



United Nations Global Compact

Communication on Progress 2020









Director's Statement of Continued Support for the UN Global Compact and Its Ten Principals

I am pleased to confirm that Rastgar Engineering Company Pvt Ltd reaffirms its support of the Ten Principals of the United Nation Global Compact in the areas of Human Rights, Labors, 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 principals into our business strategy, culture and daily operation. We also commit to share and communicate this information to our stakeholders and the general public using our primary channels to communication.

Sincerely yours,

Saif Ali Rastgar Director

RASTGAR

Since our inception in 1967, Rastgar Engineering Company's relationship with all its customers, employees, suppliers and other stakeholders has been based on universally accepted ethics and human rights principles. Today, I not only renew this commitment of being upright and transparent but also expand by striving to be more green, environment friendly, efficient and making Rastgar a happy place to work for its employees.

Rastgar Engineering Company (REC) is one of the founding members of United Nations Global Compact for Employers in Pakistan. We believe in providing good working environment and training opportunities to improve skills and quality of life of all our team members. Corporate responsibility lies at the heart of the way we do bussiness. We believe that business must done the right way; and so it continues to support UNGC principles not only within Rastgar Engineering Company but also in the community around it.

We abide by all 10 principles of UNGC. We ensure that everyone at Rastgar Engineering Company takes active part towards achievement of these goals. Non-conformity, if any of the policies and practices on human rights, labour, environment and anti-corruption is discussed and reviewed regularly within top management and preventive measures are taken promptly.

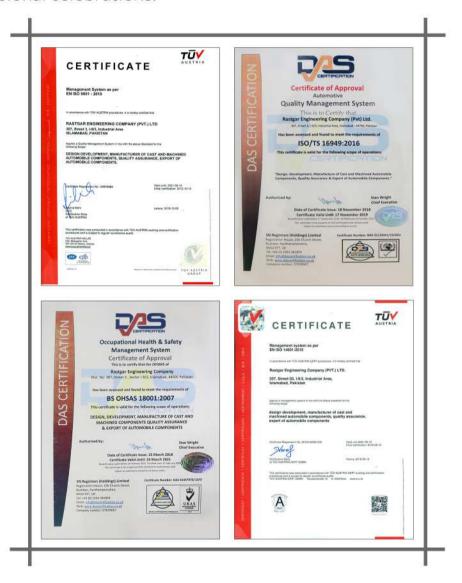






Our policies on human rights, good labour practices, environment, corruption-free operations, quality, occupational hazard, safety and security are communicated at all levels of the company through various mediums.

These policies are displayed within our premises through notice boards, audio-visual announcements, banners, objective statements and meetings and occasional celebrations.



We routinely share company progress and achievements with all stakeholders through annual report, website, and employees hand book, emails and other written communication. Our adherence to the internationally accepted policies and principles has enabled us to achieve recognition and certification under International Standards, including:

- ISO 9001:Quality Management System
- IATF 16949: Development and Manufacturing of Automobile Parts
- OHSAS 18001: Occupational Health and Safety Management System
- ISO 14001: Environmental Management System







We are strong believers in the universally accepted human rights and we take special care to ensure that we do not, even in a small way, indulge into the abuse of any human rights. Our employees are our most valued asset and we continuously invest in their skill development, health and safety, and professional growth.

• Equal Opportunity Employer:

Rastgar is an equal opportunity employer. We ensure fair practices in our hiring and promotion procedures. We give every one equal chance to grow. Female employees are given equal opportunity in all aspects of employment and trainings.

Fair Evaluation and Treatment

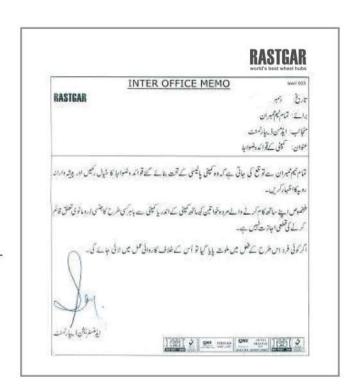
Employees are given fair opportunities to reach higher positions. We provide employees with opportunities for self-fulfillment and growth, and reward them for their accomplishments.

We encourage employees' participation in daily floor meetings, cleanliness drives, safety programs, healthy activities, cafe management affairs, plantation drives etc.



