

The United Nations Global Compact Communication On Progress (COP)



Name of Organization: **SQUARE Pharmaceuticals Ltd**

Sector: Pharmaceuticals & Biotechnology

Website: www.squarepharma.com.bd

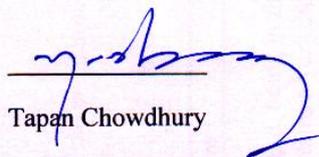
Country of Headquarter: Dhaka, Bangladesh

Reporting Period: **January 2014 to December 2014**

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 2015.



Tapan Chowdhury
Managing Director

UNGC Principles 1 and 2

Human rights: Businesses should support and respect the protection of internationally proclaimed human rights and make sure they are not complicit in human rights abuses.

Commitments	Project and activities	Impacts and Results 2014
<p>We at SQUARE strive to ensure that our activities support the fundamental human rights, set out by the United Nation’s Bill of Rights.</p>	<ul style="list-style-type: none"> ✓ SQUARE Pharmaceuticals Ltd, being in the pharmaceutical sector, 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. ✓ 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). 	<ul style="list-style-type: none"> ➤ The number of Continual Medical Education (CME) programs conducted in 2014 by Medical Services Department were 527 and the number of participants were 37553 ➤ The number of seminars and clinical meetings conducted in 2014 by Veterinary Services Department were 298 and the number of participants were 9735 ➤ These clinical meetings and seminars have the following impacts <ul style="list-style-type: none"> • A wealth of knowledge is shared among medical professionals. • A close relation with the physician community is maintained • Product knowledge of the participants is increased significantly. • Medical professionals receive updated information on different drugs and other relevant information. • A better informed and educated community of doctors creates a win-win situation for all the stakeholders.

- ✓ 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).

- ✓ SQUARE Publications: SQUARE publishes bulletins on a quarterly & half-yearly basis which are distributed among the physicians of Bangladesh. They are Product Guide, Oshudh Nirdeshika, The Square, Diabetes Newsletter, Asthma Focus, Women's Health, Neurotale, Insight Heart, GI café, Allergy Newsletter, e-Square

- ✓ SQUARE Pharmaceuticals Ltd. sponsored the SQUARE-NDDC 26TH National Debate Competition 2014 as a Title Sponsor organized by Notre Dam Debating Club.

- ✓ SQUARE Pharmaceuticals Ltd. has participated as the title sponsor in the "SQUARE-Notre Dame Annual Science Festival 2014 & 24th GKC".

- In 2014, SQUARE published 26 bulletins. As a result of this initiative, the physician community is supported with contemporary and critical issues related to medicine, disease, medical innovation etc.

- Debaters from 40 different Schools, Colleges, Universities and clubs from different parts of the country took part in the competition in a festive manner.

- Students of different schools and colleges presented their science projects in the form of a report, display board, and models in this science festival to enrich their science knowledge. Other activities like Science Olympiad, General Knowledge competition, Webpage designing etc. took place during the event.

- ✓ SQUARE Pharmaceuticals Ltd. supports 'School of Hope' (a non-profit, non-political, non-religious educational institute) medicines & other daily-need appliances. The school provides quality education & health-support to 200 disadvantaged children every day.
- ✓ SQUARE Kindergarten & High School provides education and educational facilities to the children of the employees as well as the children of the local community.
- ✓ SQUARE recognizes the merits of higher educated students and awards Gold Medal to the student of Dhaka Medical College who secures the highest mark.
- ✓ SQUARE Textiles Ltd. provides pick & drop services with school buses for the children of factory employees.
- ✓ SQUARE Toiletries Ltd. is involved in a continuing fund raising program with the Acid Survivors Foundation. We are committed to provide Tk 1 from each of the sold unit of Senora 10 pad belt and panty.

