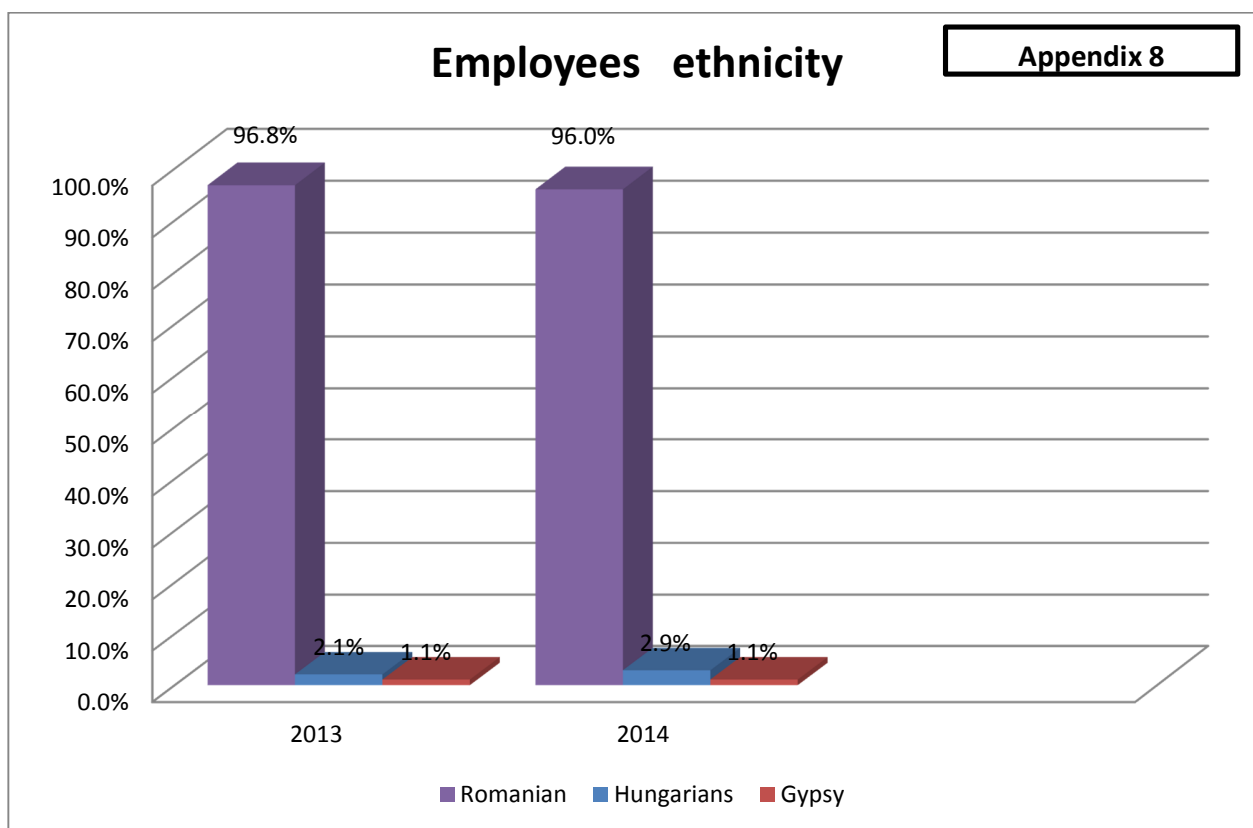
Appendix 6



## Employees average salary

Appendix 7





## Environment

Romradiatoare S.A. commits to protect the environment by preventing pollution through promoting and implementing the best technologies in its processes.

The main policies and management systems that support environment rights are:

- *Quality and environment policy of the company.* Romradiatoare has an open communication with all stakeholders about its environment policy. Furthermore Romradiatoare has implemented the best case practices for the new manufacturing technologies. The design of the products and processes are made taking into account the exhaustible energy resources. Romradiatoare goal is to improve the quality of life by increasing the green space within the company. All these targets are internal monitored through the Management Analysis and external monitored through ISO 14001:2005 Audits.
- *Code of conduct.* Every business contract issued by Romradiatoare S.A. has an appendix named code of conduct which binds the business partners (suppliers, contractors etc.) to respect the environment rights.

The most important goals for 2015 concerning environment rights are:

- 3% decrease of electricity consumption / unit of product
- 8% decrease of gas consumption / unit of product
- Maintaining the quality of wastewater
- Minimum 60% recycling of the carton introduced on domestic market

Tables No. 3, 4 and 5 shows our progress in the last years regarding environment rights issues. Energy consumption has decreased in 2014 with 1.7% compared with 2013. Gas consumption has decreased with 5.1% in 2014 compared with 2013.

pH maintained its value in 2014 between the minimum parameter (6,5%) and the maximum parameter (8,5%) and achieved a value of 7,13

Regarding paper and cardboard, the recycled quantity decreased from 61% in 2013 to 60% in 2014 (minimum quantity accepted).