Prevention of Sexual Harassment and AAbuse of Power

We have formed an Inquiry Committee against Sexual Harassment with their main objective of making the work environment harassment-free, professional and dignified, ultimately to make the organization more efficient and productive. Namesof Committee persons with contact numbers are displayed on Notice Boards at all prominent places of company. Employees are free to express their views and suggestions. All employees with questions or concerns about any type of discrimination / harassment are encouraged to bring these issues, with full confidence, to the attention of the Inquiry Committee.



Prohibition of Discrimination

We do not discriminate on the basis of gender, race, religion or political beliefs etc. We believe that diversity brings enrichment and value to our company and therefore we treat all personnel who come in contact with us and all things around with due respect and without any bias.



Prohibition of Forced Labor and Child Labor

We stand against child labour or forced labour. Our minimum age limit for induction is 18 years, which is thoroughly checked by supportive documents. All our employment is on basis of mutual consent, and employees are at liberty to quit as per the agreed terms and conditions. In genuine cases, even the resignation notice period may be waived to suit an individual.



Blood Donation Camp April 20, 2019



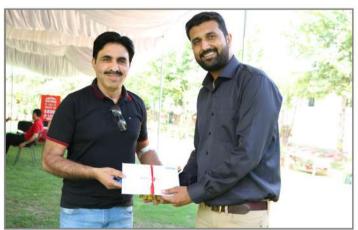
















Children Prize Distribution

















Industrial Visit's



















Trip to Tarbela Dam

















Eid Event at Rastgar























• Employment of Disabled People

We continue to give special consideration to disabled persons who compete with others for employment / promotion. We do not discriminate if job can be performed by a disabled person. All walkways in the company have been re-designed to facilitate movement of disabled people.

Community Welfare

Rastgar proactively incorporates sustainability initiatives in all its business activities; from raw material sourcing to delivery to customer, to ensure truly ongoing execution and improvement of society and our business performance. Rastgar team members are facilitated to engage in community service projects including primary



education, Medicare, Blood donation and disaster relief programs. Rastgar actively participates in the development of local community

development of local community programmes.

- Employment Creation and Skills Development
- Skill Enhancement orientation programs for

University Students

- Scholarships for brilliant students
- Corporate Citizenship Activities
- Plantation Drive
- Support in Disasters



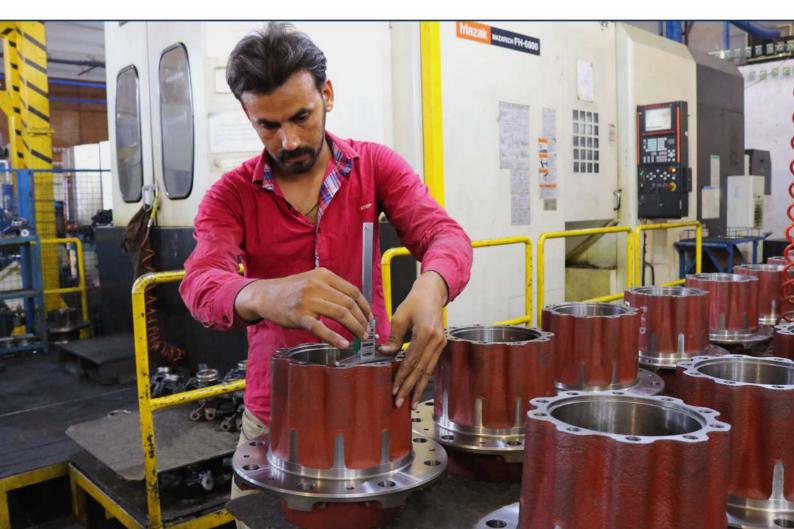


The company fully abides to all local laws such as Minimum Wage Rate, Overtime Payment, Social Security, and Government Pension etc. We comply with all labor laws, fully meet security and human rights requirements and discourage discrimination in all its forms

Mr. Saif Ali Rastgar our MR (Management Representative) meets regularly with WR (Workers Representative) and workers to discuss worker's current issues and other work related problems. Our company is shouldering other wider responsibilities towards the society in general and employees in specific.

Workforce Diversity

Our workforce is a mix of people from different backgrounds. Rastgar employees come from all over the country, irrespective of domicile/origin, ethnicity, religion, gender, or any other non-job dimension. We value our diversity and hire people without discrimination and strictly on merit, from all the five provinces of the country and abroad.