- In February 2014, the donation was handed over to Mr. Md. Salim, the school principal. The donation included 2250 units of medicines and more than 400 toiletries products. As a result of this donation, institution received the necessary resources to function efficiently and information on SQUARE and its products were disseminated among children and the community.
- As of 2014, there is a total of 531 students in SQUARE Kindergarten & High School out of which 263 are female and 268 are male. This initiative enables the children of the employees to receiving quality education at a subsidized rate and creates employee satisfaction. The children of the local community are equally benefitted with quality education.
- This recognition and award boosts morale of the student and creates future customers for SQUARE.
- Currently, 145 students are enjoying hassle free journey as a result of this service
- SQUARE stands alongside the acid victims assisting them with rehabilitation and creates awareness among people.

- ✓ SQUARE established Dishari Computer Training Institute in Pabna to train the underprivileged community and enable them to build their future with contemporary knowledge in computer science.
- ✓ SQUARE operates a fuel station named Eakub Filling Station which is run by women employees.
- ✓ SQUARE Toiletries Ltd. is partnering one of the projects of CARE by empowering women of JITA and BRAC. CARE, JITA and BRAC are humanitarian organizations committed to helping families in poor communities improve their lives and alleviate poverty. The project enables rural women to purchase our products from hubs at Trade Price (TP) and sell it to households at Maximum Retail Price (MRP), keeping the margin (not less than 10%) for themselves.
- ✓ SQUARE Toiletries Ltd. provides health & hygiene information to adolescent girls under the brand “Senora”. This is a free campaign in association with “Campaign for Popular Education (CAMPE)” that creates awareness

- Dishari Computer Training Institute offers an alternative training solution to the section of the community unable to afford costly training programs. Trainees are empowered as prospective users of future technology enabling them to build their future with contemporary knowledge in computer science. In 2014, a total of 62 students received training out of which 36 are female and 26 are male.
- The station generates employment opportunities to rural women allowing them to be self-sufficient. There are 6 women working as fuel operators at the moment.
- At present, 7000 JITA women and 90000 BRAC women are empowered as they are able to have their own source of income.
- This awareness program covered 3.6 million girls till 2014 (over last 4 years) educating them about menstruation facts and made them ready for a healthier future. It also introduced our products to them.

among High School girls.

✓ “Meril Baby” (a brand of SQUARE Toiletries Ltd.) takes initiatives to make life better for Bangladeshi mothers by informing them of breastfeeding benefits and by helping them guide their babies to a healthy future. SQUARE Toiletries Ltd. also disseminates vaccination information for Polio elimination from Bangladesh

✓ SQUARE Toiletries Ltd. along with ‘Save the Children and ‘Bill & Melinda Gates foundation’ initiated a 24/7 helpline system for young mothers named ‘Supermom’.

✓ Maasranga Television (a sister concern of SQUARE Group) broadcasts live “SQUARE Hospital Doctor’s Chamber” every Friday. This is a program where Doctors and senior consultants communicate directly with patients over telephone, providing valuable information and advice on various important topics related to diseases, treatment etc.

➤ 3.3 million mothers were benefitted with adequate knowledge on breastfeeding, helping them guide their babies to a healthy future.

➤ More than 30 thousand mothers took advice for their babies’ health problems through this helpline in 2014.

➤ Creates health awareness among the mass population.

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| <ul style="list-style-type: none"> ✓ SQUARE Toiletries Ltd. has been a part of postpartum hemorrhage (PPH) reduction intervention of ICDDRB. ✓ “Meril Splash” (a brand of SQUARE Toiletries Ltd.) engaged Dr. Mehtab Khanom, an eminent educationist and activist in the field of psycho-social counseling for psychological counseling through Supermom number regarding various complexities and problems related to health and psychology of babies that parents face during rearing them. She and her associates advice not only about baby’s mental health but also about mental health in elderly. ✓ SQUARE Toiletries Ltd. took initiative to educate children to clean germ from hands through “Hand Sanitization Program” in different schools. ✓ SQUARE teamed up with CSR Center to launch Women Principles in Bangladesh which is intended focus on women empowerment. It is an essential directory and a supportive guidebook to women who wants to transform their lives through a progressive approach. | <ul style="list-style-type: none"> ➤ Postpartum hemorrhage (PPH) declined by 40% over the past 9 years; the Maternal Mortality Ratio (MMR) in Bangladesh is now 194 per 100,000. ➤ There are a limited number of psychiatrists against a huge number of patients (10 million). As a result everyone does not get easy access to this few psychiatrists. Through this initiative, SQUARE made it easier for people to receive psycho-social counseling. ➤ This program is helping children to make a habit of washing their hand when they are exposed to dirt and germs. SQUARE Toiletries Ltd. also placed Sepnil hand wash for free in the washroom of around 20 schools last year. ➤ In 2014, 1 million of this directory in Bengali language has been published through our brands – Senora and SUPERMOM. This initiative came to empower women and help the country to grow further. |
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✓ SQUARE Toiletries Ltd. stood beside the people who were suffering from cold winter by partnering with JAAGO Foundation (a non-profit organization catering to the education needs of children from socially and economically disadvantaged background) for a winter clothing drive. The whole country was connected through social and mainstream media to create awareness among the mass. There were many collection points in almost every corner of the country and JAAGO distributed the blankets in the most impoverish areas.

