COMMUNICATION ON PROGRESS

ON THE

ON THE UNITED NATIONS GLOBAL COMPACT

2019-20

ELCOMPONICS SALES PVT LTD





CIN No: U51109UP1988PTC010331

Date: 15th Oct 2019

H.E. António Guterres Secretary-General United Nations New York, NY 10017 USA

Dear Mr. Secretary-General,

I am pleased to confirm that Elcomponics Sales Pvt. Ltd. supports the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. With this communication, we express our intent to implement those principles. We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. Elcomponics Sales Pvt. Ltd. will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the Ten Principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the UN Global Compact, and annually thereafter according to the UN Global Compact COP policy. This includes:

• A statement signed by the Managing Director expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles. This is separate from our initial letter of commitment to join the UN Global Compact.

• A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the UN Global Compact principles in each of the four issue areas (human rights, labour, environment, anti-corruption).

• A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely you

Managing Director

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PREFACE BY THE MD

Elcomponics Sales Pvt Ltd. combines its sustainability activities to form a strategic programmed. This involves setting binding, measurable targets, deriving specific measures and continuously reviewing the results obtained in relation to four fields of focus: Environment, Employees, Development & products, and Society. All activities are well planned and transparent.

In view of the above, our membership of the United Nations Global Compact represents a conscious step towards increased transparency and visible corporate responsibility. ESPL is explicitly committed to the Ten Principles of the Global Compact in the fields of human rights, labour standards, environmental protection and the fight against corruption, and undertakes to continue fostering and supporting them in its sphere of influence. We report annually on our progress in implementing the Global Compact in our day-to-day business in the form of a Communication on Progress. Furthermore, we will detail significant developments in the implementation of the Ten Principles in the Elcomponics Sales Pvt Ltd Sustainability Report.



ABOUT THIS COMMUNICATION ON PROGRESS

This document's purpose is to provide information on the ESPL progress with respect to the implementation of the Ten Principles enshrined in the Global Compact in the day-today practice of our business. The action we have taken in this field is founded on our expressed corporate principles and our management systems. The reporting period for this Communication on Progress encompasses the ESPL Ninth year of Global Compact membership, from 01 April 2019 to 31 March 2020.



Principle 1

Business should support and respect the protection of internationally proclaimed human rights.

Commitment Policies: - we are following the international declaration of Human Rights.

Action Taken: - We have two separate Human Resources and Employee Relation departments. Vice President is the head of these departments Employee concerns can be discussed and addressed on a one to one basis.

Outcomes: - Employee grievances, if any are addressed on priority.

Principle 2

Make sure that they are not complicit in human right abuses.

Commitment Policies: - We have efficient HR Department to address these issues.

Action Taken: - Our Company has a strict policy of registration of all employees with the Provident Fund. Employee's stat insurance. We follow guidelines of the workers minimum wages act. Company provides conveyance to all employees from all parts of the city. Mediclaim policy for all the employees and their family member is provided. We have upgraded and introduced new their family member is provided.

Outcomes: - The HR Department discusses all issue related to the employees with recognized and representative union and finds a solution. If required the brought to the notice of Vice President for a solution. Our overall compliance in this aspect is more than Indian average. Added ways employee engagement new,

Plans for the Upcoming Year :- We have taken certain management programs for safe working of out employees a like installed hand rails for all stars case more than 2 meter height, to display safety instruction on the machine, to introduce work permit.



LABOUR RIGHTS

Principle 3

Business should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Commitment Policies: - Our Company has a recognized employees union.

Action Taken: - Office bearers of the employees union discuss with company management on various issues including wages. Wages are revised in discussion with union. We have signed the agreement with recognized union up to 2018.

Outcomes: - Employees get solutions to their problems.

Plans for the Upcoming Year: - We conduct scheduled meeting to discuss all issues. We will upload on our Portal also

Principle 4

The Elimination of all forms of forced and compulsory labour.

Commitment/Policies: - Our recruitment is defined and our HR Department recruiters based on application received.

Action Taken: - Above policy is strictly followed. We have conducted third party audit.

Outcomes: - No forced labour. We got 100% marks in forced labour that means we do not have any forced labour in our organization.