Working Environment

We believe in providing progressive working environment and learning opportunities to improve the skills and salaries of our employees. We provide our team members a conducive and comfortable working environment free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment, action, words, jokes or comments based on individual's sex, race, colour, national origin, age, religion, disability etc.



Health and Safety

Rastgar is an OHSAS 18001:2007 (Occupational Health and Safety Management System) certified Company since the year 2005. We have special focus on safety orientation and emergency response training of all team members. At Rastgar, safety is the priority, as we value precious lives of our team members. We have established appropriate controls, safe work procedures, preventative maintenance and necessary technical protective measures to mitigate health and safety risks in the workplace.



Accident Reporting System

We have an established accident reporting system which records the details of incidents occurring at factory. The purpose of the incident report is to document the exact details while they are fresh in the minds of witnesses. Rates of injuries and total number of work related injuries are recorded and necessary preventive steps are taken.



Working Environment

All our employees are required to abide by Company's Code of Ethics. Every employee has to sign, at the time of induction, a declaration agreeing to our Principles which include a complete guideline on avoiding discrimination, ensuring fair and ethical dealings with all internal and external stakeholders including communities, customers, and suppliers.



RULES AND CODE OF CONDUCT

- > I will always be punctual in coming to office, attending meetings, meeting deadlines etc
- > I will come to work in neat clothes as per company dress code.
- > If I am absent for any reason, I will inform my Manager / Supervisor immediately.
- > I will not indulge in any immoral activity or any behavior which is socially not acceptable.
- I will not indulge in any activity or talk which is against the interests of the company or its management.
- I will not damage, waste or misuse company assets / resources including equipment, raw material, stationary, phone calls, internet and information.
- I will not do anything which will create a conflict of interest with my job. I also understand and fully agree to company policy on inter-employee loans and relationship with company suppliers and service providers.
- > I will not waste time while I am in the company.
- > To promote efficiency, I will keep all communication channels open by quickly responding to all phone calls, SMS messages, emails etc
- If I have spare time available, I will try to find a way to contribute to the company objectives, reduce costs and help others in the company.
- > I will enjoy my work and have fun while also maintaining an environment of decency and respect.
- In case I resign or am terminated, I will serve my notice period and hand over my responsibilities / paper work / documentation in a proper manner.
- > I will be truthful and honest with the management and everyone else that I work with.
- I will try to do my assigned jobs with utmost honesty, responsibility and focus on achieving results and targets.

I have carefully read all the above rules and agree to follow them completely				
Name:	Signature:			
Department:	Date:			

HRM-003



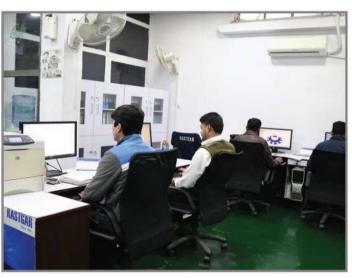
• Performance Measurement

Our supervisors and managers agree on targets which are then measured periodically. Performance of our managers is judged by their success in conforming to the quality and productivity targets.















Employee Development and Training

At Rastgar, we have a culture of continuous learning and on-job-training. We consider development of all unskilled people as our civil and humanitarian responsibility.

Frequent skill enhancement sessions are conducted to engage our team members to learn new skills and polish existing ones. We are associated with various international experts who visit us regularly for technical training and technology transfer. Fire, rescue and emergency trainings are frequently conducted to ensure preparedness for emergencies.

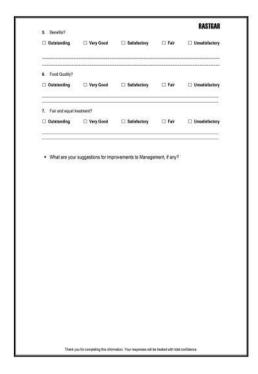


• Employee Feedback

Employees are encouraged to voice their suggestions for improving the Company's performance and efficiency through an 'Employee Suggestion Program', which is an ongoing program. The objective is to get realistic feedback and generate ideas for process improvement, cost savings, safety and efficiency.