➤ This initiative provided the poor with comfort and much needed warm clothes.

UNGC Principles 3, 4, 5 and 6

Labor standards: Businesses should uphold the freedom of association, the effective recognition of the right to collective bargaining, the elimination of all forms of forced and compulsory labor, the effective abolition of child labor and the elimination of discrimination in respect of employment and occupation.

Commitments	Project and activities	Impacts and Results 2014
<p>We respect the right of workers to join an association and engage in constructive dialogue with the workers' representatives.</p> <p>We follow ethical practices and labor standards at workplace. At SQUARE, we do not recruit any child labor and do not have any forced/bonded labor engagement policy. We also provide safe working conditions for all.</p> <p>We appreciate the individuality of our workers and treat them fairly, equally and respectfully regardless of personal characteristics such as nationality, gender, age, ethnicity, religion, or disability.</p>	<ul style="list-style-type: none"> ✓ SQUARE Pharmaceuticals Ltd. established Workers' Trade Union named "SQUARE Kormochari Samity" (Registration No: 1322). ✓ Detailed background and reference verification is done as a part of recruitment & selection process to ensure no child is employed. ✓ Competency based recruitment system are carried out. Employees are selected based on their skills and competence. ✓ HR policies are continuously updated as per the Labour Law of the country. ✓ SQUARE Pharmaceuticals Ltd. runs the program "Shohoj Kisti Reen Prokalpa" under which all unionized employees can take loan to purchase necessary home appliances with a small service charge. 	<ul style="list-style-type: none"> ➤ There are around 1300 members of the Trade Union. As a result of this Union, the door to negotiation with management is open and the various concerns of the workers are addressed. ➤ This ensures compliance with the Labor Law. ➤ Last year a total of 744 employees were recruited under the system. ➤ Any possibility of discrimination based on gender, race or religion is eliminated. ➤ In 2014, a total of 280 employees were benefited by this scheme.

- ✓ Female employees do not work during night shift operations.
- ✓ All of our employees are covered under mandatory Group Life Insurance Scheme.
- ✓ SQUARE Pharmaceuticals Ltd. is providing profit sharing through WPPF (Workers' Profit Participation Fund) which is a direct payment & equally distributed to the employees depending on company's profitability.
- ✓ SQUARE Pharmaceuticals Ltd. allows festival leave, sick leave, casual leave & annual leave for all its employees.
- ✓ SQUARE Textiles Ltd. provides day care facilities to the children of women workers.

- This ensures compliance with the labor law.
- This ensures compliance with the Labor Law and employee satisfaction.
- The plan promotes healthy employer-employee relationship and is an additional earning for employees as it is paid in addition to salary and bonuses.
- Ensures compliance with the Labor Law.
- There are 3 babysitters taking care of 16-20 children from 8 am to 5 pm.

Principles 7, 8 and 9

Environment: Businesses should support a precautionary approach to environmental challenges and undertake initiatives to promote greater environmental responsibility. Businesses should also encourage the development and diffusion of environmentally friendly technologies.