Plans for the Upcoming year: - we will adhere to our policy and educate our vendor to implement these policies.





The effective abolition of child labour

Commitment/ Policies: - The Policy on selection, recruitment and confirmation of employment includes only person above 18 years to be recruited.

Action Taken: - The company recruitment policy ensures that no child labour is recruited. We have conducted third party audit.

Plans for the Upcoming years: - We strictly follow the company recruitment policy on child labour. We also ask our vendor to implement the same. We have planned to upgraded and update our existing policy.

Principle 6

The elimination of discrimination in respect of employment and occupation

Commitment/ Policies: - The policy on selection, recruitment and confirmation of employment includes no discrimination on account of age, sex, nationality or religion.

Action Taken: - Then company recruitment policy ensures that there is no discrimination on account of age, sex nationality or religion. We have conducted third party audit.

Outcomes: - We have Women working as managers and General Manager. Third party had rated us 100% on this criteria.

Plans for the Upcoming years: - We have planned to form a international complaints committee for redressal of sexual harassment of women at work place.



ENVIRONMENT PRINCIPLES

Principle 7

Business should support a precautionary to environmental challenges

Commitment/ Policies: - Company have an environment policy.

Action Taken:-

- 1. Company has rain water harvesting system, the water collected by rain harvesting system is used for plantation and gardening.
- 2. Third party testing of our water is done periodically. Air Samples are also checked by third party periodically. Noise level in the company's premises is also checked periodically.
- 3. Mass transportation is being provided to our staff as well as our workers to reduce pollution.
- 4. We have maintained green garden in our premises and also maintain garden outside our compound wall.
- 5. Company has installed organic waste Converter System to convert Biomass/Waste into Bio-organic soil enriches and conditioner.
- 6. Started maintain record as per ISO: 14001 and finalized Environment Management Program like reduction in consumption of target to reduce the adverse effect on environment due to our operation.
- 7. Started sending Hazardous Waste to Government Authorized disposer for proper disposal of waste.
- 8. We are regularly doing monitoring ambient air, Noise level and air emission from our company.
- 9. Company has procured noise level checking instrument and noise level is monitored periodically.
- 10. E-Waste is disposed through government approved agency.
- 11. The generation of electrical power at our wind mills and solar panels installations is in net surplus of our total power consumption.

Outcomes: - we reduce advice impact of our activities on environment. We will promote Environment friendly electrical contact material against sdO.



Undertake initiatives to promote greater environmental responsibility

Commitment/ Policies: - To reduce water power consumption.

Action Plan: -

- 1. We have changed water distribution systems.
- 2. We have installed overhead tank to save consumption of power.
- 3. We monitor water and power consumption every month. We are in the process to buy RO which will reduce water wastage for 70% to 7%.
- 4. We have keep targets to reduce water consumption and electrical consumption without affecting production.
- 5. We started replacing halogen lamps with LED lamps to save power.
- 6. We have changed Hard Disc to solid state disc and installed LED monitors to save power consumption.

Outcomes: - Consumption of power and water has been reduced. We have procured new wire washing machine to reduce water.

Plans for the Upcoming years: - We have planned to reduce power consumption by replacing our existing halogen lights and CFL lights with LED.

Principle 9

Encourage the development and diffusion of environmentally friendly technologies

Commitment/ Policies: - (To reduce use of natural resources by using roof top solar installation, to reduce adverse effect on environment).

Action Taken: -

Promotion of roof top solar installation in our Company canteen of 296 square meters has been covered with roof top solar and saves to environment.

Outcomes: - Since we are meeting some of our energy needs with the energy system. Our solar system has generated, our energy bills drops and save to environment.

Plans for the Upcoming Years: -

To promote roof top solar installation in our all plant.



ANTI CORRUPTION PRINCIPLE

Principle 10

Business should work against all forms of corruption, including extortion and bribery

Commitment/ Policies: - Code of conduct for suppliers has been developed.

Action Taken: - Code of conduct has been sent to core suppliers, which also covers corruption and bribery.

Outcomes: - Suppliers has taken it in right spirit.

Plans for the Upcoming Years: - Plan to increase awareness among the entire supplier on this aspect.