Employee Name:			ID No.		
Job Title:			Tenure:		
What are the	reasons for le	aving?			
Select one or mon	e:	10000710			
☐ Higher pay/ Bet	ter benefits		□ New job clos	er to home	
☐ Conflict with other employees			☐ Family and/ or personal reasons		
☐ Other					
Outstanding Work environment		□ Satisfactory	C) Fair	☐ Unsatisfactory	
		☐ Satisfactory	□ Fair	☐ Unsatisfactory	
3. Supervisors?					
☐ Outstanding	☐ Very Good	☐ Satisfactory	□ Fair	☐ Unsatisfactory	
4. Pay?					
☐ Outstanding	☐ Very Good	☐ Satisfactory	□ Fair	☐ Unsatisfactory	



The Human Resource Department also obtains regular feedback from employees on the problem areas and on employee's concerns. An exit interview of all exiting employees is also conducted for feedback on employee satisfaction.





Compensation

We offer our employees industry competitive compensation and benefits. There is no gender discrimination in salary. Basic salary for all male and female employees in the same job positions is identical. Our employment contracts do not violate human rights or labor laws.

Employee Benefits

Rastgar facilitates it's labor through these benefits:

- Financial support / pension to deceased workers' dependents.
- Regular distribution of special food packages.
- Special paid leaves on employees' marriage
- Special financial grants on dependent's marriage.
- Special paid leaves in case of family bereavement.
- Payment of Overtime.
- Reimbursement of extraordinary Medical Cost
- Free meals to employees up to certain level and subsidized meals to others.
- Financial assistance for Hajj
- Well maintained corporate gym
- Interest free loan to workers
- Full time educational Scholarship to workers' children.
- Education assistance to employees' children by providing scholarships to deserving university students, seeking professional education.
- Company sponsored outings and events.







Celebrations at Rastgar

















Christmas Event



















Independence Day at Rastgar



















Iftar Dinner at Rastgar



















Employee's Farewell



















ENVIRONMENT

In line with our vision, Rastgar's ideal is the beautification of its environment, be it through elimination of waste, recycling, or process optimization. At Rastgar, we remain committed to a greener tomorrow. We plant trees every season and our employees are encouraged to participate in such activities in their own communities.





Rastgar has a precautionary approach to environmental challenges and take initiatives to promote greater environmental responsibility. We continuously monitor our environmental performance to prevent pollution and reduce the overall impact of our operations on the environment.

Plantation Drive at Rastgar















Reduction of CO₂

Rastgar has taken technological advancement steps to reduce CO2 gas usage and reduction in disposal of wasted sand. Now, Green Sand is used in preparation of moulds which is reusable causing lesser wastes.





Emission Control aaand Monitoring

To reduce emission of hazardous gases in atmosphere, we have introduced routing hot air from furnace through shower tanks where smoke, soot and heat are absorbed in water.



Studies Services

Studies Services

Studies Services

Environmental Testing Laboratores

Studies Services

Air emissions monitoring is being carried out on monthly basis in our laboratory and bi-annually through EPA approved third party for Carbon Monoxide, NOx, SOx, and Particulate Matter etc. The result of all environmental parameters remains within NEQS limits throughout the year. Results of some key parameters are shown below.



HSE Services

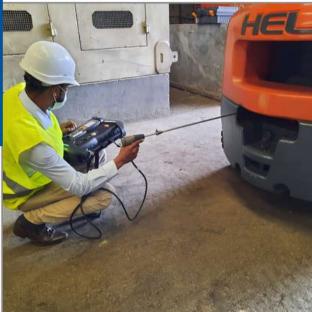
Monitoring is carried out by EPA approved third party.

Audit & Certifications

In pursuance of the ISO 14001 Environmental Management System, all our efforts are made in Rastgar for establishing and improving environment friendly processes. All the machinery and equipment are calibrated periodically to ensure their efficient performance and least possible waste.

Hygiene is maintained in respect of all food and drink items, utensils and the canteen environment Regular environmental, ISO, and HSE risk assessment audits are carried out to ensure safe environment. Any discrepancies found during the audits are analyzed for their risks on safety and appropriate preventive actions are taken.





Waste Management

We have systems in place to ensure the safe handling, movement, storage, recycling / reuse and management of waste, air emissions and wastewater discharges. Waste items are disposed of properly to ensure they do not cause any ill effects on people's health and environment.



Noise Monitoring

Comprehensive noise surveys are carried out within all operational areas where a detrimental noise level may be present. Ear plugs are provided accordingly. Generators, compressors and similar potentially high noise equipment are monitored periodically



Sustainable Resource Use

Rastgar encourages the sustainable use of resources. We constantly advocate conserving of paper, electricity, water, food, and other materials. Inter office memos are also sent to all team members as a refresher.