Table No. 3: Energy and gas - environment rights indicators

|                    | JAN | FEB | MAR | APR | MAI | JUN | JUL | AUG | SEP | OCT | NOV | DEC | YEAR |
|--------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|
| <b>Energy</b>      |     |     |     |     |     |     |     |     |     |     |     |     |      |
| <b>2013</b>        | 64  | 57  | 42  | 42  | 34  | 40  | 29  | 37  | 41  | 37  | 44  | 42  | 42   |
| <b>2014</b>        | 63  | 56  | 41  | 41  | 33  | 39  | 28  | 36  | 40  | 36  | 43  | 41  | 41   |
| <b>Target 2015</b> | 62  | 54  | 39  | 38  | 29  | 37  | 27  | 35  | 38  | 35  | 41  | 40  | 40   |
| <b>Gas</b>         |     |     |     |     |     |     |     |     |     |     |     |     |      |
| <b>2013</b>        | 451 | 416 | 432 | 409 | 313 | 148 | 117 | 118 | 201 | 243 | 302 | 349 | 292  |
| <b>2014</b>        | 448 | 412 | 421 | 407 | 306 | 144 | 115 | 112 | 200 | 239 | 300 | 343 | 287  |

Table No. 4: Waste water pH max - environment rights indicators

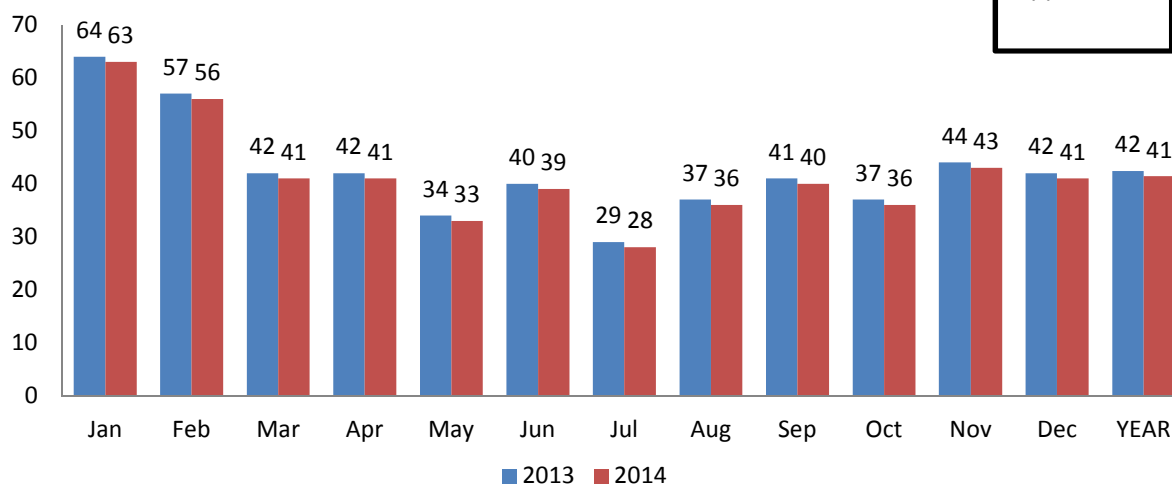
| <b>2012</b>   |      |      |      |      |      |      |      |      |      |      |      |      |      |
|---------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
|               | jan  | feb  | mar  | apr  | mai  | jun  | jul  | aug  | sep  | oct  | nov  | dec  | Year |
| <b>pH max</b> | 6.5  | 6,5  | 6,5  | 6,5  | 6,5  | 6,5  | 6,5  | 6,5  | 6,5  | 6,5  | 6,5  | 6,5  | 6,5  |
|               | 7.19 | 7,14 | 7,11 | 7,12 | 7,07 | 7,09 | 7,14 | 7,13 | 7,15 | 7,14 | 7,19 | 7,12 | 7,13 |
|               | 8.5  | 8,5  | 8,5  | 8,5  | 8,5  | 8,5  | 8,5  | 8,5  | 8,5  | 8,5  | 8,5  | 8,5  | 8,5  |

|   |  | <b>2013</b>         |      | <b>2014</b>         |      |
|---|--|---------------------|------|---------------------|------|
|   |  | <b>Average 2013</b> |      | <b>Average 2014</b> |      |
|   |  | <b>MU</b>           |      |                     |      |
| <b>Quantity introduced on domestic market</b> |  | t                   | 0,58 |                     | 0,56 |
| <b>Quantity recycled</b>                      |  | t                   | 0,35 |                     | 0,34 |
| <b>Quantity recycled</b>                      |  | %                   | 61%  |                     | 61%  |
| <b>Minimum quantity accepted</b>              |  | %                   | 60%  |                     | 60%  |