Commitments	Project and activities	Impacts and Results 2014
<p>We strive to be a leader in all aspects of environmental protection and systematically identify and manage environmental risks in our activities and over the entire value chain of our products and services. We make efficient use of natural resources and minimize the environmental impact of our activities and products over their life cycle.</p>	<ul style="list-style-type: none"> ✓ We maintain large greeneries around SQUARE establishments. ✓ We utilize Effluent Treatment Plant (ETP) in our manufacturing plants. Purified water through ETP is used to maintain Green belt around plants. SQUARE's Environmental license has been updated on a continuous basis. ✓ We use incinerators for disposing solid wastes to protect the environment from pollution. The exhaust temperature is cooled down to 200 deg C from 1100 deg C during operation. 	<ul style="list-style-type: none"> ➤ Green landscaping & roof garden have been developed on different floors & levels at our plant in Kaliakor. More than 200,000 sft area has been developed & about 250,000 sft area is under development. ➤ More than 200 plants of different types have been planted. ➤ 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). ➤ In 2014, a total of 47315 kilograms of waste were disposed through incinerator. ➤ The cooling of exhaust temperature prevents atmosphere warming.

- ✓ ETP's treated water has been planned to reuse for gardening & plantation purpose.
- ✓ In the office areas, canteen, café & reception areas- large glass wall panels have been placed
- ✓ A lake has been designed in our plant which is under development to store surface water.
- ✓ Energy saving & LED lamps have been installed for street & indoor lights.
- ✓ Motion sensors for lights have been introduced in big corridors of the building & other places where there are less personnel movement.
- ✓ All exhausts from the production buildings during production process are HEPA filter controlled.
- ✓ All generator & boiler exhausts are made as per standard height.

- It will reduce use of underground water consumption
- This ensures daylight in those areas
- It will be used as a reservoir of fire water and also to increase aesthetics.
- 60 LED street lights & thousands of energy savings lamps have been installed and reduced power consumption.
- The motion sensors are working well especially in the technical corridors & fire stairs where there are less personnel movement.
- No environmental pollution is being taken place from production process since all air borne particles are arrested in HEPA filter.
- Exhaust is being released at a high level (22 m) from ground level

✓ At Sabazpur Tea Co. Ltd., (a sister concern of SQUARE Group), we use organic fertilizer to produce tea. The tea garden uses natural pest & controls weed manually. It uses only renewable resources and maintains the soil's fertility.

✓ SQUARE Herbal & Nutraceuticals Ltd. (SHNL) seeks to reduce and reverse the adverse effects on the environment by Green Product Designs especially for 'Basak cultivation' (Medicinal Plant). The company produces herbal medicine such as "Adivas" which not only impacts in environment positively but increases social values and integrity.

- Environmental friendly practices ensure protection of wildlife and maintenance of biodiversity.
- Soil erosion is prevented.

- Apart from the fact that there are about 60,000 marginal farmers/families who are earning through this medicinal plant cultivation, there are a number of environmental impacts of this initiative:
 - Huge cultivation of medicinal plant in the abundant land has enhanced forest development (450 KM road side)
 - Use of natural pesticides and organic fertilizer enhanced the caring for environment.
 - Roadside basak cultivation decreased soil erosion.

Principle 10

Anti-corruption: Businesses should work against corruption in all its forms, including extortion and bribery.

Commitments	Project and activities	Impacts and Results 2014
<p>At SQUARE, we do not tolerate any forms of bribery and corruption. Our employee code of conduct describes various policies and practices regarding appropriate conduct that are aimed to promote acceptable standards for the business and provides the employees a professional work environment. We observe the highest standards of professionalism in daily business activities.</p>	<ul style="list-style-type: none"> ✓ SAP ERP Systems integrate the core business functions/processes. ✓ 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. ✓ All newly joined employees went through orientation program on business ethics & anti-corruption. 	<ul style="list-style-type: none"> ➤ Transparency in the transactions of the company is ensured. ➤ Company assets are safeguarded against misappropriation and fraud. ➤ Operations of company are run effectively and efficiently. ➤ Cost of the company is optimized. ➤ Built awareness in newly joined employees.