Paper

Rastgar takes significant steps to reduce paper consumption in the company. We have strived to move towards paperless office environment. Additionally, we prefer to use recycled paper for stationary/ printing; internal memos are circulated through emails. We also encourage our suppliers to use recycled paper to print the company record books.

Electricity

Rastgar has also reduced the electricity consumption by using Energy saving bulbs and LED lights.

Solar Geysers

Solar Geysers are being used in company and it has reduced our natural gas consumption by 5%.

Minimize Leakages

We have been able to reduce energy consumption of air compressors by removing air leakages. Every year, we conduct air and water leakage inspections to identify leakages and take necessary actions to fix the problems.





ANTI CORRUPTION

At Rastgar, transparency in all our operations and management systems is considered top priority and ensured at all levels. We support anti-corruption principle and are committed to continue our 'no-tolerance' policy to any corruption.

All funds, assets, receipts and disbursements are properly recorded in the Books of the Company. Any form of extortion and bribery, given or taken, is considered a serious misconduct as per policy. We take timely action on allegations, if any, of improper labour or corrupt practices, violation of safety precautions and any discriminations etc. An independent Audit Committee ensures monitoring of compliance activities.

Our supplier selection process is fair and we ensure not to add discriminatory terms and conditions. Our suppliers are required to follow our code of conduct and continue their business practices in line with fair competition and in accordance with international standards.

Vendor Policy





Supplier Code of Conduct

Rastgar Engineering Company is established on the best business principles of integrity, commitment and ethical conduct. We expect from all our vendors that they will observe the following Suppliers Code of conduct of our company in order to ensure transparency in their business dealings with us:

1) Gifts & Benefits:

The company and its team members are not allowed to receive any gifts or benefits in cash, in kind or otherwise in any form, from suppliers. All gifts and benefits will be considered as bribery.

2) Bribery / Undue Demands:

The company, its team members and contractors are committed in continuing to uphold highest standards of honesty and fairness in mutual business dealings. No official of the company will receive or give commission or bribe directly or indirectly in any circumstances. You may contact on the following numbers in case any employee of our company demands gifts, cash or other benefits in express or implied manner: 0300-9554543, 0333-5280502

3) Strong Long-standing Relationships:

Rastgar Engineering Company keeps the highest quality standards in focus in order to strengthen long-standing relationships with its business stakeholders. In the same way it expects good product quality and reasonable prices from its suppliers.

4) Timely Payments:

In pursuance of its high traditions and policy, the company will maintain the continuity of timely payments to its vendors.

5) Respect for Human Rights:

Rastgar Engineering Company and its vendors respect human rights and abide by the labor laws. They will never employ child, forced or captive labor and will not discriminate on any ground.

6) Social and Environmental Responsibilities:

All vendors will form good environmental policies. They will control the negative effects of raw materials, production processes and pollution during manufacturing of goods supplied to us.

I Mr. / Ms	(Designation)
(Company)_	do hereby state that we have
read and und	erstood the Suppliers' Code of Conduct of Rastgar Engineering Co.
(Pvt.) Ltd. and	we hereby undertake to observe it in true letter and spirit.
Dated:	Supplier's Sign and Stamp Name:

Reminding REC Team Members to hand over gifts to Administration to minimize conflict of interest



Dear Team Members,

Granum Anlum

This is just an annual refresher about the company policy that all calendars, diaries or other gifts received by REC employees from any company supplier or customer are to be handed over to me immediately for ultimate disposal under SAR directions.

Regards

RASTGAR ENGINEERING CO. Pvt Ltd.

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Web: www.rastgar.com Email:

RastgarEngineeringCompanyPvtLtd

Please consider your environmental responsibility.

Save Energy. Save a tree. Save the printing for something really important.



CONCLUSIVE REMARKS:

This is our report for UN Global Compact for this year. I humbly realize that I and my team have a historic opportunity, through UN Global Compact, to unite all global stakeholders to end extreme poverty, fight inequality and injustice, and protect our planet.

I have taken care to be precise and accurate in our reporting. I personally stand committed to support every Global Compact principle because I really believe that it helps in making a good company culture. Thank you!

SAIF ALI RASTGAR

CEO & Director Hr

Fellow Member: Institute of Cost & Management Accountants of Pakistan

Fellow Member: National Institute of Accountants - Australia Fellow Member: Association of International Accountants - UK Fellow Member: Pakistan Institute of Public Finance Accountants

Member: Chartered Institute of Management - UK