Table No. 5: Paper and cardboard- environment rights indicators

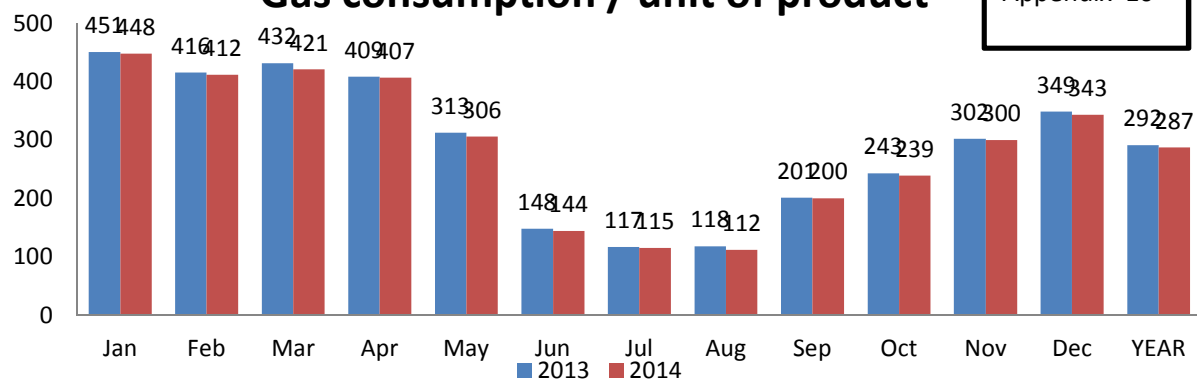
## Electricity consumption / unit of product

