

July 18, 2016

# The UN Global Compact Communication on Progress

In July 2014 KGAL Consulting Engineers signed up to the United Nations Global Compact Initiative. Following last year's update I am pleased to report that KGAL continues to actively support the initiative's ten principles covering human rights, labour, the environment and anti-corruption.

In this annual Communication on Progress (CoP) we describe our actions to maintain and continually improve the integration of those principles into our business strategy, culture, behaviours and working practices. We also commit to sharing this information with our stakeholders using primary channels of communication.

In April 2016 KGAL became a wholly owned subsidiary of Whessoe Sdn Bhd.

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## Human Rights Principles

Businesses should:

- 1 Support and respect the protection of internationally proclaimed human rights
- 2 Make sure that they are not complicit in human rights abuses

### Assessment, policy and goals

KGAL actively supports the Universal Declaration of Human Rights (UDHR) and has policies in place which determine such things as a safe working environment for employees and the standards of behaviour we expect our staff to adopt in relation to each other, our clients, our suppliers and all others with whom, in the course of KGAL's work, they may come into contact. These policies extend to anti-harassment and bullying, discrimination and equal opportunities, conflicts of interest, compassionate leave, victimisation and bribery.

We remain mindful that the behaviours and customs by which we live and operate in the UK may not be the accepted standard elsewhere. Whilst we welcome and celebrate cultural diversity we will not work for businesses tainted, directly or indirectly, by human rights abuses or for which the standards of conduct and behaviour fall short of UDHR expectations.

### Implementation

All new employees are made aware of these policies; their knowledge of them and their access to the specific policy statements is authenticated by their own signed confirmation. Existing employees also provide a signature during their annual review and appraisal to confirm that they too are aware of, and adhere to, these codes of conduct. The policies include KGAL's approach in respect of disciplinary and grievance procedures.

KGAL continues to ensure that its human resource policies are up to date and, with regard to disciplinary procedures, follow the UK ACAS code of practice. We are also in the process of updating our contracts of employment for all employees, allowing the employees time (consultation) to raise any issues they may have.

We continue to invest in training in Health & Safety to ensure that all relevant staff have the right skills and knowledge to carry out their work safely'.

Our suppliers (major office suppliers and sub-contractors) are also expected to comply with the expectations of the UDHR and Global Compact and provide evidence through our questionnaire which, in addition establishing their direct confirmation of support, encourages them to ensure *their own* supply chain meets these standards. In exceptional circumstances we reserve the right to undertake a fuller audit of a supplier which may include visiting their premises.

### Outcomes

Over the past year KGAL has not been subject to any investigations, legal cases or incidents involving human rights.



## Labour Principles

Businesses should:

- 3 Support the freedom of association and the effective recognition of the right to collective bargaining
- 4 Support the elimination of all forms of forced and compulsory labour
- 5 Support the effective abolition of child labour
- 6 Support the elimination of discrimination in respect of employment and occupation

### Assessment, policy and goals

KGAL does not discriminate, employ child labour, employ forced labour or prevent staff from any form of free association. All staff have a contract of employment which clearly states their terms and conditions (pay, holidays, etc.) and a job description which explains their responsibilities and limits of authority. They are made aware of the intranet-hosted staff handbook which covers almost all general issues in the employer / employee relationship: from company benefits to disciplinary procedures.

In overseas markets we will not work for or with businesses which don't uphold the same standards of labour relations as defined by the fundamental conventions of the International Labour Organisation, or where the safety, social justice and human dignity of employees are neglected or relegated.

### Implementation

KGAL has a number of human resources policies which address codes of conduct, terms and conditions, equality, diversity and other standards relevant to the employer / employee relationship. All employees are expected to adhere to these policies and confirm annually that they are aware of them.

In construction or water environments there is an inevitable element of risk. In these instances KGAL always establishes a full and professional risk assessment; ensures that all staff have the right training to deal safely with the expected and any unexpected situations they may face, and that all are issued with the correct personal protection equipment (PPE) such as the appropriate work wear.

We regularly run safety compliance checks in-house and employ external auditors to verify our safety, health, environment and quality performance (CHAS) to internationally recognised standards.

### Outcomes

Over the past year KGAL has not been subject to any investigations, legal claims or other actions (in the UK or elsewhere) relating to labour principles. There have been no fatalities or reported accidents or incidents of any kind.



## Environmental Principles

Businesses should:

- 7 Support a precautionary approach to environmental challenges
- 8 Undertake initiatives to promote greater environmental responsibility
- 9 Encourage the development and diffusion of environmentally friendly technologies

### Assessment, policy and goals

KGAL is committed to long term reductions in its CO2 output by reusing, recycling, reducing waste and reducing land and air mileage. As hydropower and tidal energy engineers we are also dedicated to promoting and championing of renewable energy to maximise sustainability in all its forms (animal, vegetable and mineral).

### Implementation

KGAL achieved higher levels of accreditation for its SHEQ Management System (Safety, Health, Environment and Quality); in late July 2015 external audits approved OHSAS18001: 2007 for Health & Safety and ISO14001:2004 for Environment. Although separately certified the standards have been integrated within KGAL's management system and are globally recognised indicators of competence.

All relevant commercial work we undertake is implemented under the rules of the Hydropower Sustainability Assessment Protocol.

KGAL has introduced video conferencing and Skype to minimise inter-office travel.

### Outcomes

KGAL has not had incurred any reportable environmental incidents within the last year.



## Anti-corruption Principles

Businesses should:

10 Work against corruption in all its forms including extortion and bribery.

### [Assessment, policy and goals](#)

KGAL is compliant with the UK Bribery Act 2010 and has issued policies and guidance notes to staff prohibiting bribery (as a giver, receiver, intermediary or confidant) and accepting lavish hospitality and gifts from third parties. The principles apply to corruption and real or perceived extortion.

### [Implementation](#)

KGAL asks all employees at their annual appraisal and review to confirm in writing that they understand and adhere to the law and uphold behaviours and codes of conduct cognisant with KGAL's policies irrespective of the customs and practices of the countries in which they are working.

### [Outcomes](#)

KGAL has not been the subject of any investigation, legal claim, civil or criminal action relating to anti-corruption principles.

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