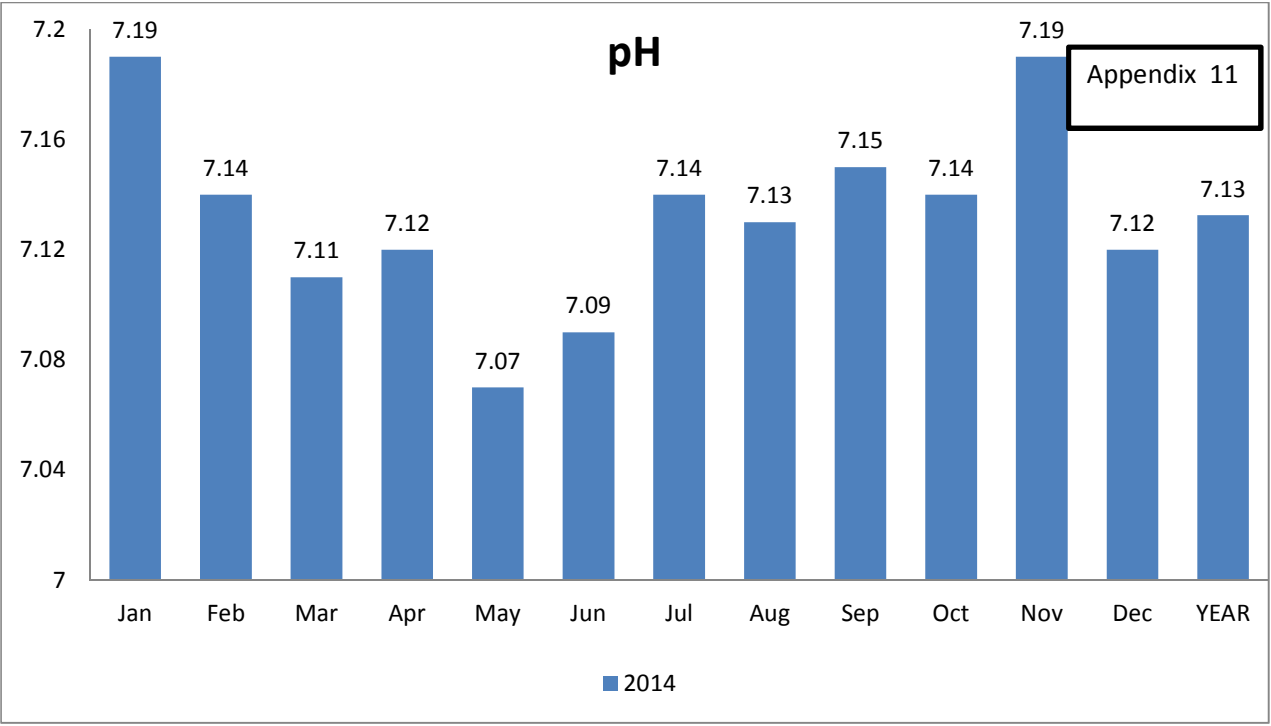
Appendix 9



## Gas consumption / unit of product

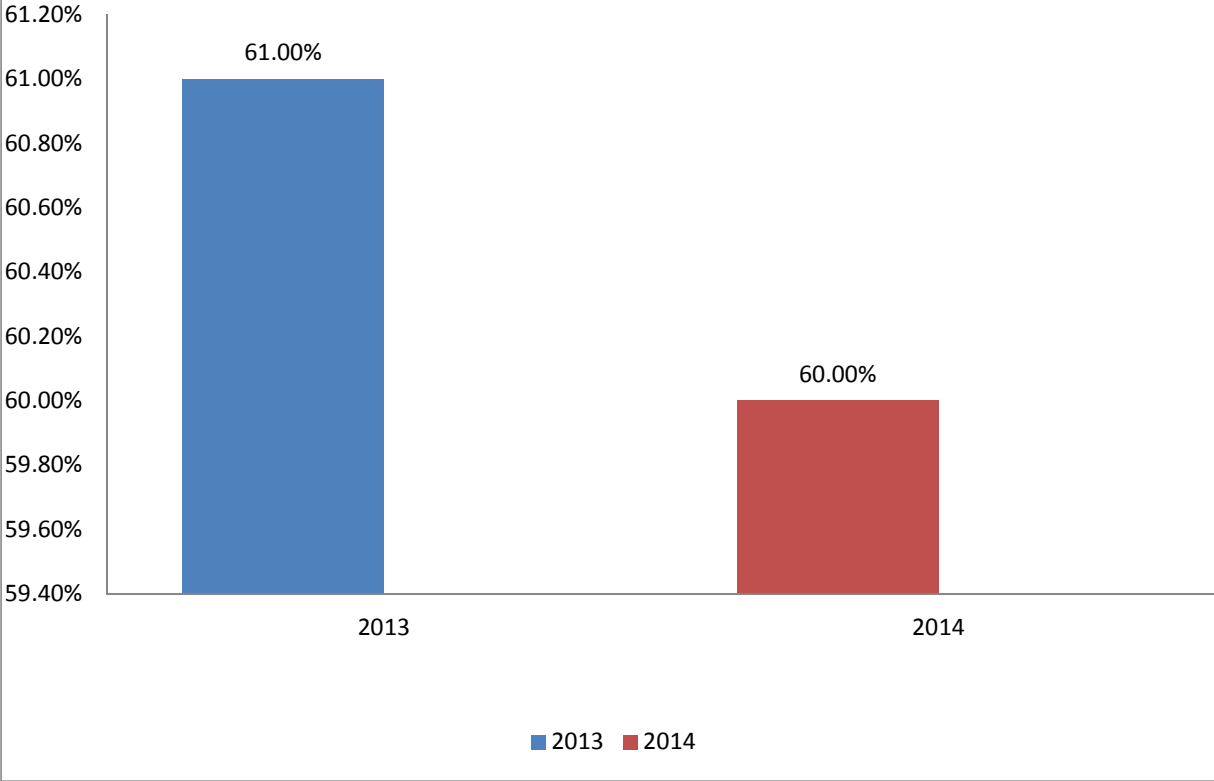
Appendix 10





Level of recycling carton

Appendix 12





## **Anti-corruption**

Romradiatoare S.A. complies with national legislation against corruption and one of the company goals is to maintain its integrity.

The main policies and management systems that support anti-corruption rights are:

- *Code of conduct.* Every business contract issued by Romradiatoare S.A. has an appendix named code of conduct which binds the business partners (suppliers, contractors etc.) to respect the anti-corruption rights.

The most important practical activities undertaken to support anti-corruption rights are:

- *Providing trainings for employees.* Our employees behave honestly, are trustworthy and set a good example. Furthermore they use the resources of the company in the best interest of Romradiatoare S.A., and do not misuse these resources. Our employees do not pay or accept bribes. As employees, they make a clear distinction between the interests of our company and their private interests, and avoid possible conflicts of interest. They do not accept gifts, invitations or other benefits which could contradict this principle.

Table No. 6 shows that all the employees were trained on anti-corruption rights in 2013 and 2014. Our goal is to maintain this level of trainings on anti-corruption aspects.

Table No. 6: Anti-corruption rights indicators

| ANTI – CORRUPTION RIGHTS                     | INDICATOR              | 2013 | 2014 | 2015<br>(target) |
|--|------------------------|------|------|------------------|
| Employees trained on anti-corruption aspects | % from total employees | 100% | 100% | 100%             |

## Employees trained on anti-corruption aspects

Appendix  
13

